

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

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF BIG</b>	)	
<b>SANDY WATER DISTRICT FOR AN</b>	)	<b>CASE NO. 2022-00044</b>
<b>ADJUSTMENT OF ITS WATER RATES</b>	)	
<b>PURSUANT TO 807 KAR 5:076</b>	)	

**APPLICATION**

Pursuant to KRS 278.180, Big Sandy Water District (“Big Sandy District” or “Applicant”) applies for an adjustment of its rates for water service under the procedures set forth in 807 KAR 5:076. Big Sandy District proposes rates for water service that will increase revenues approximately \$173,627 over adjusted test period revenues and requests authority to assess a monthly surcharge of \$6.15 on each customer bill for a period of 5 years, the proceeds of which will be used solely for the reduction of unaccounted-for water.

In support of its Application, Big Sandy District states:

1. The full name and post office address of Big Sandy District is: Big Sandy Water District, 18211 State Route 3, Catlettsburg, Kentucky 41129. Its e-mail address is bdistrict@windstream.net. Its telephone number is (606) 928-2075.

2. Copies of all orders, pleadings and other communications related to this Application should be directed to:

Jessica Sexton  
Office Manager  
18211 State Route 3  
Catlettsburg, KY 41129  
(606) 928-2075  
bdistrict@windstream.net

3. Applicant provides water service to portions of Boyd, Carter, Johnson, and Lawrence Counties, Kentucky. In its operations for the year ending December 31, 2020, Applicant's gross annual revenues from water service operations did not exceed \$5,000,000.

4. Applicant has filed an annual report with the Public Service Commission for the two previous years.

5. Applicant's records are kept separate from other commonly-owned enterprises.

6. Applicant is a water district organized pursuant to KRS Chapter 74.

7. An electronic copy of this Application (or a hyperlink enabling the receiving party to access and download an electronic copy of this Application) has been electronically mailed to Office of Rate Intervention, Office of Attorney General at [rateintervention@ky.gov](mailto:rateintervention@ky.gov).

8. Applicant has more than 20 customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this Application as Exhibit L.

9. Applicant requires a rate adjustment for the reasons set forth in Attachment SR ("Reasons for Application) which is attached to this Application as Exhibit A.

10. Applicant proposes to charge the rates that are set forth in Attachment CPR ("Current and Proposed Rates"), which is attached to this Application as Exhibit B.

11. Applicant proposes to use its annual report for the immediate past year, as defined by 807 KAR 5:076, Section 1(2), as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2020.

12. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount

of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in Attachment SAO-W (“Statement of Adjusted Operations”) and which is attached to this application as Exhibit C.

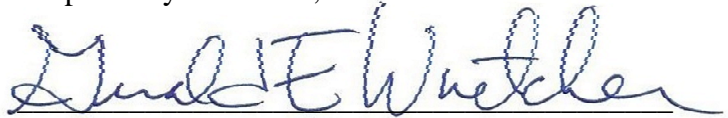
13. When applied to Applicant’s test period operations, as adjusted for known and measurable changes, the methodology that the Public Service Commission has historically used to establish rates to test period operations shows that Applicant requires additional revenues of \$173,627 and total revenues from service rates of \$2,810,998. The manner in which these amounts were calculated is set forth in Attachment RR-DC (“Revenue Requirement Calculation”), which is attached to this application as Exhibit D.

14. Big Sandy District further proposes to assess a monthly surcharge of \$6.15 on each customer bill for a period of five years, which is expected to produce annual revenues of approximately \$354,000. For the year ending December 31, 2020, Applicant experienced unaccounted-for water loss of 44 percent. Pursuant to 807 KAR 5:066, Section 6(3), for rate making purposes a water utility’s unaccounted-for water loss may not exceed fifteen (15) percent of total water produced and purchased, excluding water used by a utility in its own operations. As a result, the Public Service Commission is required to disallow from rate recovery approximately \$354,000 in purchased water and purchase power expense incurred during the test period. Applicant proposes that the Public Service Commission permit Applicant to recover this amount in the form of a monthly surcharge whose proceeds will be used for water loss reduction efforts and only following Public Service Commission approval of each specific use. A description of the Applicant’s water loss problems, the proposed surcharge, and the conditions that Applicant proposes to be placed on the surcharge and the uses of surcharge proceeds are set forth in Exhibit N to this Application.

15. As of the date of the filing of this application, Applicant had 4,800 customers.
16. A billing analysis of Applicant's current and proposed rates is set forth in Attachment BA-DB ("Billing Analysis") and is attached as Exhibit E to this Application.
17. Applicant's depreciation schedule of utility plant in service as of December 31, 2020 is attached to this application as Exhibit F-1.
18. Applicant has outstanding evidences of indebtedness and has attached a copy of each outstanding evidence of indebtedness at Exhibit G of this Application and a copy of the amortization schedule for each evidence of indebtedness at Exhibit H of this Application. The calculation of Applicant's debt service requirements, including coverage requirements, is found at Exhibit I of this Application
19. Applicant is not required to file state and federal tax returns.
20. None of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
21. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person that 807 KAR 5:076, §4(h) requires to complete such form. These forms are attached as Exhibit J to this application.
22. A resolution of Applicant's governing body authorizing the submission of this application is attached as Exhibit K to the application.
23. By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

Dated: March 25, 2022

Respectfully submitted,

A handwritten signature in blue ink that reads "Gerald E. Wuetcher". The signature is written in a cursive style and is positioned above a horizontal line.

Gerald E. Wuetcher  
Stoll Keenon Ogden PLLC  
300 West Vine St. Suite 2100  
Lexington, Kentucky 40507-1801  
Telephone: (859) 231-3017  
Fax: (859) 259-3517  
gerald.wuetcher@skofirm.com

*Counsel for Big Sandy Water District*

COMMONWEALTH OF KENTUCKY) ) SS  
COUNTY OF BOYD ) )

The undersigned, Paul Thomas, being duly sworn, deposes and states that he is the Chairman of the Big Sandy Water District Board of Commissioners; that he has read this Application and has noted its contents, including attachments; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true; and that he is authorized by the Big Sandy Water District Board of Commissioners to sign and file this application.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on this 24<sup>th</sup> day of March, 2022.

Paul E Thomas  
Paul Thomas  
Chairman, Board of Commissioners  
Big Sandy Water District

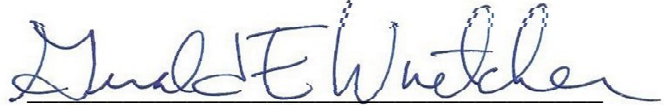
Subscribed and sworn to before me by Paul Thomas, Chairman, Big Sandy Water District Board of Commissioners, on this this 24<sup>th</sup> day of March, 2022.



Bobbi Burton  
Notary Public  
Notary ID: 633516  
My Commission expires: 10/14/2023

**CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on March 25, 2022 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding.

A handwritten signature in blue ink that reads "Gerald E. Wuetcher". The signature is written in a cursive style with a horizontal line underneath the name.

Gerald E. Wuetcher

## **EXHIBITS TO APPLICATION**

<b><u>Exhibit</u></b>	<b><u>Document</u></b>
A	Attachment SR – Reasons for Application
B	Attachment CPR – Current and Proposed Rates
C	Attachment SAO-W – Statement of Adjusted Operations
D	Attachment RR-DC – Revenue Calculation Form – Debt Coverage
E	Attachment BA-DB – Billing Analysis
F	Depreciation Schedule
F-1	Depreciation Schedule for Utility Plant in Service as of December 31, 2020
F-2	Adjusted Depreciation Schedule
G	Bond Resolutions/Evidences of Indebtedness
G-1	Bond Resolution – Rural Development Series 2014 Bonds (Series A and B)
G-2	Bond Resolution – Rural Development Series 2020 Bonds (Series A and B)
G-3	Assistance Agreement with Kentucky Rural Water Finance Corporation (2013)
G-4	Assistance Agreement with Kentucky Rural Water Finance Corporation (2020)
H	Debt Amortization Schedules
H-1	Rural Development Series 2014 Bonds (Series A)
H-2	Rural Development Series 2014 Bonds (Series B)
H-3	Rural Development Series 2020 Bonds (Series A)
H-4	Rural Development Series 2020 Bonds (Series B)
H-5	Kentucky Rural Water Finance Corporation (2013)
H-6	Kentucky Rural Water Finance Corporation (2020) (Series A)
H-7	Kentucky Rural Water Finance Corporation (2020) (Series B)
I	Debt Service Requirement and Coverage Calculation
J	ARF Form 3 - Statement of Disclosure of Related Party Transactions



## **EXHIBITS TO APPLICATION**

<b><u>Exhibit</u></b>	<b><u>Document</u></b>
K	A Resolution of The Board of Commissioners of Big Sandy Water District Authorizing an Application to the Kentucky Public Service Commission for Authority to Adjust Rates for Water Service
L	Compliance with Notice Provisions of 807 KAR 5:076
M	Cost Justification for Proposed Nonrecurring Charges
M-1	Cost Justification Sheet for Proposed Standard Meter Connection Rate
M-2	Cost Justification Sheet for Proposed Standard Meter Connection Rate (Second Tap Off of Original Connection)
N	Proposed Water Loss Detection and Control Program Surcharge
N-1	Need for and General Description of Proposed Surcharge
N-2	2021 Water Loss Reports
N-3	Proposed Tariff Sheets
N-4	Supporting Evidence
O	General Ledger
O-1	General Ledger (2020) (Embedded Spreadsheet Only)
O-2	General Ledger (2021) (Embedded Spreadsheet Only)
P	Trial Balances
P-1	Trial Balance (2020)
P-2	Trial Balance (2021)
Q	Adjusting Journal Entries (2020)
R	Revenues from Nonrecurring Charges and Meter Connection Fees
S	Employee Wage Increases (Test Period and Post-Test Period)
S-1	Minutes of May 2021 Board of Commissioners Meeting
S-2	A Resolution of the Board Of Commissioners of Big Sandy Water District to Increase the Hourly Wage Rate of Its Employees (February 2022)
T	Materials Re: Commissioner Salaries

## **EXHIBITS TO APPLICATION**

<b><u>Exhibit</u></b>	<b><u>Document</u></b>
T-1	Fiscal Court Authorizations for Payment of Commissioner Salary
T-2	Commissioner Compensation (2016-2021)
T-3	Evidence of Commissioner Attendance at Water Management Training (2020)
T-4	Evidence of Commissioner Attendance at Water Management Training (2021)
U	Insurance
U-1	Property and General Liability Invoices
U-2	Workers Compensation Insurance Invoices
U-3	Health Insurance Monthly Statements
U-4	Dental Insurance
V	Purchase Power Expense Adjustment Calculations
W	Minutes of Meeting of Board of Commissioners (January 2019 – December 2021)
W-1	Minutes (January 2019 – December 2019)
W-2	Minutes (January 2020 – December 2020)
W-3	Minutes (January 2021 – December 2021)
X	Documents Filed Separately With Application

# **EXHIBIT A**

**REASONS FOR APPLICATION**

**(In the space below list all reasons why the Applicant requires a rate adjustment. Describe any event or occurrence of significance that may affect the Applicant's present or future financial condition, including but not limited to excessive water line losses, regulatory changes, major repairs, planned construction, and increases in wholesale water costs.)**

Applicant requires an adjustment of rates to meet increased costs to provide water service. Applicant further requires funds to initiate a water loss reduction program to reduce its high level of water loss, which in the test period was 44 percent. Applicant proposes to obtain these funds through the assessment of a monthly surcharge. The proceeds of this surcharge would be used solely for water loss effects and their use would be subject to close Public Service Commission scrutiny.

# **EXHIBIT B**

**CURRENT AND PROPOSED RATES**

**CURRENT RATES**

**5/8-Inch x 3/4-Inch Meter**

First 1,000 Gallons	\$ 18.25 Minimum Bill
Next 9,000 Gallons	0.00940 Per Gallon
Next 10,000 Gallons	0.00640 Per Gallon
Next 20,00 Gallons	0.00595 Per Gallon
Over 40,000 Gallons	0.00570 Per Gallon

**1-Inch Meter**

First 10,000 Gallons	\$ 102.85 Minimum Bill
Next 10,000 Gallons	0.00640 Per Gallon
Next 20,00 Gallons	0.00595 Per Gallon
Over 40,000 Gallons	0.00570 Per Gallon

**1 1/2-Inch Meter**

First 20,000 Gallons	\$ 166.85 Minimum Bill
Next 20,00 Gallons	0.00595 Per Gallon
Over 40,000 Gallons	0.00570 Per Gallon

**2-Inch Meter**

First 40,000 Gallons	\$ 285.85 Minimum Bill
Over 40,000 Gallons	0.00570 Per Gallon

**3-Inch Meter**

First 100,000 Gallons	\$ 627.85 Minimum Bill
Over 100,000 Gallons	0.00570 Per Gallon

**4-Inch Meter**

First 200,000 Gallons	\$1,197.85 Minimum Bill
Over 200,000 Gallons	0.00570 Per Gallon

Wholesale	0.00570 Per Gallon
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5/8-Inch Service Connection Fee	\$ 835.00
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5/8-Inch Service Connection (Second Tap) Fee	\$ 600.00
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**CURRENT AND PROPOSED RATES**

**PROPOSED RATES**

**5/8-Inch x 3/4-Inch Meter**

First 1,000 Gallons	\$ 19.45 Minimum Bill
Next 9,000 Gallons	0.01002 Per Gallon
Next 10,000 Gallons	0.00682 Per Gallon
Next 20,00 Gallons	0.00634 Per Gallon
Over 40,000 Gallons	0.00608 Per Gallon

**1-Inch Meter**

First 10,000 Gallons	\$ 109.62 Minimum Bill
Next 10,000 Gallons	0.00682 Per Gallon
Next 20,00 Gallons	0.00634 Per Gallon
Over 40,000 Gallons	0.00608 Per Gallon

**1 1/2-Inch Meter**

First 20,000 Gallons	\$ 177.83 Minimum Bill
Next 20,00 Gallons	0.00634 Per Gallon
Over 40,000 Gallons	0.00608 Per Gallon

**2-Inch Meter**

First 40,000 Gallons	\$ 304.67 Minimum Bill
Over 40,000 Gallons	0.00608 Per Gallon

**3-Inch Meter**

First 100,000 Gallons	\$ 669.18 Minimum Bill
Over 100,000 Gallons	0.00608 Per Gallon

**4-Inch Meter**

First 200,000 Gallons	\$1,276.71 Minimum Bill
Over 200,000 Gallons	0.00608 Per Gallon

Wholesale	0.00608 Per Gallon
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5/8-Inch Service Connection Fee	\$1,590.00
5/8-Inch Service Connection (Second Tap) Fee	\$ 970.00
Water Loss Reduction Surcharge	\$ 6.15 per month

# **EXHIBIT C**



**SCHEDULE OF ADJUSTED OPERATIONS - WATER UTILITY**

TYE 12/31/20 20

	Test Year	Adjustment	Ref.	Pro Forma
<b><u>Operating Revenues</u></b>				
<b>Sales of Water</b>				
Unmetered Water Sales				0.00
Metered Water Sales	2,637,371.00			2,637,371.00
Bulk Loading Stations				0.00
Fire Protection Revenue				0.00
Sales for Resale				0.00
<b>Total Sales of Water</b>	<b>2,637,371.00</b>	<b>0.00</b>		<b>2,637,371.00</b>
<b>Other Water Revenues</b>				
Forfeited Discounts		57,653.93	A	57,653.93
Miscellaneous Service Revenues	12,172.00	17,604.00	B	29,776.00
Rents from Water Property	10,465.00	-10,465.00	C	0.00
Other Water Revenues	29,322.00	-5,803.00	D	23,519.00
<b>Total Other Water Revenues</b>	<b>51,959.00</b>	<b>58,989.93</b>		<b>110,948.93</b>
<b>Total Operating Revenues</b>	<b>2,689,330.00</b>	<b>58,989.93</b>		<b>2,748,319.93</b>
<b><u>Operating Expenses</u></b>				
<b>Operation and Maintenance Expenses</b>				
Salaries and Wages - Employees	431,241.00	6,292.01	E	437,533.01
Salaries and Wages - Officers	28,000.00	2,000.00	F	30,000.00
Employee Pensions and Benefits	241,808.00	-27,794.23	G	214,013.77
Purchased Water	1,105,518.00	-324,736.36	H	780,781.64
Purchased Power	94,226.00	-21,398.28	I	72,827.72
Fuel for Power Production				0.00
Chemicals				0.00
Materials and Supplies	305,855.00	-99,192.40	J	206,662.60
Contractual Services	166,634.00	-10,000.00	K	156,634.00
Water Testing	14,158.00			14,158.00
Rents				0.00
Transportation Expenses	36,425.00			36,425.00
Insurance	27,505.00	5,554.66	L	33,059.66
Regulatory Commission Expenses				0.00
Bad Debt Expense		15,486.43	M	15,486.43

Miscellaneous Expenses	52,464.00	-4,967.00	N	47,497.00
Total Operation and Maintenance Expenses	2,503,834.00	-458,755.17		2,045,078.83
Depreciation Expense	474,524.00	-858.92	O	473,665.08
Amortization Expense	497.00	3,000.00	P	3,497.00
Taxes Other Than Income	42,716.00	-501.05	Q	42,214.95
Income Tax Expense				0.00
<b>Total Operating Expenses</b>	3,021,571.00	-457,115.14		2,564,455.86
<b>Utility Operating Income</b>	-332,241.00	516,105.07		183,864.07

**Reference****Remarks**

**A** Test period late payment fees were \$12,172. This amount is not representative of a normal year of operations. PSC prohibited collection of late payment fees from March through December 2020. (See PSC Case No. 2020-00085). Big Sandy District has resumed collection of late payment fees. To determine an appropriate and representative level of revenue from such fees, an average of forfeited discounts for 2017, 2018, and 2019; which are \$57,812.26, \$59,930.55, and \$55,218.97 respectively, is used. This average is \$57,653.93. Big Sandy District did not report late payment fees separately in its 2020 Annual Report but included those fees in Miscellaneous Service Revenues.

**B** Test period late payment fees of \$12,172 were removed from this category. Late payment fees are reported in Forfeited Discounts. Test period revenues were adjusted to reflect several nonrecurring charges incorrectly reported to other accounts. These revenues are:

Connection Fees	\$ 5,565
Reconnection Fees	\$ 4,900
Reconnection Fees (After Hours)*	\$ 150
Field Collection Fees*	\$ 75
Meter Test Charge*	\$ 58
Return Check Charge*	\$ 1,275
Service Call*	\$ 1,817
Service Call (After Hours)*	\$ 650
Damage to Lid or Meter*	<u>\$ 1,778</u>
Total	\$16,268

\*Charges were incorrectly reported in Rents from Water Property.

Test period revenue for reconnection fees was not representative of a normal year of operations. The PSC prohibited termination of service for non-payment (See PSC Case No. 2020-00085), reducing the number of service terminations and reconnections. To determine an appropriate and representative level of revenue from reconnection charges, an average of the revenue from reconnection fees assessed in 2017, 2018, and 2019, which are respectively \$17,780, \$17,540 and \$19,905, is used ( $\$55,225 \div 3 = \$18,408$ ).

Pro Forma Miscellaneous Service Revenues =  $\$16,268 - \$4,900 + \$18,408 = \$29,776$

Adjustment =  $\$29,776 - \$12,172 = \$17,604$

**C** Test period revenue from connection charges (\$5,565) and reconnection charges (\$4,900) were incorrectly reported in Rents from Other Property and are now reported in Miscellaneous Service Revenues.

**D** Test period revenues were adjusted to remove nonrecurring charges incorrectly included in this revenue category. These charges are identified in Reference B by an asterisk (\*).

**E** Adjustments to test period wages are shown in the Wages-Benefit Tab of the Excel file named RateCalculationsWorkbook. Test period wages were adjusted to reflect the removal of wages to three employees (Employees No. 2, No. 12, and No. 13) who left the District's employment during the test period. Test period wages were also adjusted to reflect the transition of Employee No. 1 from a part-time employee to a full-time employee. The test period wages of Employee No. 4, who was hired in October 2020, were adjusted to reflect a full work year. Employee No. 5 was hired in 2021. Her wages are based upon a full work year. In May 2021, the District's Board of Commissioners authorized an increase of \$0.50 in the hourly wage of all employees. See Exhibit S-1. In February 2022, the Board of Commissioners authorized an increase of \$1.00 in the hourly wage of all employees to take effect on July 1, 2022. See Exhibit S-2.

**Reference****Remarks**

The pro forma Salaries and Wages-Employees reflects all of these wage increases. Note that the positions previously held by Employees No. 12 and No. 13 remain unfilled.

During the test period, wages associated with meter connections were not capitalized. To correct for this failure, wages associated with meter connections have been removed from Salaries and Wages-Employees. During the test period 47 regular meter connections were made and six “second meter” connections (a meter connection within eight feet of the original tap). The District incurred an average labor cost of \$257.23 for regular meter connections and \$59.19 for “second meter” connections. Accordingly, \$12,444.95 has been removed from Salaries and Wages-Employees.

$(\$257.23 \times 47 \text{ connections}) + (\$59.19 \times 6 \text{ connections}) = \$12,444.95$

**F** In February 2020, the Public Service Commission appointed Lloyd Lowe to commissioner position that Commissioner Larry Shockey held pending the appointment of a successor. His successor, Commissioner Lloyd Lowe and was paid a lower salary until he completed required water district management training to qualify for the higher salary. He completed the mandatory training in December 2019 and intends to continue to complete the required number of hours of water district management training going forward. Test period salary expense has been adjusted to reflect all members of the Board of Commissioners earning the maximum annual salary of \$6,000.

**G** Adjustments to test period Employee Pension and Benefits are shown in the Wages-Benefit Tab of the Excel file named RateCalculationsWorkbook. Test period Employee Pension and Benefits has been adjusted to reflect the current employee force, the current cost of health and dental insurance, and the required Kentucky Public Pension Authority employer contribution rate of 26.95 percent. Adjustment assumes all wage increases have become effective, including wage increase scheduled to take effect on July 1, 2022.

Big Sandy District requires its employees to contribute 12 percent of the cost of their health insurance coverage. In its Order of June 20, 2019 in Case No. 2019-00053, the Public Service Commission stated that as long as a utility requires its employees to contribute at least 12 percent of the cost of their health insurance, no adjustment will be made to the utility’s employee health expense to bring the expense in line with the national average employer contribution rate. Accordingly, no adjustment to Big Sandy District’s employee health insurance expense is necessary to align that expense with the national average employer contribution rate.

Big Sandy District provides dental health insurance coverage to its employees at no cost. Employee dental insurance expense has been reduced to reflect the Commission’s policy of prohibiting rate recovery of any employer contribution for dental insurance that exceeds 40 percent of the cost of the coverage. Big Sandy District does not agree with this policy and does not waive its right to contest the reasonableness and lawfulness of this policy in future Commission proceedings.

Test period Employee Pension and Benefits includes dental insurance premiums for Commissioners Thomas, Shockey, and Hardin. Total cost for this coverage was \$1,484.64 (\$41.24 per month x 12 months x 3 commissioners). Proforma Employee Pension and Benefits excludes the cost of dental cover for these persons.

During the test period, employee benefits associated with meter connections were not capitalized. To correct for this failure, employee benefits associated with meter connections have been removed from Employee Pension and Benefits. During the test period 47 regular meter connections were made and six “second meter” connections (a meter connection within eight feet of the original tap). The District incurred an

**Reference****Remarks**

average employee benefit cost of \$163.85 for regular meter connections and \$33.90 for “second meter” connections. Accordingly, \$12,444.95 has been removed from Employee Pension and Benefits.

$$(\$163.85 \times 47 \text{ connections}) + (\$39.90 \times 6 \text{ connections}) = \$7,904.35$$

- H** 807 KAR 5:066 limits recovery of unaccounted-for water loss to 15 percent of total water produced and purchased, excluding water used by a utility in its own operations. Big Sandy District is limited to recovery of the cost of 34,218,300 gallons of water of unaccounted-for water loss.

Total water produced and purchased:	413,582,000
Minus Other Water Used:	<u>1,046,000</u>
Total:	412,536,000
Multiplied Allowed Water Loss Percentage	<u>.15</u>
Permissible Water Loss	61,880,400

Total Water Loss:	183,368,000
Minus Permissible Water Loss	<u>61,880,400</u>
Disallowed Water Loss	121,487,600

Average cost of water was for test period was \$2.673 per 1,000 gallons ( $\$1,105,518 \div 413,582,000$  gallons). The cost of the disallowed water is \$324,736.36 ( $121,487,600$  gallons  $\times$   $\$2.673/1,000$  gallons).

- I** In January 2021, the Public Service Commission authorized an increase in the rates of Big Sandy District’s electric power supplier -Kentucky Power Company. See Order of Jan. 13, 2021 in Case No. 2020-00174. Based upon test period usage, purchased power expense should be increased \$7,856 to reflect the increase in electric rates. See Exhibit V.

Purchased power expense is adjusted to remove electric costs related to pumping of unaccounted-for water loss that exceeds 15 percent. Total purchased power cost, adjusted for the adjustment in Kentucky Power Company’s rates, is \$102,082 ( $\$94,226 + \$7,856$ ). Of this amount, \$2,491.23 was for electricity to serve Big Sandy District’s offices and was not related to the pumping of water.

$$\text{Electric Power Costs for Pumping Water: } \$102,082 - \$2,491.23 = \$99,590.77$$

$$\text{Electricity Cost per gallon to Pump Water} = \$99,590.77 \div 413,582,000 \text{ gallons} = \$0.0002408.$$

$$\text{Number of gallons of water disallowed recovery} = 121,487,600$$

$$\text{Disallowed purchase power costs: } 121,487,600 \text{ gallons} \times \$0.0002408 = \$29,254.28$$

$$\text{Total Adjustment: } \$7,856 + (\$29,254.28) = (\$21,398.28)$$

- J** During the test period, materials associated with meter connections were not capitalized. To correct for this failure, materials associated with meter connections have been removed from Materials and Supplies. During the test period 47 regular meter connections were made and six “second meter” connections (a meter connection within eight feet of the original tap). The District incurred an average material cost of \$812.62 for regular meter connections and \$746.21 for “second meter” connections. Accordingly, \$42,670.40 has been removed from Materials and Supplies.

$$(\$812.62 \times 47 \text{ connections}) + (\$746.21 \times 6 \text{ connections}) = \$42,670.40$$

Materials and Supplies Expense reduced \$54,400 to correct for failure in 2020 Annual Report to capitalize that full cost of meters purchased and installed under the test period.

- K** Test period includes 12 monthly payments of \$833.33 (annual payment of \$10,000) to Overland Development for consultation services related to Big Sandy District’s acquisition of the water distribution

**Reference****Remarks**

facilities serving Lockwood Estates. *See* Case No. 2015-00351 (Ky. PSC Feb. 10, 2016). Payments were made under a Memorandum of Agreement executed at the time of transfer of facilities. The last payment required under the Memorandum of Agreement occurred in January 2021. Test period Contractual Services has been reduced \$10,000 to reflect the expiration of this Agreement.

- L** Test period insurance expense adjusted to reflect increased premiums for general liability and workers compensation.

General Liability	\$24,447.02
Workers Comp	<u>\$ 8,592.64</u>
Total Adjusted	\$33,059.66

Adjustment = \$33,059.66 - \$27,505 = \$5,554.56

- M** No bad debts were written off during the test period. Test period expense adjusted to reflect the average of annual bad debt expense for the last five years (2017-2021).

2017	14,970.00
2018	18,737.00
2019	11,294.00
2020	0.00
2021	<u>32,083.15</u>
Total	\$77,084.15

Average: \$15,416.83

- N** Includes test period advertising expense of \$312. Test period payment for Assessment for Maintenance of Public Service Commission (\$4,967) was removed and is included in Taxes Other than Income.

- O** Depreciation Expense adjusted to reflect additions to plant in service since 12/31/2020; capitalization of labor expense and materials and supplies expense associated with meter connections; and purchase and installation of 1,100 meters to replace existing meters. Depreciation Expense further adjusted to reflect the adjustment of asset service lives to the mid-point of service life range set forth in NARUC Publication *Depreciation Practices for Small Water Utilities*.

- P** Big Sandy District estimates rate case expense of \$15,000 and proposes to amortize this expense over five (5) years. Amortization expense = \$15,000 ÷ 5 years = \$3,000 per year.

- Q** Test period expense adjusted to reflect inclusion of assessment for the maintenance of Public Service Commission. Test period assessment of \$4,967.38 was adjusted to reflect assessment based upon proforma operating revenues (\$0.002 x \$2,748,310.93 = \$5,496.62).

Adjustment also made to reflected increased employer taxes due to proforma employee wages. Proforma employer taxes = (\$218,717.58 + \$18,200) x 0.0765 = \$18,111.92 (includes FICA taxes on commissioner salaries).

Adjustment to test-period expense = \$18,111.92 - \$16,759 = \$1,352.92.

# **EXHIBIT D**

**REVENUE REQUIREMENT CALCULATION - DEBT COVERAGE METHOD**

Pro forma Operating Expenses	\$2,564,456
Plus: Average Annual Debt Principal and Interest Payment*	298,535
Debt Coverage Requirement**	<u>59,707</u>
Total Revenue Requirement	\$2,922,698
Less: Other Operating Revenue	110,949
Non-Operating Revenue	0
Interest Income	<u>751</u>
Revenue Required from Rates	\$2,810,988
Less: Revenue from Sales at Present Rates	<u>\$2,637,371</u>
Required Revenue Increase	<u>\$ 173,627</u>
<b>Required Retail Revenue Increase stated as a Percentage of Revenue at Present Retail Rates</b>	<b>6.58</b>

\*Average was based upon a 5-year average of debt principal and interest payments for the five years following the submission of the application for rate adjustment (2022-2026). McCreary County Water District will complete all interest and principal payments for 2021 prior to completion of the Commission's review of its application.

\*\*A debt service coverage of 20 percent is used.



# **EXHIBIT E**

**USAGE TABLE**  
**Test Period from January 1, 2020 to December 31, 2020**

5/8-Inch x 3/4-Inch							
	<b>Bills</b>	<b>Gallons</b>	<b>First 1,000</b>	<b>Next 9,000</b>	<b>Next 10,000</b>	<b>Next 20,000</b>	<b>Over 40,000</b>
First 1,000 Gallons (Minimum Bill)	10,640	4,058,600	4,058,600				
Next 9,000 Gallons	44,969	158,497,700	44,969,000	113,528,700			
Next 10,000 Gallons	1,605	21,139,400	1,605,000	14,445,000	5,089,400		
Next 20,000 Gallons	262	6,862,500	262,000	2,358,000	2,620,000	1,622,500	
Over 40,000 Gallons	73	4,908,600	73,000	657,000	730,000	1,460,000	1,988,600
<b>Total</b>	<b>57,549</b>	<b>195,466,800</b>	<b>50,967,600</b>	<b>130,988,700</b>	<b>8,439,400</b>	<b>3,082,500</b>	<b>1,988,600</b>

1-Inch							
	<b>Bills</b>	<b>Gallons</b>	<b>First 10,000</b>	<b>Next 10,000</b>	<b>Next 20,000</b>	<b>Over 40,000</b>	
First 10,000 Gallons (Minimum Bill)	116	258,700	258,700				
Next 10,000 Gallons	23	325,700	230,000	95,700			
Next 20,000 Gallons	15	361,500	150,000	150,000	61,500		
Over 40,000 Gallons	3	207,500	30,000	30,000	60,000	87,500	
<b>Total</b>	<b>157</b>	<b>1,153,400</b>	<b>668,700</b>	<b>275,700</b>	<b>121,500</b>	<b>87,500</b>	

1 1/2-Inch							
	<b>Bills</b>	<b>Gallons</b>	<b>First 20,000</b>	<b>Next 20,000</b>	<b>Over 40,000</b>		
First 20,000 Gallons (Minimum Bill)	10	10,000	10,000				
Next 20,000 Gallons	1	32,000	20,000	12,000			
Over 40,000 Gallons							
<b>Total</b>	<b>11</b>	<b>42,000</b>	<b>30,000</b>	<b>12,000</b>			

<b>2-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>First 40,000</b>	<b>Over 40,000</b>
First 40,000 Gallons (Minimum Bill)	24	100,700	100,700	
Over 40,000 Gallons	1	364,300	40,000	324,300
<b>Total</b>	<b>25</b>	<b>465,000</b>	<b>140,700</b>	<b>324,300</b>

<b>3-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>First 100,000</b>	<b>Over 100,000</b>
First 100,000 Gallons (Minimum Bill)	30	796,000	796,000	
Over 100,000 Gallons	18	4,769,300	0	4,769,300
<b>Total</b>	<b>48</b>	<b>5,565,300</b>	<b>796,000</b>	<b>4,769,300</b>

<b>4-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>First 200,000</b>	<b>Over 200,000</b>
First 200,000 Gallons (Minimum Bill)	29	3,104,400	3,104,400	
Over 200,000 Gallons	19	22,939,200		22,939,200
<b>Total</b>	<b>48</b>	<b>26,043,600</b>	<b>3,104,400</b>	<b>22,939,200</b>

**REVENUE TABLE**  
**REVENUE BY RATE INCREMENT**  
**Test Period from January 1, 2020 to December 31, 2020**  
**Current Rates**

<b>5/8-Inch x 3/4-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 1,000 Gallons	57,549	50,967,600	\$ 18.25 Minimum Bill	\$1,050,269.25
Next 9,000 Gallons		130,988,700	\$ 9.40 per 1,000 gallons	\$1,231,293.78
Next 10,000 Gallons		8,439,400	\$ 6.40 per 1,000 gallons	\$ 54,012.16
Next 20,000 Gallons		3,082,500	\$ 5.95 per 1,000 gallons	\$ 18,340.88
Over 40,000 Gallons		1,988,600	\$ 5.70 per 1,000 gallons	\$ 11,335.02
<b>Total</b>		195,466,800		<b>\$2,365,251.09</b>
<b>1-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 10,000 Gallons	157	668,700	\$ 102.85 Minimum Bill	\$ 16,147.45
Next 20,000 Gallons		275,700	\$ 6.40 per 1,000 gallons	\$ 1,764.48
Next 20,000 Gallons		121,500	\$ 5.95 per 1,000 gallons	\$ 722.93
Over 40,000 Gallons		87,500	\$ 5.70 per 1,000 gallons	\$ 498.75
<b>Total</b>	72	1,153,400		<b>\$ 19,133.61</b>
<b>1 1/2-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 20,000 gallons	11	30,000	\$ 166.85 Minimum Bill	\$ 1,835.35
Next 20,000 Gallons		12,000	\$ 5.95 per 1,000 gallons	\$ 71.40
Over 40,000 Gallons			\$ 5.70 per 1,000 gallons	
<b>Total</b>		42,000		<b>\$ 1,906.75</b>
<b>2-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 40,000 gallons	25	140,700	\$ 285.85 Minimum Bill	\$ 7,146.25
Over 40,000 gallons		324,300	\$ 5.70 per 1,000 gallons	\$ 1,848.51
<b>Total</b>		465,000		<b>\$ 8,994.76</b>
<b>3-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 100,000 gallons	48	796,000	\$ 627.85 Minimum Bill	\$ 30,136.80
Over 100,000 gallons		4,769,300	\$ 5.70 per 1,000 gallons	\$ 27,185.01
<b>Total</b>		5,565,300		<b>\$ 57,321.81</b>
<b>4-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 100,000 gallons	48	3,104,400	\$ 1,197.85 Minimum Bill	\$ 57,496.80
Over 100,000 gallons		22,939,200	\$ 5.70 per 1,000 gallons	\$ 130,753.44
<b>Total</b>		26,043,600		<b>\$ 188,250.24</b>
<b>Total:</b>	<b>57,838</b>	<b>228,736,100</b>		<b>\$ 2,637,371.00</b>

**REVENUE TABLE**  
**REVENUE BY RATE INCREMENT**  
**Test Period from January 1, 2020 to December 31, 2020**  
**Proposed Rates**

<b>5/8-Inch x 3/4-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 1,000 Gallons	57,549	50,967,600	\$ 19.82 Minimum Bill	\$1,050,269.25
Next 9,000 Gallons		130,988,700	\$ 10.21 per 1,000 gallons	\$1,231,293.78
Next 10,000 Gallons		8,439,400	\$ 6.95 per 1,000 gallons	\$ 54,012.16
Next 20,000 Gallons		3,082,500	\$ 6.46 per 1,000 gallons	\$ 18,340.88
Over 40,000 Gallons		1,988,600	\$ 6.19 per 1,000 gallons	\$ 11,335.02
Total		195,466,800		\$2,365,251.09
<b>1-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 10,000 Gallons	157	668,700	\$ 111.69 Minimum Bill	\$ 16,147.45
Next 20,000 Gallons		275,700	\$ 6.95 per 1,000 gallons	\$ 1,764.48
Next 20,000 Gallons		121,500	\$ 6.46 per 1,000 gallons	\$ 722.93
Over 40,000 Gallons		87,500	\$ 6.19 per 1,000 gallons	\$ 498.75
Total	72	1,153,400		\$ 19,133.61
<b>1 1/2-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 20,000 gallons	11	30,000	\$ 181.19 Minimum Bill	\$ 1,835.35
Next 20,000 Gallons		12,000	\$ 6.46 per 1,000 gallons	\$ 71.40
Over 40,000 Gallons			\$ 6.19 per 1,000 gallons	
Total		42,000		\$ 1,906.75
<b>2-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 40,000 gallons	25	140,700	\$ 310.42 Minimum Bill	\$ 7,146.25
Over 40,000 gallons		324,300	\$ 6.19 per 1,000 gallons	\$ 1,848.51
Total		465,000		\$ 8,994.76
<b>3-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 100,000 gallons	48	796,000	\$ 681.81 Minimum Bill	\$ 30,136.80
Over 100,000 gallons		4,769,300	\$ 6.19 per 1,000 gallons	\$ 27,185.01
Total		5,565,300		\$ 57,321.81
<b>4-Inch</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rates</b>	<b>Revenue</b>
First 100,000 gallons	48	3,104,400	\$ 1,300.81 Minimum Bill	\$ 57,496.80
Over 100,000 gallons		22,939,200	\$ 6.19 per 1,000 gallons	\$ 130,753.44
Total		26,043,600		\$ 188,250.24
<b>Total:</b>	<b>57,838</b>	<b>228,736,100</b>		<b>\$ 2,637,371.00</b>

# **EXHIBIT F**

# **EXHIBIT F-1**

Big Sandy Water District  
 Depreciation Schedule  
 12/31/2020

					Totals	\$ 23,073,369	\$ 9,379,085	\$ 475,021	\$ 9,854,106	\$13,219,263
Asset #	Name/Description	Category	Method	Date in Service	Useful Life	Cost	Previous Depreciation	Current Year Depreciation	Accumulated Depreciation	Book Value
1	Bond Premium		Amortization		9				\$ -	\$ -
2	Land & Land Rights	Land & Land Rights	Land	1950	0	99,529	-	-	-	99,529
3	Structures & Improvements	Structures & Improvements	Straight Line	2006	10	64,512	64,512	-	64,512	-
4	Office Building	Structures & Improvements	Straight Line	2006	10	57,018	57,018	-	57,018	-
5	Trans Dist.	Transmission & Distri. Mains	Straight Line	2006	50	11,311,096	4,587,633	226,222	4,813,855	6,497,241
6	Transportation Equipment	Transportation Equipment	Straight Line	2006	5	235,288	119,935	47,058	166,993	68,295
7	Meters/Install	Meters	Straight Line	2006	20	1,218,844	1,104,390	60,943	1,165,333	53,511
8	Hydrants	Hydrants	Straight Line	2006	30	227,402	88,330	7,580	95,910	131,492
9	Office Furniture & Equipment	Office Furniture	Straight Line	2006	10	36,079	36,079	-	36,079	-
10	Office Equipment - Computer	Office Furniture	Straight Line	2006	5	90,687	90,687	-	90,687	-
11	Tool/Equipment	Tools, Shop & Garage	Straight Line	2006	5	46,120	46,120	-	46,120	-
12	Power Operated Equipment	Power Operated Equipment	Straight Line	2006	5	207,409	207,409	-	207,409	-
13	Pumping Equipment	Pumping Equipment	Straight Line	2006	50	310,808	158,291	6,216	164,507	146,301
14	Communication Equipment	Communication Equipment	Straight Line	2006	5	6,014	6,014	-	6,014	-
15	Other Equipment	Other Plant & Misc Equipment	Straight Line	2006	5	14,583	14,583	-	14,583	-
16	Water Lines	Construction in Process	n/a	n/a	0	954,191	-	-	-	954,191
17	Telemetry	Construction in Process	n/a	n/a	0	667,005	-	-	-	667,005
18	Office Building	Construction in Process	n/a	n/a	0	42,050	-	-	-	42,050
19	Water Lines	Construction in Process	n/a	n/a	0	968,676	-	-	-	968,676
20	Distribution Reserv	Distribution Reserv & Standpipes	Straight Line	2006	50	1,223,302	671,683	24,466	696,149	527,153
21	Services	Services	Straight Line	2006	50	5,101,924	1,959,602	102,039	2,061,641	3,040,283
22	Telemetry Equipment	Other Tangible Plant	Straight Line	2006	20	154,543	154,543	-	154,543	-
23	Utility Plant Acquisition Adjustment	Utility Plant Acquisition Adj	Straight Line	2015	50	24,805	772	497	1,269	23,536
24	Miscellaneous Equipment	Miscellaneous Equipment	Straight Line	2006	5	11,484	11,484	-	11,484	-



# **EXHIBIT F-2**

Big Sandy Water District  
Depreciation Schedule  
(Adjusted)

Asset #	Name/Description	Category	Method	Date in Service	Reported Useful Life	Totals NARUC Useful Life	Cost	Previous Depreciation	Reported 2020 Depreciation	Accumulated Depreciation	Adjusted Depreciation	Reported 2020 Book Value
							\$ 26,162,169	\$ 9,379,085	\$ 475,021	\$ 9,854,106	\$ 473,665	\$13,219,263
1	Bond Premium		Amortization		9					\$ -		\$ -
2	Land & Land Rights	Land & Land Rights	Land	1950	0		99,529	-	-	-		99,529
3	Structures & Improvements	Structures & Improvements	Straight Line	2006	10	37.5	64,512	64,512	-	64,512		-
4	Office Building	Structures & Improvements	Straight Line	2006	10	37.5	57,018	57,018	-	57,018		-
5	Trans Dist.	Transmission & Distri. Mains	Straight Line	2006	50	62.5	11,311,096	4,587,633	226,222	4,813,855	180,978	6,497,241
6	Transportation Equipment	Transportation Equipment	Straight Line	2006	5	37.5	235,288	119,935	47,058	166,993	6,274	68,295
7	Meters/Install	Meters	Straight Line	2006	20	37.5	1,218,844	1,104,390	60,943	1,165,333	32,503	53,511
8	Hydrants	Hydrants	Straight Line	2006	30	37.5	227,402	88,330	7,580	95,910	6,064	131,492
9	Office Furniture & Equipment	Office Furniture	Straight Line	2006	10	37.5	36,079	36,079	-	36,079		-
10	Office Equipment - Computer	Office Furniture	Straight Line	2006	5	37.5	90,687	90,687	-	90,687		-
11	Tool/Equipment	Tools, Shop & Garage	Straight Line	2006	5	37.5	46,120	46,120	-	46,120		-
12	Power Operated Equipment	Power Operated Equipment	Straight Line	2006	5	37.5	207,409	207,409	-	207,409		-
13	Pumping Equipment	Pumping Equipment	Straight Line	2006	50	37.5	310,808	158,291	6,216	164,507	8,288	146,301
14	Communication Equipment	Communication Equipment	Straight Line	2006	5	37.5	6,014	6,014	-	6,014		-
15	Other Equipment	Other Plant & Misc Equipment	Straight Line	2006	5	37.5	14,583	14,583	-	14,583		-
16	Water Lines	Construction in Process	Straight Line	2021	n/a		954,191	-	-	-		954,191
17	Telemetry	Construction in Process	Straight Line	2021	n/a		667,005	-	-	-		667,005
18	Office Building	Construction in Process	Straight Line	2021	n/a		42,050	-	-	-		42,050
19	Water Lines	Construction in Process	Straight Line	2021	n/a		968,676	-	-	-		968,676
20	Distribution Reserv	Distribution Reserv & Standpipes	Straight Line	2006	50	37.5	1,223,302	671,683	24,466	696,149	32,621	527,153
21	Services	Services	Straight Line	2006	50	37.5	5,101,924	1,959,602	102,039	2,061,641	136,051	3,040,283
22	Telemetry Equipment	Other Tangible Plant	Straight Line	2006	20	10.0	154,543	154,543	-	154,543		-
23	Utility Plant Acquisition Adjustment	Utility Plant Acquisition Adj	Straight Line	2015	50	50.0	24,805	772	497	1,269	496	23,536
24	Miscellaneous Equipment	Miscellaneous Equipment	Straight Line	2006	5	5.0	11,484	11,484	-	11,484		-
25												
26	<b>Additions:</b>											
27	Services	Services	Straight Line	2020		37.5	63,020				1,681	
28	Office Building	Structures & Improvements*	Straight Line	2021		37.5	573,083				15,282	
29	Pumping Equipment	Pumping Equipment*	Straight Line	2021		37.5	12,120				323	
30	Transmission & Distribution	Transmission & Distri. Mains*	Straight Line	2021		62.5	2,131,401				34,102	
31	Meters/Install	Meters*	Straight Line	2021		20.0	252,728				12,636	
32	Miscellaneous Equipment	Miscellaneous Equipment*	Straight Line	2021		5.0	7,200				1,440	
33	Telemetry Equipment	Other Tangible Plant*	Straight Line	2021		10.0	49,249				4,925	

\*Represents Construction in Progress placed in service post-test period. Assets assigned for 2020 annual report have been reassigned to reflect proper asset account. Some accounts may include additional assets constructed or acquired in 2021.

# **EXHIBIT G**

# **EXHIBIT G-1**

91-16  
91-18

BOND RESOLUTION

BIG SANDY WATER DISTRICT

AUTHORIZING

BIG SANDY WATER DISTRICT

WATERWORKS REVENUE BONDS, SERIES 2014

IN THE AGGREGATE PRINCIPAL AMOUNT OF

\$1,165,000

CONSISTING OF \$1,050,000 OF SERIES A BONDS

AND

\$115,000 OF SERIES B BONDS

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## BOND RESOLUTION

**RESOLUTION OF THE BIG SANDY WATER DISTRICT AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$1,165,000 PRINCIPAL AMOUNT OF BIG SANDY WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2014, CONSISTING OF \$1,050,000 OF SERIES A BONDS AND \$115,000 OF SERIES B BONDS FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.**

WHEREAS, the waterworks system (the "System") of the Big Sandy Water District (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the aggregate principal amount of \$1,165,000, consisting of \$1,050,000 of Series A Bonds and \$115,000 of Series B Bonds (collectively, the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Sisler-Maggard Engineering, PLLC and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued, subject to the vested rights and priorities in favor of the owners of the outstanding Prior Bonds, and

WHEREAS, the Kentucky Public Service Commission has granted to the District a Certificate of Public Convenience and Necessity, authorizing the construction of said extensions, additions and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$965,000, to provide the total cost of such construction,

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

**ARTICLE 1. DEFINITIONS; PURPOSE; AUTHORIZATION OF BONDS;  
SECURITY.**

**Section 101. Definitions.** As used in this Resolution, unless the context requires otherwise:

"Act" refers to Chapters 58 and 74 of the Kentucky Revised Statutes.

"Beginning Month" refers to the month following the month in which the Current Bonds authorized herein are issued, sold and delivered to the Purchaser thereof.

"Bond Counsel" refers to an attorney or firm of attorneys recognized nationally as experts in the field of municipal bond law and shall be deemed to refer to Rubin & Hays, Louisville, Kentucky, or their successors.

"Bondowner" or "Owner" refer to registered Owners of the Current Bonds at the time issued and outstanding hereunder.

"Bonds" collectively refers to the outstanding Current Bonds, Prior Bonds and the Parity Bonds.

"Bonds of 1993" or "Series 1993 Bonds" refer to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 1993, dated December 13, 1994, in the original authorized principal amount of \$1,214,000.

"Bonds of 2000" or "Series 2000 Bonds" refer to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 2000, dated September 26, 2000, in the original authorized principal amount of \$495,000.

"Bonds of 2001" or "Series 2001 Bonds" refer to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 2001, dated December 18, 2001, in the original authorized principal amount of \$527,000.

"Bond Resolution of 1993" or "1993 Bond Resolution" refer to the Resolution authorizing the Bonds of 1993, duly adopted by the Board of Commissioners of the District on October 12, 1993.

"Bond Resolution of 2000" or "2000 Bond Resolution" refer to the Resolution authorizing the Bonds of 2000, duly adopted by the Board of Commissioners of the District on August 21, 2000.

"Bond Resolution of 2001" or "2001 Bond Resolution" refer to the Resolution authorizing the Bonds of 2001, duly adopted by the Board of Commissioners of the District on August 13, 2001.

"Chairman" refers to the elected or appointed Chairman or Chairperson of the Commission.

"Code" refers to the Internal Revenue Code of 1986, as amended, and the Treasury Regulations relating thereto.

"*Commission*" refers to the Board of Commissioners of the District, or such other body as shall be the governing body of said District under the laws of Kentucky at any given time.

"*Construction Account*" refers to the Big Sandy Water District Waterworks Construction Account, created in Section 301(B) of this Current Bond Resolution.

"*Contractors*" refers to the general contractors who have been employed by the District to construct the Project.

"*Current Bond Resolution*" or "*Resolution*" refer to this Resolution authorizing the Current Bonds.

"*Current Bonds*" refers to the \$1,165,000 of Big Sandy Water District Waterworks Revenue Bonds, Series 2014, consisting of \$1,050,000 of Series A Bonds and \$115,000 of Series B Bonds authorized by this Resolution, to be dated as of the date of issuance thereof.

"*Current Sinking Fund*" refers to the Big Sandy Water District Waterworks Sinking Fund of 2014, created in Section 401 of this Resolution.

"*Depository Bank*" refers to the bank, which shall be a member of the FDIC, which bank is Town Square Bank, Ashland, Kentucky, or its successor.

"*Depreciation Fund*" refers to the Big Sandy Water District Waterworks Depreciation Reserve Fund, described in Section 402 of this Resolution.

"*District*" refers to the Big Sandy Water District of Boyd, Carter, Johnson and Lawrence Counties, Kentucky.

"*Engineers*" refers to the Engineers or any one of them, who prepared the plans and specifications for the construction of the Project and who will supervise the construction thereof and/or will furnish full time resident inspection of the construction of the Project, and shall be deemed to refer to Sisler-Maggard Engineering, PLLC, or a member of said firm, or their successors.

"*Event of Default*" refers to one or more of the Events of Default set forth in Section 701 of this Resolution.

"*FDIC*" refers to the Federal Deposit Insurance Corporation, or its successors.

"*Fiscal Year*" refers to the annual accounting period of the District, beginning on January 1 and ending on December 31 of each year.

"*Funds*" refers to the Construction Account, the Revenue Fund, the Current Sinking Fund, the Prior Sinking Fund, the Depreciation Fund and the Operation and Maintenance Fund.

"*Government*" refers to the United States of America, or any agency thereof, including RD.

*"Grant Proceeds"* refers to the proceeds of the RD Grants and the KIA Grants.

*"Independent Consulting Engineer"* refers to a consulting engineer or a firm of consulting engineers of recognized excellent reputation in the field of waterworks system engineering, and such definition includes the Engineers named above.

*"Interim Lender"* refers to Kentucky Rural Water Finance Corporation, Bowling Green, Kentucky, its successors or assigns; or any other financial institution or governmental agency approved by the District.

*"KIA Grants"* refer to the Kentucky Infrastructure Authority grants to the District in the amounts of \$400,000 and \$125,000.

*"KIA Loan"* refer to the outstanding Kentucky Infrastructure Authority loan to the District.

*"KRWFC Loans"* refer to the outstanding Kentucky Rural Water Finance Corporation loans to the District.

*"Local Counsel"* refers to Roger W. Hall, Esq., Ashland, Kentucky, or any other attorney or firm of attorneys designated by the District.

*"Multiple Advances"* refers to the advance of loan funds from the RD as described in Section 302 of this Resolution.

*"Note"* refers to a single note or any number of notes, in such form as may be prescribed by the Interim Lender, including any revenue bond anticipation notes issued pursuant to Chapter 58 of the Kentucky Revised Statutes, including any renewal or extensions of the Note, issued by the District evidencing the interim financing for the Project as prescribed in Section 302 of this Resolution.

*"Operation and Maintenance Fund"* refers to the Big Sandy Water District Waterworks Operation and Maintenance Fund described in Section 401 of this Resolution.

*"Outstanding Bonds"* refers to the outstanding Bonds, and does not refer to, nor include, any Bonds for the payment of the principal and interest of which sufficient funds will have been deposited and earmarked for payment of Bonds; provided all Outstanding Bonds of any series held by the RD shall be deemed to constitute Outstanding Bonds until paid regardless of the deposit of funds to pay for same.

*"Parity Bonds"* refers to bonds which may be issued in the future which, pursuant to this Resolution, rank on a basis of parity with the outstanding Bonds, as to priority, security and source of payment, and does not refer to bonds which might be issued so as to rank inferior to the security and source of payment of the outstanding Bonds.

*"Prior Bonds"* refers collectively to the KIA Loan, the Series 1993 Bonds, the Series 2000 Bonds, the Series 2001 Bonds and the KRWFC Loans.

*"Prior Bond Resolution"* refers collectively to the 1993 Bond Resolution, the 2000 Bond Resolution and the 2001 Bond Resolution.

*"Prior Sinking Fund"* refers to the Big Sandy Water District Waterworks Sinking Fund, described in Section 401 of this Resolution.

*"Project"* refers specifically to the construction of the currently proposed extensions, additions and improvements to the System of the District, which Project is being financed by the Current Bonds and by other funds.

*"Purchaser"* refers to the agency, person, firm or firms, or their successors, to whom the Current Bonds herein authorized are awarded at the public sale of the Current Bonds.

*"RD"* refers to the Rural Development of the Department of Agriculture of the United States of America.

*"RD Grants"* refers to the RD grants described in Section 804 of this Resolution.

*"Required Signatures"* refers to the signatures necessary to be obtained with reference to the approval of the expenditures to be made from the Construction Account, which required signatures shall consist of the signatures of (1) the Chairman; (2) the Engineers; and (3) the Purchaser; provided, however, any expenditures for issuance and administrative costs and the costs of any equipment which is not permanently affixed to the real estate shall not require the signature or the approval of the Engineers.

*"Revenue Fund"* refers to the Big Sandy Water District Waterworks Revenue Fund, described in Section 401 of this Resolution.

*"Secretary"* refers to the elected or appointed Secretary of the Commission.

*"System"* refers to the existing waterworks system of the District, together with all extensions, additions and improvements to said System.

*"Treasurer"* refers to the elected or appointed Treasurer of the Commission.

*"U.S. Obligations"* refers to bonds or notes which are the direct obligations of the United States of America, or obligations the principal of and interest on which are guaranteed by the United States of America.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa. Unless otherwise indicated, references to Articles or Sections refers to those in this Resolution.

**Section 102. Purpose.** The Current Bonds shall be issued for the purpose of financing the cost (not otherwise provided) of the Project, as set out in the plans and specifications prepared by the Engineers. The Commission hereby declares the System of the District, including the extensions, additions and improvements to be constructed, to constitute a revenue producing public project, and said System shall continue to be owned, controlled, operated and maintained by the District as a revenue producing public project pursuant to the Act, so long as any Bonds remain outstanding.

**Section 103. Construction Award Approved; Work Authorized.** The Commission hereby authorizes, approves, ratifies and confirms its previous action in advertising for and taking steps toward awarding the contracts for the construction of the Project to the lowest and best bidders, and further approves the action of the District officials in entering into formal contracts with said bidders, subject to the necessary approvals being obtained. Authority is hereby given for undertaking the construction of the Project according to the plans and specifications heretofore prepared by the Engineers for the District, after all necessary approvals have been obtained.

**Section 104. Declaration of Period of Usefulness.** The Commission hereby declares that the period of usefulness of the System is more than forty (40) years from the date of completion of the Project.

**Section 105. Authorization of Bonds.** The District has heretofore determined that the total cost of the Project, including preliminary expenses, land and rights-of-way, engineering expense, capitalized interest during construction, legal and administrative costs, publication costs, initial deposits required and all incidental expenses, will not exceed \$2,130,000. Therefore, it is hereby determined to be necessary in order for the District to finance the cost (not otherwise provided) of the Project that the District issue a total of \$1,165,000 of Current Bonds, based on the following calculation:

Total cost of Project		\$2,130,000
Less:		
RD Grants	\$440,000	
KIA Grants	<u>525,000</u>	
Total Non-Bond Funds:		<u>(965,000)</u>
Balance to be financed by Current Bonds		\$1,165,000

Accordingly, for the purpose of financing the cost (not otherwise provided) of the Project, under the provisions of the Act, there is hereby authorized to be issued and sold \$1,165,000 principal amount of Big Sandy Water District Waterworks Revenue Bonds, Series 2014, consisting of \$1,050,000 of Series A Bonds and \$115,000 of Series B Bonds.

The Current Bonds shall be dated as of the date of delivery to the Purchaser thereof; shall bear interest from such date at such interest rate as may be fixed by supplemental resolution as a

result of the advertised sale and competitive bidding for such Current Bonds, as hereinafter provided; and shall be issued and delivered as prescribed in Section 202 hereof.

Interest on the Current Bonds shall be payable semiannually on January 1 and July 1 of each year, provided that the first interest payment period will cover interest only from the date of delivery of the Current Bonds to the ensuing January 1 or July 1, as the case may be. Principal of the Current Bonds shall be payable on January 1 of each of the respective years until maturity, as set out in Section 201 hereof.

**Section 106. Recognition of Prior Bonds.** The District hereby expressly recognizes and acknowledges that the District has previously created for the benefit and protection of the owners of the Prior Bonds, a certain lien and pledge and certain security rights relating to the System, all as set forth in the Prior Bonds and in the Prior Bond Resolution.

**Section 107. Current Bonds Shall be Payable Out of Gross Revenues.** The Current Bonds, and any additional Parity Bonds that may be issued under the conditions and restrictions hereinafter set forth, shall be secured by and payable out of the gross revenues of the System, after providing for all of the principal and interest requirements of the outstanding Prior Bonds.

**Section 108. Lien on Contracts.** In addition to the revenue pledge securing the Bonds, a lien is hereby created and granted in favor of the Bondowners on all contracts, and on all other rights of the District pertaining to the System, enforceable by assignment to any receiver or other operator proceeding by authority of any court.



## **ARTICLE 2. THE BONDS; BOND FORM; PREPAYMENT.**

**Section 201. Principal Payments.** Principal payments due on the Current Bonds shall be as set forth in the schedule of maturities set out in **Exhibit A** attached to this Resolution and incorporated herein.

**Section 202. Issuance of Current Bonds; Bond Form.** The Purchaser of the Current Bonds at the public sale shall take delivery of the Current Bonds in the form of one or more fully registered bonds, as set forth in **Exhibit B** attached hereto and incorporated herein, amounting in the aggregate to the principal amount of the Current Bonds authorized herein, maturing as to principal as set out in Section 201. The Current Bonds shall be numbered R-1 and consecutively upward thereafter. Such Current Bonds shall, upon appropriate execution on behalf of the District as prescribed, constitute the entire bond issue herein authorized, shall be negotiable (subject to registration requirements as to transferability), registered as to principal and interest and payable as directed by the registered Owner.

**Section 203. Place of Payment and Manner of Execution.** Both principal of and interest on the Current Bonds shall be payable at the place and in the manner set out in the form of such Current Bond. The Current Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Chairman of the District, with the Corporate Seal of the District affixed thereto and attested by the manual or facsimile signature of the Secretary of said District.

If either of the officers whose signatures appear on the Current Bonds ceases to be such officer before delivery of said Current Bonds, such signatures shall nevertheless be valid for all purposes the same as if such officers had remained in office until delivery.

**Section 204. Provisions as to Prepayment.** Except when all of the Current Bonds are held by the Government, principal maturities falling due prior to January 1, 2024, shall not be subject to prepayment. Principal maturities falling due on and after January 1, 2024, shall be subject to prepayment by the District on any date falling on and after January 1, 2023, at par plus accrued interest, without any prepayment penalty.

So long as all of the Current Bonds are owned by the Government, all or any of the Current Bonds, or in a multiple of \$100, may be prepaid at any time in inverse chronological order of the principal maturities due, at par plus accrued interest without any prepayment penalty.

Notice of such prepayment shall be given by certified mail to the Bondowner or his assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the Bondowner.

**ARTICLE 3. CONSTRUCTION ACCOUNT; INTERIM FINANCING;  
APPLICATION OF PROCEEDS; ARBITRAGE LIMITATIONS.**

**Section 301. Construction Account; Application of Proceeds of Bonds; Other Transfers and Deposits.** The Treasurer, or such other District official as shall be designated by the Commission, shall be the custodian of all funds belonging to and associated with the System. All moneys in excess of the amount insured by the FDIC in the Construction Account shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The officials of the District entrusted with the receipt and disbursement of revenues of the System and the custody of valuable property shall be covered by a fidelity bond in the amount of not less than \$175,000 (the "Fidelity Bond"), or such larger amount as the RD may require, which Fidelity Bond shall be effective and secured by a surety company approved by the RD so long as it is owner of any of the Current Bonds. The RD and the District shall be named co-obligees in such Fidelity Bond and the amount thereof shall not be reduced without the written consent of the RD. Whenever sums in the Funds shall exceed \$175,000, the Fidelity Bond shall be increased accordingly as requested by and with the approval of the RD.

**A. Covenants Applicable if RD Purchases Current Bonds.** It is acknowledged that all covenants herein with reference to the necessity for approval of the RD, the necessity of observing RD regulations and procedures and the necessity of using RD forms (the "RD Forms"), shall apply only if the RD is the Purchaser of the Current Bonds and only so long as the RD holds the Current Bonds thereafter. In the event that the RD shall not be the Purchaser of the Current Bonds, or, after purchasing same, shall sell or transfer the Current Bonds to an Owner who shall not be the Government, all covenants herein with reference to the necessity for approval of the RD, the necessity of observing RD regulations and procedures, and the necessity of using RD Forms, shall not be applicable.

**B. Application of Proceeds of Current Bonds.** The proceeds of the Current Bonds shall be applied as follows:

**(1) Payment of Interim Financing, Costs of Project and Costs of Issuance.** Simultaneously with the delivery of the Current Bonds, there shall immediately be paid to the Interim Lender (or the RD if Multiple Advances are made) an amount sufficient to pay principal of and interest on any temporary loans borrowed by the District in anticipation of the sale and delivery of the Current Bonds and/or of the receipt of Grant Proceeds. Also, at the time of delivery of the Current Bonds, there shall be paid all amounts then due and payable in connection with the costs of the Project and in connection with the issuance of the Current Bonds.

**(2) Construction Account.** If and to the extent that the proceeds of the Current Bonds shall be in excess of the amount necessary to pay the interest, principal and costs referred to in subparagraph B(1) of this Section, such excess amount shall immediately be deposited in the "Big Sandy Water District Waterworks Construction Account" hereby created, which shall be established at the Depository Bank. There shall also be deposited in said Construction Account the Grant Proceeds, as and when received, or said Grant Proceeds

may be applied, to the extent necessary, to liquidate or reduce any interim financing owed by the District at the time of receipt of Grant Proceeds.

**(3) Withdrawal of Funds From Construction Account.** Prior to the expenditure by the District of any moneys from the Construction Account, the District must obtain written approval from the RD as to such expenditures, if the RD is the Owner of any Outstanding Bonds. The proceeds of said Construction Account shall be withdrawn only on checks signed by the Chairman, the Treasurer (or by such other official of the District as may be authorized by the Commission), provided such official shall be covered by the Fidelity Bond required by Section 301 of this Resolution, in payment for services and/or materials supplied in connection with the Project, as evidenced by (1) a Requisition Certificate; and (2) invoices and/or partial payment estimates bearing the written approval of the Engineers and the Chairman (or by such other official of the District as may be authorized by the Commission), and which invoices and/or partial payment estimates must have been reviewed and approved for payment by the designated RD official.

Written approval or certification of the Engineers shall not be required for matters not under the jurisdiction of the Engineers, such as legal fees, land acquisition and related items.

During construction, the District shall disburse Construction Account funds in a manner consistent with RD Instruction 1780.

The District shall prepare and submit any and all RD Forms required by the RD. Periodic audits of the District's Construction Account records shall be made by RD as determined by it to be necessary.

**(4) Transfer of Capitalized Interest to Current Sinking Fund.** There shall be transferred from the Construction Account an amount sufficient to provide for capitalized interest (initially estimated at \$26,000) during the construction of the Project, as approved by the Engineers and by the RD. If and to the extent not theretofore expended in paying interest on interim financing and if and to the extent then needed to pay interest during the remaining period of construction of the Project, such amount so transferred from the Construction Account shall be deposited in the Current Sinking Fund.

**(5) Investment of Funds in Construction Account.** Pending disbursement of amounts on deposit in the Construction Account, all such funds, or such portion of said amounts on deposit in said Construction Account as is designated by the Commission, shall be invested for the benefit of such Construction Account in Certificates of Deposit, savings accounts or U.S. Obligations which may be converted readily into cash, having a maturity date prior to the date when the sums invested will be needed for costs of the Project (as determined by the Engineers, the Chairman and the RD), provided that to the extent that any amounts on deposit in said Depository Bank shall cause the total deposits of the District in said Depository Bank to exceed the amount insured by the FDIC, the same shall be continuously secured by a valid pledge of U.S. Obligations, having an equivalent

market value, in conformity with Section 66.480 of the Kentucky Revised Statutes. Investments in Certificates of Deposit or savings accounts may be made only in such Certificates or accounts of an FDIC bank. Any such investments will be a part of the Construction Account, and income from such investments will be credited to the Construction Account. All such investments shall be subject to the limitations set out in Section 303 hereof.

**(6) Statements of Contractors, Engineers and Attorneys as to Payment.** Prior to the delivery of the Current Bonds, if the RD is the Purchaser of the Current Bonds, the District will be required to provide the RD with statements from the Contractors, Engineers and attorneys for the District that they have been paid to date in accordance with their contract or other agreements and, in the case of any Contractor, that he has paid his suppliers and subcontractors. Any exceptions must be authorized under RD Instruction 1780.

**(7) Disposition of Balance in Construction Account After Completion of Project.** When the Project has been completed and all construction costs have been paid in full, as certified by the Engineers for the District and/or by the RD, any balance then remaining in the Construction Account may, with the consent of the RD, be applied to the cost of constructing additional extensions, additions and improvements to the System (the "Additional Construction"). If such Additional Construction is to be undertaken by the Contractors previously engaged in the Project, such Additional Construction may be authorized by a change order.

If there is a balance remaining in the Construction Account after such Additional Construction, such balance (subject to legal requirements as to possible refund of any allocated portion of the balance derived from Grant Proceeds) shall be transferred to the Current Sinking Fund, whereupon said Construction Account shall be closed. Such remaining balance in the Construction Account so transferred to the Current Sinking Fund shall be used by the District immediately to prepay principal installments due on the Current Bonds in the inverse order of maturities without prepayment penalty, provided further that any balance insufficient to prepay at least \$100 of the principal payment falling due in any year on the Bonds will be transferred to the Depreciation Fund.

### **Section 302. Interim Financing Authorization.**

**A. Interim Financing.** The District shall use interim financing for the Project during construction of that portion of the cost of the Project financed by the Current Bonds, if available at reasonable rates and terms.

The borrowing of up to the aggregate sum of \$1,165,000 from the Interim Lender is hereby authorized; and the Chairman is hereby authorized to execute the Note in the name and on behalf of the District. Each advance under the Note shall evidence a loan by the Interim Lender to the District for services rendered and/or materials supplied in connection with the Project, as evidenced by a Requisition Certificate.

Interim financing shall be disbursed as follows:

(1) At the direction of the District, the Interim Lender shall disburse the proceeds of the Note by cashier's checks directly to the parties entitled thereto as set forth in the Requisition Certificate; or

(2) At the direction of the District, the Interim Lender shall deposit the proceeds of the Note in the Construction Account, in which event amounts of the District on deposit therein shall, until expended to the extent that same shall exceed the amount insured by the FDIC, be fully secured by a pledge of U.S. Obligations.

The aggregate of the principal amount of all Notes shall not exceed \$1,165,000. Each Note which is renewed or superseded shall be simultaneously cancelled by the Interim Lender and transmitted to the Treasurer. The rate of interest applicable to each Note shall not exceed a reasonable rate, which rate is subject to the approval of the RD.

The total authorized interim financing of \$1,165,000 shall be the maximum indebtedness which the District may owe at any one time to the Interim Lender for the purpose of providing temporary construction financing for the Project; provided, however, that the District may reduce the amount owed by the District to the Interim Lender from time to time as and when funds are available to the District, whether derived from the proceeds of the Grant Proceeds, the proceeds of the sale of the Current Bonds or otherwise, and may reborrow from the Interim Lender additional amounts in anticipation of the further receipt by the District of additional proceeds from the Current Bonds and/or Grant Proceeds.

The District hereby covenants and agrees with the Interim Lender that upon the issuance and delivery of the Current Bonds and/or the receipt of said Grant Proceeds, the District will apply the proceeds thereof, to whatever extent may be necessary, in payment of the principal amount of the Note, together with accrued interest thereon to the date of such payment; and the proceeds of the Current Bonds and Grant Proceeds are hereby pledged therefor, and such pledge shall constitute a first and prior charge against said proceeds.

Although the proceeds of the Current Bonds and Grant Proceeds are pledged to the repayment of said interim financing, it is recognized that the Grant Proceeds may be applied to the extent required at the time of receipt of the Grant Proceeds, to the payment of costs of the Project due and owing by the District at the time of receipt of such Grant Proceeds, rather than to the repayment of portions of the interim financing at that time. If and to the extent that the Grant Proceeds are in excess of any costs of the Project due and owing at the time of receipt thereof, such Grant Proceeds may be applied, in the same manner as set out hereinabove, to the reduction of the amount of the interim financing, after which, such interim financing may again be increased as theretofore. The District further pledges the revenues of the System to the repayment of said interim financing, subject to the vested rights and priorities of the pledges securing the Outstanding Bonds.

It is understood that the foregoing constitutes an alternative method of obtaining interim financing, and does not preclude the authorization and sale, by public advertisement or otherwise, of bond anticipation notes and/or grant anticipation notes to the most favorable bidder on the open market, by concurrent or subsequent proceedings of the District.

**B. Multiple Advances by RD.** In the event the Current Bonds are purchased by the RD, and in the event the District is unable to obtain a commitment for interim financing for the Project from any Interim Lender at reasonable rates and terms, the Chairman is authorized to request Multiple Advances of loan funds from the RD.

If the RD agrees to make Multiple Advances to the District pending the delivery of the Current Bonds, the Chairman is hereby authorized to execute in the name and on behalf of the District any number of Notes. Each such Note, evidencing an advance of funds by the RD to the District, shall be in the form prescribed by the RD.

Each request for an advance from the RD shall be accompanied by a Requisition Certificate. The District will also furnish to the RD, prior to the receipt of each Multiple Advance, whatever additional documentation shall be requested by the RD, including an updated supplemental title opinion of Local Counsel and an updated supplemental preliminary legal opinion of Bond Counsel.

The proceeds of any Multiple Advances shall be either (i) disbursed directly to the parties entitled thereto for services and/or materials supplied in connection with the Project; or (ii) deposited into the Construction Account and disbursed in accordance with the provisions of Section 301 hereof, in which event amounts on deposit in such Construction Account shall, until expended, to the extent that same shall exceed the amount insured by the FDIC, be fully secured by a pledge of U.S. Obligations.

The proceeds of the Current Bonds are hereby pledged to the repayment of such Multiple Advances, and such pledge shall constitute a first and prior pledge against such proceeds. The District further pledges the revenues of the System to the repayment of said Multiple Advances, subject to the vested rights and priorities of the pledges securing the Outstanding Bonds.

**Section 303. Arbitrage Limitations on Investment of Proceeds.** The District covenants and certifies, in compliance with the Code, on the basis of known facts and reasonable expectations on the date of adoption of this Resolution, that it is not expected that the proceeds of the Current Bonds will be used in a manner which would cause the Current Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The District covenants to the Owners of the Current Bonds that (1) the District will make no use of the proceeds of said Current Bonds which, if such use had been reasonably expected on the date of issue of such Current Bonds, would have caused such Current Bonds to be "arbitrage bonds"; and (2) the District will comply with all of the requirements of the Code to whatever extent is necessary to assure that the Current Bonds shall not be treated as or constitute "arbitrage bonds" and that the interest on the Bonds shall be excludable from gross income for federal income tax purposes.

Prior to or at the time of delivery of the Current Bonds, the Chairman and/or the Treasurer (who are jointly and severally charged with the responsibility for the issuance of the Current Bonds) are authorized to execute such certifications as shall be required by Bond Counsel, setting out all known and contemplated facts concerning the anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by Section 148 of the Code in order to assure that interest on the Current Bonds shall be excludable from gross income for federal income tax purposes and that the Current Bonds will not be treated as "arbitrage bonds".

#### ARTICLE 4. FLOW OF FUNDS.

**Section 401. Funds.** There was heretofore created in the Prior Bond Resolution the following funds and accounts:

- (a) Big Sandy Water District Waterworks Revenue Fund
- (b) Big Sandy Water District Waterworks Sinking Fund
- (c) Big Sandy Water District Waterworks Depreciation Reserve Fund
- (d) Big Sandy Water District Waterworks Operation and Maintenance Fund

The is hereby created and established in this Resolution the Big Sandy Water District Waterworks Sinking Fund of 2014.

**Section 402. Flow of Funds.** All proceedings preliminary to and in connection with the issuance of the Outstanding Bonds, including provisions made for (i) the receipt, custody and application of the proceeds of the Outstanding Bonds; (ii) the operation of the System on a revenue-producing basis; (iii) the segregation, allocation and custody of the revenues derived from the operation of the System; (iv) the enforcement and payment of the Outstanding Bonds and (v) the depreciation of the System; and all other covenants for the benefit of Bondowners set out in the Prior Bond Resolution, are hereby ratified and confirmed and shall continue in force and inure to the security and benefit of the Outstanding Bonds, the same as if such provisions and proceedings were set out in full herein; provided, further, that after the issuance of the Current Bonds, the income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

**A. Revenue Fund.** The District covenants and agrees that it will continue to deposit in the Revenue Fund, promptly as received from time to time, all revenues of the System, as same may be extended and improved from time to time. The moneys in the Revenue Fund shall continue to be used, disbursed and applied by the District only for the purpose and in the manner and order of priorities specified in the Prior Bond Resolution, as hereinafter modified by this Resolution, all as permitted by the Act, and in accordance with previous contractual commitments.

**B. Prior Sinking Fund.** There shall be transferred from the Revenue Fund and deposited into the Prior Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Prior Bonds, a sum equal to the total of the following:

- (1) A sum equal to one-sixth (1/6) of the next succeeding interest payment to become due on all Prior Bonds then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of all of the Prior Bonds maturing on the next succeeding principal payment date.

Said Prior Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying the principal of and interest on the Prior Bonds.



**C. Current Sinking Fund.** At or after the time that the Current Bonds have been delivered, there shall be transferred from the Construction Account into the Current Sinking Fund an amount sufficient (currently estimated at \$23,200) to provide for capitalized interest during the construction of the Project, if and to the extent not theretofore expended in paying interest on interim financing and if and to the extent then needed to pay interest during the remaining period of construction of the Project.

After the monthly transfers required in the preceding paragraphs have been paid from the Revenue Fund, there shall next be transferred monthly from said Revenue Fund and deposited into the Current Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Current Bonds, a sum equal to the total of the following:

- (1) An amount equal to one-sixth (1/6) of the next succeeding six-month interest payment to become due on the Current Bonds then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of any Current Bonds maturing on the next succeeding January 1.

The Current Sinking Fund is hereby pledged for the payment of the interest and the principal of the Current Bonds, but subject to the vested rights and priorities of the Prior Bonds.

**D. Depreciation Fund.** There shall next be transferred from the Revenue Fund the sum of at least \$420 each month which shall be deposited into the Depreciation Fund until there is accumulated in such Depreciation Fund the sum of at least \$50,400, which amount shall be maintained, and when necessary, restored to said sum of \$50,400, so long as any of the Current Bonds are outstanding and unpaid. These deposits are in addition to the deposits required by the Prior Bond Resolution.

As further security for the Bondowners and for the benefit of the District, it has been and is hereby provided that in addition to the monthly transfers required to be made from the Revenue Fund into the Depreciation Fund, there shall be deposited into said Depreciation Fund all proceeds of connection fees collected from potential customers (except the amounts necessary to pay the actual costs and service connections applicable to said potential customers) to aid in the financing of the cost of future extensions, additions and improvements to the System, plus the proceeds of any property damage insurance (not otherwise used to replace damaged or destroyed property); and any such amounts or proceeds so deposited shall be used solely and only for the purposes intended.

Moneys in the Depreciation Fund may be withdrawn and used by the District, upon appropriate certification of the Commission, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals and replacements not included in the annual budget of current expenses and/or of paying the costs of constructing future extensions, additions and improvements to the System which will either enhance its revenue-producing capacity or will provide a higher degree of service, and when necessary, for the purpose of making payments of principal and interest on the Bonds if the amount on deposit in the Sinking Fund is not sufficient to make such payments.

**E. Operation and Maintenance Fund.** There shall next be transferred monthly from the Revenue Fund and deposited into said Operation and Maintenance Fund, sums sufficient to meet the current expenses of operating and maintaining the System. The balance maintained in said Operation and Maintenance Fund shall not be in excess of the amount required to cover anticipated System expenditures for a two-month period pursuant to the District's annual budget.

**F. Monthly Principal and Interest Payments if Requested by the RD.** So long as any of the Bonds are held or insured by the RD, the District shall, if requested by the RD, make the payments required by this Section 402, in monthly installments to the RD or to the insured Owners of the Bonds.

**G. Surplus Funds.** Subject to the provisions for the disposition of the income and revenues of the System as set forth hereinabove, which provisions are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred, within sixty days after the end of each fiscal year, the balance of excess funds in the Revenue Fund on such date, to the Depreciation Fund for application in accordance with the terms of this Resolution or to the Sinking Fund to be applied to the maximum extent feasible, to the prompt purchase or redemption of Outstanding Bonds.

**H. Investment and Miscellaneous Provisions.** All monies in the Sinking Fund and the Depreciation Fund shall be deposited in the Depository Bank, or such portion thereof as is designated by the Commission. All monies in the Sinking Fund and the Depreciation Fund shall be invested for the benefit of such respective Funds in Certificates of Time Deposit or savings accounts of the Depository Bank or in U.S. Obligations which may be converted readily into cash, having a maturity date prior to the date when the sums invested will be needed for the purposes for which such funds may be expended, provided that to the extent that any amount of the District on deposit in the Depository Bank shall cause the total deposits of the District in said Depository Bank to exceed the amount insured by the FDIC, such excess amount shall be continuously secured by a valid pledge of U.S. Obligations, having an equivalent market value, in conformity with Section 66.480 of the Kentucky Revised Statutes.

Any such investments will be a part of the respective Funds from which the proceeds invested are derived, and income from such investments will be credited to such respective Funds. All investments of funds derived from proceeds of the Outstanding Bonds shall be subject to the applicable limitations set out in Section 303 hereof.

All payments into the Funds shall be made on or before the twentieth (20th) day of each month, except that when the twentieth (20th) day of any month shall be a Saturday, Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

All monies held in any of the Funds shall be kept apart from all other District funds and shall be deposited in the Depository Bank, and all such deposits which cause the aggregate of all deposits of the District therein to be in excess of the amount secured by FDIC, shall (unless invested as herein authorized) be secured by a surety bond or bonds or by a pledge of U.S. Obligations, having a market value equivalent to such deposit.

The Treasurer shall keep appropriate records as to payment of principal and interest installments and as to payment of principal of and interest on any Bonds.

**Section 403. Current Bonds are Subordinate to the Prior Bonds.** It is hereby certified and declared that the Current Bonds shall be subordinate to the lien and pledge of the Prior Bonds on the gross revenues of the System.

## ARTICLE 5. COVENANTS OF DISTRICT

**Section 501. Rates and Charges.** The District shall charge such rates and charges for all services and facilities rendered by the System, which rates and charges shall be reasonable, taking into account and consideration the cost and value of the System, the cost of maintaining, repairing and operating same and the amounts necessary for the payment of principal of and interest on Outstanding Bonds against the System. The District shall charge such rates and charges as shall be adequate to meet the requirements of Articles 4 and 5 hereof.

The District covenants that it will not reduce the rates and charges for the services rendered by the System without first filing with the Secretary a certification of an Independent Consulting Engineer that the annual net revenues (defined as gross revenues less operating expenses) of the then existing System for the fiscal year preceding the year in which such reduction is proposed, as such annual net revenues are adjusted, after taking into account the projected reduction in annual net revenues anticipated to result from any such proposed rate decrease, are equal to not less than 120% of the average annual debt service requirements for principal and interest on all of the then Outstanding Bonds payable from the revenues of the System, calculated in the manner specified in Section 603 hereof.

**Section 502. Books and Accounts; Audit.** The District shall maintain proper records and accounts relating to the operation of the System and the District's financial affairs; and the Bondowners, or their authorized representatives, shall have the right at all reasonable times to inspect the facilities of the System and all records, accounts and data relating thereto. An annual audit shall be made of the books and accounts pertinent to the System by a Certified Public Accountant licensed in Kentucky. No later than ninety (90) days after the close of each Fiscal Year, copies of such audit reports certified by such Certified Public Accountant shall be promptly mailed to the RD without request, so long as the Government is the Owner of any of the Bonds, and to any Bondowner that may have made a written request for same.

Monthly operating reports shall be furnished to the RD and to any Bondowner requesting same, during the first two (2) years of operation after completion of the Project, and whenever and so long as the District is delinquent in any of the covenants set out in the Prior Bond Resolution or this Current Bond Resolution. Thereafter, quarterly operating reports shall be furnished at all other times to the RD and to any Bondowner requesting the same.

**Section 503. System to Continue to be Operated on Fiscal Year Basis; Annual Budget.** While any of the Bonds are outstanding and unpaid, and to the extent permitted by law, the System shall continue to be operated and maintained on a Fiscal Year basis.

Not later than sixty (60) days before the end of each Fiscal Year, the District agrees to cause to be prepared a proposed annual budget of operating expenses (the "Proposed Budget") of the System for the then ensuing Fiscal Year, itemized on the basis of monthly requirements. A copy of said Proposed Budget shall be mailed to any Bondowner who may request in writing a copy of such Proposed Budget and to the RD without request, if the Government is the Owner of any of the Bonds.

For the purpose of the Proposed Budget, operating expenses shall include all reasonable and necessary expenses of operating, repairing, maintaining and insuring the System, but shall exclude depreciation and debt service payments. The District covenants that the operating expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that the District will not expend any amount or incur any obligation for operation or maintenance and repair in excess of the amounts provided for operating expenses in the annual budget, except upon resolution by the District that such expenses are necessary to operate and maintain the System.

Not later than sixty (60) days before the end of each Fiscal Year, the District shall prepare an estimate of gross revenues to be derived from the operation of the System for said Fiscal Year, and, to the extent that said gross revenues are insufficient (a) to pay debt service requirements on all Outstanding Bonds during the ensuing Fiscal Year, (b) to accumulate and maintain all required reserves enumerated herein and (c) to pay operating expenses, the District shall revise the rates and charges sufficiently to provide the funds so required.

If the Owners of at least 50% of the principal amount of the Outstanding Bonds, or the Government so long as it is the Owner of any of said Outstanding Bonds, so request, the Commission shall hold an open hearing not later than thirty (30) days before the beginning of the ensuing Fiscal Year, at which time any Bondowner may appear by agent or attorney and may file written objections to such proposed budget. Notice of the time and place of such hearing shall be mailed at least fifteen (15) days prior to the hearing to each registered Bondowner and to the Government.

The District covenants that annually before the first day of the Fiscal Year, the annual budget for the upcoming Fiscal Year will be adopted substantially in accordance with the Proposed Budget, and that no expenditures for operation and maintenance expenses of the System in excess of the budgeted amount shall be made during such Fiscal Year unless directed by said District by a specific resolution duly adopted.

**Section 504. General Covenants.** The District, through its Commission, hereby covenants and agrees with the Owners of the Bonds that:

- (1) It will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth of Kentucky;
- (2) It will make and collect reasonable and sufficient rates and charges for services and facilities rendered by the System;
- (3) It will segregate the revenues and income from the System and make application thereof consistent with and as provided by this Resolution;
- (4) Unless the written consent of the Owners of a majority of the principal amount of the Outstanding Bonds has been obtained, the District agrees not to sell, lease, mortgage or in any manner dispose of any integral part of the System, including any and all appurtenances thereto and extensions, additions

and improvements that may be made thereto, until all of the Outstanding Bonds shall have been paid or provided for in full, as provided herein; subject to the provisions of Section 607 hereof;

- (5) It will maintain in good condition and continuously operate the System and appurtenances thereto and will charge such rates and charges for the services rendered thereby so that the gross income and revenues will be sufficient at all times (i) to pay the interest on and principal of the Outstanding Bonds as same become due; (ii) to pay the cost of operating and maintaining the System; and (iii) to provide for an adequate depreciation account; and
- (6) It will carry and maintain insurance on properties of the System subject to loss or damage in amounts and against hazards substantially in accordance with the practices of other districts, cities or corporations which own and maintain waterworks systems under similar conditions; and so long as the Government is the Owner of any of the Outstanding Bonds, the Government will be listed as co-beneficiary on any such policy; and the District shall further comply with the insurance requirements of Section 506 hereof (involving insurance on motors, tanks and structures).

**Section 505. Other Covenants Applicable So Long as RD Owns Any Bonds.** So long as the RD shall own any of the Bonds, the District shall comply with such RD regulations, requirements and requests as shall be made by the RD, including the furnishing of operating and other financial statements, in such form and substance and for such periods as may be requested by the RD, the carrying of insurance of such types and in such amounts as the RD may specify, with insurance carriers acceptable to the RD and compliance with all of the terms and conditions of the Loan Resolution (RD Form 1780-27) adopted and executed by the District, which is hereby authorized, approved, ratified and confirmed.

**Section 506. Insurance on Motors, Tanks and Structures.** The District shall (a) immediately after the adoption of this Resolution and (b) at the time of final acceptance of the Project, insure all electric motors, elevated water storage tanks, pumping stations and major structures of the System in an amount recommended by the Engineers and approved by the RD, so long as the RD is the Owner of any of the Bonds, for the hazards usually covered in such area, and shall similarly insure same in an amount recommended by the Engineers, without the necessity of approval by the RD if and whenever the District has Outstanding Bonds against the System and none of such Outstanding Bonds are owned by the RD.

## ARTICLE 6. INFERIOR BONDS AND PARITY BONDS

**Section 601. Inferior Bonds.** Except as hereinafter provided below in this Article, the District shall not, so long as any Bonds are outstanding, issue any additional bonds payable from the revenues of the System unless the security and/or pledge of the revenues to secure such additional bonds are made inferior and subordinate in all respects to the security of the Bonds.

The District expressly reserves the right at any time to issue its bonds or other obligations payable from the revenues of the System and not ranking on a parity basis with the Current Bonds, without any proof of previous earnings or net revenues, provided that the consent of the RD must be obtained prior to the issuance of any inferior bonds so long as the RD owns any of the Bonds, and provided further that, after the initial completion of the Project, such inferior bonds may be issued only for the purpose of providing for future extensions, additions and improvements to the System, and only in express recognition of the priorities, liens and rights created and existing for the security, source of payment and protection of the Outstanding Bonds; provided further, that nothing in this Section is intended to restrict or shall be construed as a restriction upon, the ordinary refunding all or a portion of the Outstanding Bonds.

**Section 602. Parity Bonds to Complete the Project.** The District hereby certifies, covenants and agrees that in the event that the cost of completion of the construction of the Project shall exceed the moneys available to the District from any and all sources, the District shall have the right, if necessary, to provide for such excess, and only such excess, through the issuance of Parity Bonds, provided the District has obtained a certification from the Engineers to the effect that it is necessary to issue the desired amount of Parity Bonds in order to enable the District to pay the cost (not otherwise provided) of the completion of the Project, and provided the District has complied with the provisions of Section 603 below or has obtained:

- (a) the consent of the RD if the Government is as the Owner of the Prior Bonds at that time or the consent of any other Owners of the Prior Bonds, and
- (b) the consent of (1) the RD if the Government is the purchaser of the Current Bonds; or (2) the Owners of at least 75% of the principal amount of the Current Bonds outstanding, if the Current Bonds have been issued, sold and delivered and are held by Owners other than the Government.

**Section 603. Parity Bonds to Finance Future Improvements.** The District reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional Parity Bonds, but only under the conditions specified in the Current Bond Resolution, which conditions are as follows:

The District further reserves the right to add new waterworks facilities and/or to finance future extensions, additions and improvements to the System by the issuance of one or more additional series of Parity Bonds to be secured by a parity lien on and ratably payable on a parity with the Current Bonds, from the revenues of the System, provided:

(a) The facilities to be constructed from the proceeds of the additional Parity Bonds are made a part of the System and their revenues are pledged as additional security for the additional Parity Bonds and for the Outstanding Bonds.

(b) The District is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds.

(c) The annual net revenues (defined as gross revenues less operating expenses), of the then existing System for the Fiscal Year preceding the year in which such Parity Bonds are to be issued, adjusted as hereinafter provided, shall be certified by an independent Certified Public Accountant to be equal at least one hundred twenty percent (120%) of the average annual debt service requirements for principal and interest on all Outstanding Bonds payable from the revenues of the System, plus the anticipated debt service requirements of any Parity Bonds then proposed to be issued. The calculation of average annual debt service requirements of principal and interest on the additional Parity Bonds to be issued shall, regardless of whether such additional Parity Bonds are to be serial or term bonds, be determined on the basis of the principal of and interest on such Parity Bonds being payable in approximately equal annual installments.

(d) The annual net revenues referred to above may be adjusted for the purpose of the foregoing computations to reflect:

(1) any revisions in the System's schedule of rates or charges being imposed on or before the time of the issuance of any such additional Parity Bonds, and

(2) any increase in the annual net revenues to be realized from the proposed extensions, additions and improvements being financed (in whole or in part) by such additional Parity Bonds;

provided all such adjustments shall be based upon and included in a certification of an Independent Consulting Engineer.

(e) Compliance with Section 603(a) through (d) shall not be necessary for the issuance of Parity Bonds if the District has obtained (1) the written consent of the RD for the issuance of such Parity Bonds, if the Government is the Owner of any Bonds at the time of issuance of such Parity Bonds; and (2) the written consent of the Owners of all of the then outstanding Prior Bonds, and no other prerequisite need be complied with by the District in order to issue Parity Bonds.

**Section 604. Covenants to be Complied with at Time of Issuance of Parity Bonds.** The District hereby covenants and agrees that in the event any Parity Bonds are issued, the District shall:



(a) Adjust the monthly amount to be deposited into the Sinking Fund on the same basis as that prescribed in the provisions establishing such Sinking Fund, to reflect the average annual debt service requirements of the Parity Bonds;

(b) Adjust the minimum annual amount to be deposited monthly into the Depreciation Fund on the same basis as that prescribed in the provisions establishing such Depreciation Fund, taking into account the future debt service requirements of all Bonds which will then be outstanding against the System; and

(c) Make such Parity Bonds payable as to principal on January 1 of each year in which principal falls due and payable as to interest on January 1 and July 1 of each year until the final maturity of such Parity Bonds.

**Section 605. Prepayment Provisions Applicable to Parity Bonds.** If, in connection with any subsequently issued series of Parity Bonds, it is provided that excess revenues in the Revenue Fund shall be used to prepay Outstanding Bonds in advance of scheduled maturity, or if the District at its option undertakes to prepay Outstanding Bonds in advance of scheduled maturity, it is agreed and understood, for so long as the Government owns any of the Outstanding Bonds, that no such prepayment will be effected without the approval of the RD.

**Section 606. Consent of the RD Regarding Future Bonds.** Notwithstanding any other provisions of this Resolution, the District agrees that so long as the Government owns any Outstanding Bonds against and/or payable from the revenues of the System, the District will not issue any future bonds, notes or other obligations against, secured by or payable from the revenues of the System without the written consent of the RD.

**Section 607. Priority of Lien; Permissible Disposition of Surplus or Obsolete Facilities.** The District covenants and agrees that so long as any of the Prior Bonds and/or Bonds are outstanding, the District will not sell or otherwise dispose of any of the facilities of the System, or any part thereof, and, except as provided above, the District will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the Outstanding Bonds. Notwithstanding the foregoing, the District may at any time permanently abandon the use of, or sell at fair market value, any part of the facilities of the System, provided that:

- (a) The District is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds, and the required reserves for such Outstanding Bonds will have been accumulated;
- (b) The District will, in the event of any such sale, apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing prepayment of bonds in advance of maturity; or (2) replacement of the facility so disposed of by another facility, the revenues of which shall be incorporated into the System, as hereinbefore provided;

- (c) The District certifies, in good faith, prior to any abandonment of use, that the facilities to be abandoned are no longer economically feasible of producing net revenues; and
- (d) The District certifies, in good faith, that the estimated net revenues of the remaining facilities of the System for the then next succeeding Fiscal Year, plus the estimated net revenues of the facilities, if any, to be added to the System, comply with the earnings requirements hereinbefore provided in the provisions and conditions governing the issuance of Parity Bonds.

Notwithstanding any other provisions hereof, so long as any Bonds are held by the Government, the District shall not dispose of its title to the System or to any part thereof, without first obtaining the written consent of the RD.

## ARTICLE 7. DEFAULT AND CONSEQUENCES

**Section 701. Events of Default.** The following items shall constitute an Event of Default on the part of the District:

- (a) The failure to pay principal of the Bonds as and when same shall become due and payable, either at maturity or by proceedings for redemption.
- (b) The failure to pay any installment of interest on the Bonds when the same shall become due and payable or, if any or all of the Outstanding Bonds are owned by the RD, within thirty (30) days thereafter.
- (c) The default by the District in the due or punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds, the Prior Bond Resolution or in this Resolution.
- (d) The failure to promptly repair, replace or reconstruct facilities of the System that have been damaged and/or destroyed.
- (e) The entering of any order or decree with the consent or the acquiescence of the District, appointing a receiver of all or any part of the System or any revenues thereof; or if such order or decree shall be entered without the acquiescence or consent of the District, its failure to have the order vacated, discharged or stayed on appeal within sixth (60) days after entry.

**Section 702. Consequences of Event of Default.** Any Owner of the Current Bonds may enforce and compel the performance of all duties and obligations of the District set forth herein. Upon the occurrence of an Event of Default, then upon the filing of a suit by any Owner of said the Current Bonds, any court having jurisdiction of the action may appoint a receiver to administer said System on behalf of the District with power to charge and collect rates sufficient to provide for the payment of operating and maintenance expenses and for the payment of principal of and interest on the Outstanding Bonds and to provide and apply the income and revenues in conformity with this Resolution and with the laws of the Commonwealth of Kentucky.

The District hereby agrees to transfer to any bona fide receiver or other subsequent operator of the System, pursuant to any valid court order in a proceeding brought to enforce collection or payment of the District's obligations, all contracts and other rights of the District pertaining to the System, conditionally, for such time only as such receiver or operator shall operate by authority of the court. Upon the occurrence of an Event of Default, the Owner of any of the Outstanding Bonds may require the governing body of the District by appropriate order to raise the rates a reasonable amount consistent with the requirements of this Resolution.

**ARTICLE 8. CONTRACTUAL PROVISIONS; GRANT APPROVAL;  
MISCELLANEOUS PROVISIONS.**

**Section 801. Resolution Contractual with Bondowners.** The provisions of this Resolution constitute a contract between the District and its Commission and the Owners of the Current Bonds as may be outstanding from time to time; and after the issuance of any of said Current Bonds, no change, alteration or variation of any kind of the provisions of this Resolution shall be made in any manner which will affect an Owner's rights except as herein provided or except with the written consent of all Bondowners until such time as all of the Current Bonds and the interest thereon have been paid in full or fully provided for; provided that the Commission may adopt any resolution for any purpose not inconsistent with the terms of this Resolution and which shall not impair the security of the Owners of the Current Bonds and/or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any resolution or other proceedings pertaining hereto.

It is further agreed that the Owners of 75% in principal amount of the Current Bonds at any time outstanding shall have the right to consent to and approve the adoption of resolutions or other proceedings, modifying or amending any of the terms or provisions contained in this Resolution, subject to the conditions that (a) this Resolution shall not be so modified in any manner that may adversely affect the rights of the Owners of any of the Prior Bonds, nor in any manner that may adversely affect the rights of any certain Owners of the Outstanding Bonds without similarly affecting the rights of all Owners of such Outstanding Bonds, or to reduce the percentage of the number of Owners whose consent is required to effect a further modification and (b) no such change may be effected without the consent of the RD so long as the RD owns any of the Outstanding Bonds.

**Section 802. All Current Bonds are Equal.** The Current Bonds authorized herein shall not be entitled to priority one over the other in the application of the income and revenues of the System, or with respect to the security for their payment, regardless of the time or times of their issuance, it being the intention that there shall be no priority among any of the Current Bonds regardless of the fact that they may be actually issued and delivered at different times.

**Section 803. District Obligated to Refund Current Bonds Owned by Government Whenever Feasible; Defeasement Prohibited.** So long as the Government is the Owner of any of the Current Bonds, if it appears to the Government that the District is able to refund such Current Bonds in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, or to sell bonds of the District in the open market, at reasonable rates and terms, for loans or bond issues for similar purposes and periods of time, the District will, upon request of the Government, obtain such loan and/or issue such bonds in sufficient amount to repay the Government and will take all such action as may be required in connection therewith.

In addition, so long as the Government is the Owner of any of the Current Bonds, the District shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of the Current Bonds without immediately prepaying all of the then outstanding Current Bonds.

**Section 804. Approval and Acceptance of RD Grant Agreement.** The RD has agreed to make grants to the District in the aggregate amount of \$440,000 (the "RD Grant") to supplement the proceeds of the Current Bonds in order to provide the total cost of the Project, and the RD has requested the District to approve, accept and execute RD Form 1780-12 (the "RD Grant Agreement"), setting out the terms and conditions upon which said RD Grant will be made. Said RD Grant Agreement is hereby approved, and the Chairman and the Secretary are authorized to execute said RD Grant Agreement on behalf of the District. The Chairman and Secretary are also authorized on behalf of the District to accept any and all other RD Grants offered to the District in connection with the Project and to execute any and all RD Grant Agreements and any other documents as may be requested by the RD in connection with RD Grants which have been and/or which may hereafter be approved for such Project.

**Section 805. Authorization, Ratification and Confirmation of Approval and Execution of Various Documents.** The Commission hereby authorizes, approves, ratifies and confirms the previous action of the officers of the District in approving and executing various documents related to the financing of the Project, including the following:

- (a) Legal Services Agreement with Bond Counsel.
- (b) Legal Services Agreement with Local Counsel.
- (c) Letter of Intent to Meet Conditions of RD Letter of Conditions (RD Form 1942-46).
- (d) Loan Resolution (RD Form 1780-27).
- (e) Agreement for Engineering Services with the Engineers.

**Section 806. Authorization of Condemnation to Acquire Easements and/or Sites.** In the event that (a) any necessary deeds of easement to allow construction of the Project over the property of any property owner or (b) any necessary deed to the necessary site of any waterworks facility of the Project shall not be obtained through negotiation within ten (10) days after the date of adoption of this Resolution and in the event that (1) such waterworks lines cannot be located within the right-of-way of the State and/or County road involved; and/or (2) such waterworks facilities cannot be located on a site already owned by the District, Local Counsel is hereby authorized and directed to file condemnation actions to obtain such necessary rights-of-way and/or sites forthwith, without further authorization or direction from the District or the Commission. Local Counsel is further directed to follow the same condemnation procedure in the event that it becomes necessary, through change orders, line extensions and/or errors in the location of property lines and/or property owners, to obtain additional easements, rights-of-way and/or sites for completion of the Project and whenever the necessary deed is not obtained by negotiation at least ten (10) days prior to the date on which construction is contemplated in the respective easement, right-of-way and/or site.

The District further approves the payment from the funds available therefor allocated to the costs of the Project to pay any judgment award, or compromise, determined by Local Counsel with the acquiescence of the Commission, toward the costs of such easements, rights-of-way and/or sites; provided, in each instance, that the payment of such funds to satisfy any judgment, award or compromise must first be approved by the RD; and the Commission further determines that if and to whatever extent the funds available from the proceeds of the financing contemplated by this Resolution shall be inadequate to pay any judgment, award or compromise amount for such easements, rights-of-way and/or sites, or if the District is unable to obtain the approval of the RD for any such payment, the Commission shall take all reasonably necessary actions, within the powers and authority of the Commission, to make such additional amount available from all other available District resources.

**Section 807. Authorization to File Required Financing Statements.** In the event that it is determined by Bond Counsel or Local Counsel that the District is required to file any financing statements under the Kentucky Uniform Commercial Code in order to perfect the pledge of the gross revenues of the District's System as security for the Current Bonds, Bond Counsel and/or Local Counsel are hereby authorized to prepare and file with the appropriate officials such financing statements as they deem necessary.

## ARTICLE 9. SALE OF CURRENT BONDS

**Section 901. Sale of Current Bonds.** The Current Bonds shall be offered publicly for sale upon the basis of sealed, competitive bids at such time as the Commission shall designate.

A suggested form of "Notice of Bond Sale", a suggested form of "Official Notice of Sale of Bonds" and a suggested form of "Bid Form", having been prepared in advance by Bond Counsel, and all of such documents having been found to be in satisfactory form, a copy of each is hereby ordered to be filed in the records of the Secretary with the Minutes of the meeting at which this Resolution is adopted. The Notice of Bond Sale shall be signed by the Secretary and may be used for the purpose of publishing notice of the sale of the Current Bonds. Copies of such documents shall be furnished to any interested parties who may request same.

In the event that there is no bid or that all bids are rejected, the District may readvertise the sale pursuant to this Resolution.

**Section 902. Adjustment in Maturities, Prepayment Provisions and Other Dates, with Consent of Purchaser if Delivery is Delayed.** In the event that delivery of the Current Bonds authorized herein is delayed for any reason and the District, with the consent of the Purchaser of the Current Bonds, determines it is in the District's best interest to change the maturities, the applicable prepayment date or any other dates, the District may adjust the same by a Resolution of the Commission approving the adjustments.

## ARTICLE 10. CONCLUDING PROVISIONS

**Section 1001. Covenant of District to Take All Necessary Action To Assure Compliance with the Code.** In order to assure the Owners of the Current Bonds that such Current Bonds shall continue to be legal and that interest thereon will continue to be excludable from gross income for federal income tax purposes and exempt from all Kentucky income taxation, the District covenants to and with the Owners of the Current Bonds to take the following action:

(a) The District will (1) take all actions necessary to comply with the provisions of the Code necessary to assure that interest on the Current Bonds will be excludable from gross income for federal income tax purposes; (2) will take no actions which will violate any of the provisions of the Code; and (3) not use the proceeds of the Current Bonds for any purpose which will cause interest on the Current Bonds or on interim financing obligations, including, but not limited to the Note, issued pursuant to Section 302 hereof to become includable in gross income for federal income tax purposes.

(b) The District hereby certifies that it does not reasonably anticipate that the total principal amount of "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code which the District, or any subordinate entity of the District, will issue during the calendar year during which the Current Bonds are issued, will exceed \$10,000,000; and therefore the District hereby designates the Current Bonds and all interim financing obligations, including, but not limited to the Note, issued pursuant to Section 302 hereof as "qualified tax-exempt obligations".

(c) The District further certifies that the Current Bonds and any and all interim financing obligations of the District are not "private activity bonds" within the meaning of the Code.

(d) The District covenants and agrees to comply with the rebate requirements on certain excess earnings imposed by Section 148 of the Code, and in the event it is determined by the District, upon the advice of Bond Counsel, that the Construction Account, or any other Fund established hereunder, is subject to said rebate requirements and does in fact generate earnings from "non-purpose investments" in excess of the amount which said investments would have earned at a rate equal to the "yield" on the Current Bonds, plus any income attributable to such excess, there shall be established a separate and special fund with the Depository Bank, which fund shall be designated the "Excess Earnings and Rebate Fund", which shall be utilized for the collection and payment of any excess generated from investments and the remittance thereof to the United States of America on or before the anniversary of the fifth (5th) year from the date of the Current Bonds, and once every five (5) years thereafter until the final retirement of the Current Bonds; the last installment, to the extent required, to be made no later than sixty (60) days following the date on which funds sufficient for the complete retirement of the Current Bonds are deposited with any escrow agent. The District further covenants to file any and all reports, if any, as may be required to be filed with the Government with regard to the liability or non-liability of the District as



to any such rebate requirements and to maintain records in regard thereto for the period of time required by applicable Treasury regulations.

**Section 1002. Severability Clause.** If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, which shall continue in full force and effect.

**Section 1003. All Provisions in Conflict Repealed.** All motions, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are to the extent of such conflict hereby repealed. It is hereby specifically ordered and provided that any proceedings heretofore taken for the issuance of other bonds of the District payable or secured in any manner by all or any part of the income and revenues of said System or any part thereof, and which have not been heretofore issued and delivered, are hereby revoked and rescinded, and none of such other bonds shall be issued and delivered. The District covenants to correct by appropriate proceedings any required procedure previously taken invalidly.

**Section 1004. Effective Immediately Upon Adoption.** This Resolution shall take effect and be effective immediately upon its adoption.


Adopted this November 18, 2013.

BIG SANDY WATER DISTRICT

  
\_\_\_\_\_  
Chairman

(Seal of District)

Attest:

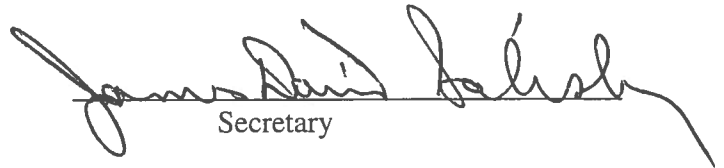
  
\_\_\_\_\_  
Secretary

CERTIFICATION

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Big Sandy Water District and that the foregoing Resolution is a true copy of a Resolution duly adopted by the Board of Commissioners of said District, signed by the Chairman of said District and attested under Seal by me as Secretary, at a properly convened meeting of said Board of Commissioners held on November 18, 2013, as shown by the official records of said District in my custody and under my control.

I further certify that said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as Secretary and the official Seal of the District this November 18, 2013.

  
Secretary

(Seal of District)

## EXHIBIT A-1

### Schedule of Principal Payments on Series A Bonds

<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>	<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>
2016	\$15,500	2036	\$26,500
2017	16,000	2037	27,000
2018	16,000	2038	28,000
2019	16,500	2039	28,500
2020	17,000	2040	29,500
2021	17,500	2041	30,000
2022	18,000	2042	31,000
2023	18,500	2043	32,000
2024	19,000	2044	33,000
2025	19,500	2045	33,500
2026	20,000	2046	34,500
2027	20,500	2047	35,500
2028	21,000	2048	36,500
2029	22,000	2049	37,500
2030	22,500	2050	38,500
2031	23,000	2051	39,500
2032	23,500	2052	40,500
2033	24,500	2053	42,000
2034	25,000	2054	45,500
2035	25,500		

**EXHIBIT A-2**

**Schedule of Principal Payments on Series B Bonds**

<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>	<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>
2016	\$1,500	2036	\$3,000
2017	1,500	2037	3,000
2018	1,500	2038	3,000
2019	1,500	2039	3,000
2020	1,500	2040	3,000
2021	1,500	2041	3,500
2022	1,500	2042	3,500
2023	1,500	2043	3,500
2024	2,000	2044	3,500
2025	2,000	2045	4,000
2026	2,000	2046	4,000
2027	2,000	2047	4,000
2028	2,000	2048	4,500
2029	2,000	2049	4,500
2030	2,000	2050	4,500
2031	2,500	2051	5,000
2032	2,500	2052	5,000
2033	2,500	2053	5,000
2034	2,500	2054	7,000
2035	2,500		

**EXHIBIT B**

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
BIG SANDY WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2014 \_\_

No.   R-   Interest Rate:        % \$                   

**KNOW ALL PERSONS BY THESE PRESENTS:**

That the Big Sandy Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Boyd, Carter and Lawrence Counties, Kentucky, for value received, hereby promises to pay to

\_\_\_\_\_

the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

\_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_ ),

on the first day of January, in years and installments as follows:

Year      Principal      Year      Principal      Year      Principal

[Here the printer of the Current Bond will print the maturities of the Current Bonds purchased by the registered Owner]

and in like manner, solely from said fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the Interest Rate specified above, semiannually on the first days of January and July in each year, beginning with the first January or July after the date of this Bond, until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Series    Bond is issued by the District as part of an issue in the aggregate principal amount of \$1,165,000, consisting of \$1,050,000 of Series A Bonds and \$115,000 of Series B Bonds under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky,

including Chapters 58 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond is issued subject to the vested rights and priorities in favor of the owners of the outstanding (i) Kentucky Infrastructure Authority Loan, dated January 1, 1990 (the "KIA Loan"); (ii) Big Sandy Water District Waterworks Revenue Bonds, Series 1993, dated December 13, 1994 (the "1993 Bonds"), authorized by a Resolution adopted by the Commission of the District on October 12, 1993 (the "1993 Bond Resolution"); (iii) Big Sandy Water District Waterworks Revenue Bonds, Series 2000, dated September 26, 2000 (the "2000 Bonds"), authorized by a Resolution adopted by the Commission of the District on August 21, 2000 (the "2000 Bond Resolution"); (iv) Big Sandy Water District Waterworks Revenue Bonds, Series 2001, dated December 18, 2001 (the "2001 Bonds"), authorized by a Resolution adopted by the Commission of the District on August 13, 2001 (the "2001 Bond Resolution"); and the outstanding Kentucky Rural Water Finance Corporation Loans (the "KRWFC Loans") [hereinafter the KIA Loan, 1993 Bonds, 2000 Bonds, 2001 Bonds and KRWFC Loans shall be collectively referred to as the "Prior Bonds", and the 1993 Bond Resolution, the 2000 Bond Resolution and the 2001 Bond Resolution shall be collectively referred to as the "Prior Bond Resolution"]. Accordingly, this Bond, together with any bonds ranking on a parity herewith, is payable from and secured by a pledge of the gross revenues to be derived from the operation of the System, after providing for the requirements of the Prior Bonds and the requirements of the Prior Bond Resolution.

This Bond has been issued in full compliance with the Current Bond Resolution and this Bond, and any bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions of the Current Bond Resolution are and will continue to be payable from revenues which shall be set aside in a fund for that purpose and identified as the "Big Sandy Water District Waterworks Sinking Fund of 2014", created in the Current Bond Resolution.

This Bond does not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations and is payable solely out of the revenues of the System. As provided in the Current Bond Resolution, the District covenants that so long as any of the Current Bonds are outstanding, the System will be continuously owned and operated by the District as a revenue producing public undertaking within the meaning of the aforesaid Act for the security and source of payment of the Current Bonds and that the District will fix, and if necessary adjust, from time to time, such rates for the services and facilities of the System and will collect and account for the revenues therefrom sufficient to pay promptly the principal of and interest on the Current Bonds and all other bonds ranking on a parity therewith as may be outstanding from time to time, to pay the cost of operation and maintenance of the System and to provide for the depreciation thereof.

The District has reserved the right to issue additional bonds ranking on a parity as to security and source of payment with this Bond in order to complete the Project, and to finance future extensions, additions and improvements to the System, provided the necessary requirements of the Current Bond Resolution have been complied with by the District.

This Bond shall be registered as to principal and interest in the name of the owner hereof, after which it shall be transferable only upon presentation to the Secretary of the District as the Bond Registrar, with a written transfer duly acknowledged by the registered owner or its duly authorized attorney, which transfer shall be noted upon this Bond and upon the registration book of the District kept for that purpose.

The District, at its option, shall have the right to prepay, on any interest payment date on and after January 1, 2023, in inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof, in a multiple of One Hundred Dollars (\$100), as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered owner of this Bond or its assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the registered owner of this Bond.

So long as the registered owner of this Bond is the United States of America, or any agency thereof, the entire principal amount of this Bond, or installments in multiples of \$100, may be prepaid at any time in inverse chronological order of the installments due.

Upon default in the payment of any principal or interest payment on this Bond, or upon failure by the District to comply with any other provision of this Bond or with any provision of the Current Bond Resolution, the registered owner may, at its option, institute all rights and remedies provided by law or by said Current Bond Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said Big Sandy Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

BIG SANDY WATER DISTRICT

By \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

(Seal of District)

PROVISION FOR REGISTRATION

This Bond shall be registered on the registration book of the District kept for that purpose by the Secretary, as Bond Registrar, upon presentation hereof to said Secretary, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered owner or its attorney, such transfer to be made on said book and endorsed hereon.

Date of Registration	Name of Registered Owner	Signature of Bond Registrar



ASSIGNMENT

For value received, this Bond is hereby assigned, without recourse and subject to all of its terms and conditions, unto \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_

**EXHIBIT C**

**REQUISITION CERTIFICATE**

Re: Big Sandy Water District Waterworks Revenue Bonds, Series 2014, in the principal amount of \$1,165,000

The undersigned hereby certify as follows:

1. That they are the signatories required for construction and/or administrative draws pursuant to the Bond Resolution adopted by the Big Sandy Water District (the "District").
2. That the named firms and/or persons set forth on Exhibit A attached hereto are now entitled to the aggregate sum of \$\_\_\_\_\_, itemized as set forth in said Exhibit A and as per approved invoices attached hereto:
3. That upon said amount being lent to said District and/or obtained by said District from the proceeds of the Current Bonds and/or other sources, the undersigned approve such expenditure and the payment of said amounts to said firms and/or persons, either directly or from amounts deposit in the "Big Sandy Water District Waterworks Construction Account".
4. That we hereby certify that we have carefully inspected the work and, as a result of our inspection and to the best of our knowledge and belief, the amounts shown in this Requisition Certificate are correct and the work has been performed in accordance with the agreements between the District and the parties requesting payment.

IN TESTIMONY WHEREOF, witness the signature of the undersigned, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Big Sandy Water District

Sisler-Maggard Engineering, PLLC

By \_\_\_\_\_  
Chairman

By \_\_\_\_\_  
Registered Professional Engineer  
State of Kentucky No. \_\_\_\_\_

Approved on \_\_\_\_\_

Approved on \_\_\_\_\_

USDA, Rural Development

Amount expended heretofore \$ \_\_\_\_\_

By \_\_\_\_\_  
Authorized RD Official

Amount approved herein \_\_\_\_\_

Total \_\_\_\_\_

Approved on \_\_\_\_\_

**EXHIBIT A TO REQUISITION CERTIFICATE**

Name of Entity/Person

Amount

# **EXHIBIT G-2**

BOND RESOLUTION

BIG SANDY WATER DISTRICT

AUTHORIZING

BIG SANDY WATER DISTRICT

WATERWORKS REVENUE BONDS, SERIES 2020

IN THE AGGREGATE PRINCIPAL AMOUNT OF

\$2,065,000

CONSISTING OF \$1,670,000 OF SERIES A BONDS

AND

\$395,000 OF SERIES B BONDS

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EXHIBIT A - Schedule of Principal Payments  
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## BOND RESOLUTION

**RESOLUTION OF THE BIG SANDY WATER DISTRICT AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$2,065,000 PRINCIPAL AMOUNT OF BIG SANDY WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2020, CONSISTING OF \$1,670,000 OF SERIES A BONDS AND \$395,000 OF SERIES B BONDS FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.**

WHEREAS, the waterworks system (the "System") of the Big Sandy Water District (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the aggregate principal amount of \$2,065,000, consisting of \$1,670,000 of Series A Bonds and \$395,000 of Series B Bonds (collectively, the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Sisler-Maggard Engineering, PLLC and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued subject to the vested rights and priorities in favor of the owners of the outstanding Prior Bonds, and

WHEREAS, the District has filed an application with the Kentucky Public Service Commission for the issuance of a Certificate of Public Convenience and Necessity, authorizing the construction of said extensions, additions and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$845,000 and a contribution from the District in the amount of \$130,000, to provide the total cost of such construction,

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

**ARTICLE 1. DEFINITIONS; PURPOSE; AUTHORIZATION OF BONDS;  
SECURITY.**

**Section 101. Definitions.** As used in this Resolution, unless the context requires otherwise:

*"Act"* refers to Chapters 58 and 74 of the Kentucky Revised Statutes.

*"Beginning Month"* refers to the month following the month in which the Current Bonds authorized herein are issued, sold and delivered to the Purchaser thereof.

*"Bond Counsel"* refers to an attorney or firm of attorneys recognized nationally as experts in the field of municipal bond law and shall be deemed to refer to Rubin & Hays, Louisville, Kentucky, or their successors.

*"Bondowner" or "Owner"* refer to registered Owners of the Current Bonds at the time issued and outstanding hereunder.

*"Bonds"* collectively refers to the outstanding Current Bonds, Prior Bonds and the Parity Bonds.

*"Bonds of 2014" or "Series 2014 Bonds"* refer to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 2014, dated May 20, 2014, in the original aggregate authorized principal amount of \$1,165,000.

*"Bond Resolution of 2014" or "2014 Bond Resolution"* refer to the Resolution authorizing the Bonds of 2014, duly adopted by the Board of Commissioners of the District on November 18, 2013.

*"Chairman"* refers to the elected or appointed Chairman or Chairperson of the Commission.

*"Code"* refers to the Internal Revenue Code of 1986, as amended, and the Treasury Regulations relating thereto.

*"Commission"* refers to the Board of Commissioners of the District, or such other body as shall be the governing body of said District under the laws of Kentucky at any given time.

*"Construction Account"* refers to the Big Sandy Water District Waterworks Construction Account, created in Section 301(B) of this Current Bond Resolution.

*"Contractors"* refers to the general contractors who have been employed by the District to construct the Project.

*"Current Bond Resolution" or "Resolution"* refer to this Resolution authorizing the Current Bonds.

*"Current Bonds"* refers to the \$2,065,000 of Big Sandy Water District Waterworks Revenue Bonds, Series 2020, consisting of \$1,670,000 of Series A Bonds and \$395,000 of Series B Bonds authorized by this Resolution, to be dated as of the date of issuance thereof.

*"Current Sinking Fund"* refers to the Big Sandy Water District Waterworks Sinking Fund of 2020, created in this Resolution.

*"Depository Bank"* refers to the bank, which shall be a member of the FDIC, which bank is Town Square Bank, Ashland, Kentucky, or its successor.

*"Depreciation Fund"* refers to the Big Sandy Water District Waterworks Depreciation Reserve Fund, described in Section 402 of this Resolution.

*"District"* refers to the Big Sandy Water District of Boyd, Carter, Johnson and Lawrence Counties, Kentucky.

*"Engineers"* refers to the Engineers or any one of them, who prepared the plans and specifications for the construction of the Project and who will supervise the construction thereof and/or will furnish full time resident inspection of the construction of the Project, and shall be deemed to refer to Sisler-Maggard Engineering, PLLC, or a member of said firm, or their successors.

*"Event of Default"* refers to one or more of the Events of Default set forth in Section 701 of this Resolution.

*"FDIC"* refers to the Federal Deposit Insurance Corporation, or its successors.

*"Fiscal Year"* refers to the annual accounting period of the District, beginning on January 1 and ending on December 31 of each year.

*"Funds"* refers to the Construction Account, the Revenue Fund, the Current Sinking Fund, the Prior Sinking Fund, the Depreciation Fund and the Operation and Maintenance Fund.

*"Government"* refers to the United States of America, or any agency thereof, including RD.

*"Grant Proceeds"* refers to the proceeds of the RD Grant.

*"Independent Consulting Engineer"* refers to a consulting engineer or a firm of consulting engineers of recognized excellent reputation in the field of waterworks system engineering, and such definition includes the Engineers named above.

*"Interim Lender"* refers to Kentucky Rural Water Finance Corporation, Bowling Green, Kentucky, its successors or assigns; or any other financial institution or governmental agency approved by the District.

*"KRWFC Loans"* refer to the outstanding Kentucky Rural Water Finance Corporation loans to the District.

*"Local Counsel"* refers to Roger W. Hall, Esq., Ashland, Kentucky, or any other attorney or firm of attorneys designated by the District.

*"Multiple Advances"* refers to the advance of loan funds from the RD as described in Section 302 of this Resolution.

*"Note"* refers to a single note or any number of notes, in such form as may be prescribed by the Interim Lender, including any revenue bond anticipation notes issued pursuant to Chapter 58 of the Kentucky Revised Statutes, including any renewal or extensions of the Note, issued by the District evidencing the interim financing for the Project as prescribed in Section 302 of this Resolution.

*"Operation and Maintenance Fund"* refers to the Big Sandy Water District Waterworks Operation and Maintenance Fund described in Section 401 of this Resolution.

*"Outstanding Bonds"* refers to the outstanding Bonds, and does not refer to, nor include, any Bonds for the payment of the principal and interest of which sufficient funds will have been deposited and earmarked for payment of Bonds; provided all Outstanding Bonds of any series held by the RD shall be deemed to constitute Outstanding Bonds until paid regardless of the deposit of funds to pay for same.

*"Parity Bonds"* refers to bonds which may be issued in the future which, pursuant to this Resolution, rank on a basis of parity with the outstanding Bonds, as to priority, security and source of payment, and does not refer to bonds which might be issued so as to rank inferior to the security and source of payment of the outstanding Bonds.

*"Prior Bonds"* refers collectively to the Series 2014 Bonds and the KRWFC Loans.

*"Prior Bond Resolution"* refers collectively to the 2014 Bond Resolution and the resolutions authorizing the KRWFC Loans.

*"Prior Sinking Fund"* refers to the Big Sandy Water District Waterworks Sinking Fund, described in Section 401 of this Resolution.

*"Project"* refers specifically to the construction of the currently proposed extensions, additions and improvements to the System of the District, which Project is being financed by the Current Bonds and by other funds.

*"Purchaser"* refers to the agency, person, firm or firms, or their successors, to whom the Current Bonds herein authorized are awarded at the public sale of the Current Bonds.

"RD" refers to the United States Department of Agriculture, acting through Rural Development.

"RD Grant" refers to the RD grant described in Section 804 of this Resolution.

"Required Signatures" refers to the signatures necessary to be obtained with reference to the approval of the expenditures to be made from the Construction Account, which required signatures shall consist of the signatures of (1) the Chairman; (2) the Engineers; and (3) the Purchaser; provided, however, any expenditures for issuance and administrative costs and the costs of any equipment which is not permanently affixed to the real estate shall not require the signature or the approval of the Engineers.

"Revenue Fund" refers to the Big Sandy Water District Waterworks Revenue Fund, described in Section 401 of this Resolution.

"Secretary" refers to the elected or appointed Secretary of the Commission.

"System" refers to the existing waterworks system of the District, together with all extensions, additions and improvements to said System.

"Treasurer" refers to the elected or appointed Treasurer of the Commission.

"U.S. Obligations" refers to bonds or notes which are the direct obligations of the United States of America, or obligations the principal of and interest on which are guaranteed by the United States of America.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa. Unless otherwise indicated, references to Articles or Sections refers to those in this Resolution.

**Section 102. Purpose.** The Current Bonds shall be issued for the purpose of financing the cost (not otherwise provided) of the Project, as set out in the plans and specifications prepared by the Engineers. The Commission hereby declares the System of the District, including the extensions, additions and improvements to be constructed, to constitute a revenue producing public project, and said System shall continue to be owned, controlled, operated and maintained by the District as a revenue producing public project pursuant to the Act, so long as any Bonds remain outstanding.

**Section 103. Construction Award Approved; Work Authorized.** The Commission hereby authorizes, approves, ratifies and confirms its previous action in advertising for and taking steps toward awarding the contracts for the construction of the Project to the lowest and best bidders, and further approves the action of the District officials in entering into formal contracts with said bidders, subject to the necessary approvals being obtained. Authority is hereby given for under-

taking the construction of the Project according to the plans and specifications heretofore prepared by the Engineers for the District, after all necessary approvals have been obtained.

**Section 104. Declaration of Period of Usefulness.** The Commission hereby declares that the period of usefulness of the System is more than forty (40) years from the date of completion of the Project.

**Section 105. Authorization of Bonds.** The District has heretofore determined that the total cost of the Project, including preliminary expenses, land and rights-of-way, engineering expense, capitalized interest during construction, legal and administrative costs, publication costs, initial deposits required and all incidental expenses, will not exceed \$3,040,000. Therefore, it is hereby determined to be necessary in order for the District to finance the cost (not otherwise provided) of the Project that the District issue a total of \$2,065,000 of Current Bonds, based on the following calculation:

Total cost of Project		\$3,040,000
Less:		
RD Grant	\$845,000	
District Contribution	<u>130,000</u>	
Total Non-Bond Funds:		<u>(1,075,000)</u>
Balance to be financed by Current Bonds		\$2,065,000

Accordingly, for the purpose of financing the cost (not otherwise provided) of the Project, under the provisions of the Act, there is hereby authorized to be issued and sold \$2,065,000 principal amount of Big Sandy Water District Waterworks Revenue Bonds, Series 2020, consisting of \$1,670,000 of Series A Bonds and \$395,000 of Series B Bonds.

The Current Bonds shall be dated as of the date of delivery to the Purchaser thereof; shall bear interest from such date at such interest rate as may be fixed by supplemental resolution as a result of the advertised sale and competitive bidding for such Current Bonds, as hereinafter provided; and shall be issued and delivered as prescribed in Section 202 hereof.

Interest on the Current Bonds shall be payable semiannually on January 1 and July 1 of each year, provided that the first interest payment period will cover interest only from the date of delivery of the Current Bonds to the ensuing January 1 or July 1, as the case may be. Principal of the Current Bonds shall be payable on January 1 of each of the respective years until maturity, as set out in Section 201 hereof.

**Section 106. Recognition of Prior Bonds.** The District hereby expressly recognizes and acknowledges that the District has previously created for the benefit and protection of the owners

of the Prior Bonds, a certain lien and pledge and certain security rights relating to the System, all as set forth in the Prior Bonds and in the Prior Bond Resolution.

**Section 107. Current Bonds Shall be Payable Out of Gross Revenues.** The Current Bonds, and any additional Parity Bonds that may be issued under the conditions and restrictions hereinafter set forth, shall be secured by and payable out of the gross revenues of the System after providing for all of the principal and interest requirements of the outstanding Prior Bonds.

**Section 108. Lien on Contracts.** In addition to the revenue pledge securing the Bonds, a lien is hereby created and granted in favor of the Bondowners on all contracts, and on all other rights of the District pertaining to the System, enforceable by assignment to any receiver or other operator proceeding by authority of any court.



## ARTICLE 2. THE BONDS; BOND FORM; PREPAYMENT.

**Section 201. Principal Payments.** Principal payments due on the Current Bonds shall be as set forth in the schedule of maturities set out in **Exhibit A** attached to this Resolution and incorporated herein.

**Section 202. Issuance of Current Bonds; Bond Form.** The Purchaser of the Current Bonds at the public sale shall take delivery of the Current Bonds in the form of one or more fully registered bonds, as set forth in **Exhibit B** attached hereto and incorporated herein, amounting in the aggregate to the principal amount of the Current Bonds authorized herein, maturing as to principal as set out in Section 201. The Current Bonds shall be numbered R-1 and consecutively upward thereafter. Such Current Bonds shall, upon appropriate execution on behalf of the District as prescribed, constitute the entire bond issue herein authorized, shall be negotiable (subject to registration requirements as to transferability), registered as to principal and interest and payable as directed by the registered Owner.

**Section 203. Place of Payment and Manner of Execution.** Both principal of and interest on the Current Bonds shall be payable at the place and in the manner set out in the form of such Current Bond. The Current Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Chairman of the District, with the Corporate Seal of the District affixed thereto and attested by the manual or facsimile signature of the Secretary of said District.

If either of the officers whose signatures appear on the Current Bonds ceases to be such officer before delivery of said Current Bonds, such signatures shall nevertheless be valid for all purposes the same as if such officers had remained in office until delivery.

**Section 204. Provisions as to Prepayment.** Except when all of the Current Bonds are held by the Government, principal maturities falling due prior to January 1, 2029, shall not be subject to prepayment. Principal maturities falling due on and after January 1, 2029, shall be subject to prepayment by the District on any date falling on and after January 1, 2028, at par plus accrued interest, without any prepayment penalty.

So long as the registered owner of the Current Bonds is the United States of America, or any agency thereof, the entire principal amount of the Current Bonds, or installments in multiples of \$100, may be prepaid at any time in inverse chronological order of the installments due. Prepayments or extra payments on the Current Bonds shall, after payment of interest, be applied to the installments last to become due hereunder and shall not affect the obligation of the District to pay the remaining installments in accordance with the Current Bonds.

Notice of such prepayment shall be given by certified mail to the Bondowner or his assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the Bondowner.

**ARTICLE 3. CONSTRUCTION ACCOUNT; INTERIM FINANCING;  
APPLICATION OF PROCEEDS; ARBITRAGE LIMITATIONS.**

**Section 301. Construction Account; Application of Proceeds of Bonds; Other Transfers and Deposits.** The Treasurer, or such other District official as shall be designated by the Commission, shall be the custodian of all funds belonging to and associated with the System. All moneys in excess of the amount insured by the FDIC in the Construction Account shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The officials of the District entrusted with the receipt and disbursement of revenues of the System and the custody of valuable property shall be covered by a fidelity bond in the amount of not less than \$262,000 (the "Fidelity Bond"), or such larger amount as the RD may require, which Fidelity Bond shall be effective and secured by a surety company approved by the RD so long as it is owner of any of the Current Bonds. The RD and the District shall be named co-obligees in such Fidelity Bond and the amount thereof shall not be reduced without the written consent of the RD. Whenever sums in the Funds shall exceed \$262,000, the Fidelity Bond shall be increased accordingly as requested by and with the approval of the RD.

**A. Covenants Applicable if RD Purchases Current Bonds.** It is acknowledged that all covenants herein with reference to the necessity for approval of the RD, the necessity of observing RD regulations and procedures and the necessity of using RD forms (the "RD Forms"), shall apply only if the RD is the Purchaser of the Current Bonds and only so long as the RD holds the Current Bonds thereafter. In the event that the RD shall not be the Purchaser of the Current Bonds, or, after purchasing same, shall sell or transfer the Current Bonds to an Owner who shall not be the Government, all covenants herein with reference to the necessity for approval of the RD, the necessity of observing RD regulations and procedures, and the necessity of using RD Forms, shall not be applicable.

**B. Application of Proceeds of Current Bonds.** The proceeds of the Current Bonds shall be applied as follows:

**(1) Payment of Interim Financing, Costs of Project and Costs of Issuance.** Simultaneously with the delivery of the Current Bonds, there shall immediately be paid to the Interim Lender (or the RD if Multiple Advances are made) an amount sufficient to pay principal of and interest on any temporary loans borrowed by the District in anticipation of the sale and delivery of the Current Bonds and/or of the receipt of Grant Proceeds. Also, at the time of delivery of the Current Bonds, there shall be paid all amounts then due and payable in connection with the costs of the Project and in connection with the issuance of the Current Bonds.

**(2) Construction Account.** If and to the extent that the proceeds of the Current Bonds shall be in excess of the amount necessary to pay the interest, principal and costs referred to in subparagraph B(1) of this Section, such excess amount shall immediately be deposited in the "Big Sandy Water District Waterworks Construction Account" hereby created, which shall be established at the Depository Bank. There shall also be deposited

in said Construction Account the Grant Proceeds, as and when received, or said Grant Proceeds may be applied, to the extent necessary, to liquidate or reduce any interim financing owed by the District at the time of receipt of Grant Proceeds.

**(3) Withdrawal of Funds From Construction Account.** Prior to the expenditure by the District of any moneys from the Construction Account, the District must obtain written approval from the RD as to such expenditures, if the RD is the Owner of any Outstanding Bonds. The proceeds of said Construction Account shall be withdrawn only on checks signed by the Chairman, the Treasurer (or by such other official of the District as may be authorized by the Commission), provided such official shall be covered by the Fidelity Bond required by Section 301 of this Resolution, in payment for services and/or materials supplied in connection with the Project, as evidenced by (1) a Requisition Certificate; and (2) invoices and/or partial payment estimates bearing the written approval of the Engineers and the Chairman (or by such other official of the District as may be authorized by the Commission), and which invoices and/or partial payment estimates must have been reviewed and approved for payment by the designated RD official.

Written approval or certification of the Engineers shall not be required for matters not under the jurisdiction of the Engineers, such as legal fees, land acquisition and related items.

During construction, the District shall disburse Construction Account funds in a manner consistent with RD Instruction 1780.

The District shall prepare and submit any and all RD Forms required by the RD. Periodic audits of the District's Construction Account records shall be made by RD as determined by it to be necessary.

**(4) Transfer of Capitalized Interest to Current Sinking Fund.** There shall be transferred from the Construction Account an amount sufficient to provide for capitalized interest (initially estimated at \$40,000) during the construction of the Project, as approved by the Engineers and by the RD. If and to the extent not theretofore expended in paying interest on interim financing and if and to the extent then needed to pay interest during the remaining period of construction of the Project, such amount so transferred from the Construction Account shall be deposited in the Current Sinking Fund.

**(5) Investment of Funds in Construction Account.** Pending disbursement of amounts on deposit in the Construction Account, all such funds, or such portion of said amounts on deposit in said Construction Account as is designated by the Commission, shall be invested for the benefit of such Construction Account in Certificates of Deposit, savings accounts or U.S. Obligations which may be converted readily into cash, having a maturity date prior to the date when the sums invested will be needed for costs of the Project (as determined by the Engineers, the Chairman and the RD), provided that to the extent that any amounts on deposit in said Depository Bank shall cause the total deposits of

the District in said Depository Bank to exceed the amount insured by the FDIC, the same shall be continuously secured by a valid pledge of U.S. Obligations, having an equivalent market value, in conformity with Section 66.480 of the Kentucky Revised Statutes. Investments in Certificates of Deposit or savings accounts may be made only in such Certificates or accounts of an FDIC bank. Any such investments will be a part of the Construction Account, and income from such investments will be credited to the Construction Account. All such investments shall be subject to the limitations set out in Section 303 hereof.

**(6) Statements of Contractors, Engineers and Attorneys as to Payment.** Prior to the delivery of the Current Bonds, if the RD is the Purchaser of the Current Bonds, the District will be required to provide the RD with statements from the Contractors, Engineers and attorneys for the District that they have been paid to date in accordance with their contract or other agreements and, in the case of any Contractor, that he has paid his suppliers and subcontractors. Any exceptions must be authorized under RD Instruction 1780.

**(7) Disposition of Balance in Construction Account After Completion of Project.** When the Project has been completed and all construction costs have been paid in full, as certified by the Engineers for the District and/or by the RD, any balance then remaining in the Construction Account may, with the consent of the RD, be applied to the cost of constructing additional extensions, additions and improvements to the System (the "Additional Construction"). If such Additional Construction is to be undertaken by the Contractors previously engaged in the Project, such Additional Construction may be authorized by a change order.

If there is a balance remaining in the Construction Account after such Additional Construction, such balance (subject to legal requirements as to possible refund of any allocated portion of the balance derived from Grant Proceeds) shall be transferred to the Current Sinking Fund, whereupon said Construction Account shall be closed. Such remaining balance in the Construction Account so transferred to the Current Sinking Fund shall be used by the District immediately to prepay principal installments due on the Current Bonds in the inverse order of maturities without prepayment penalty, provided further that any balance insufficient to prepay at least \$100 of the principal payment falling due in any year on the Bonds will be transferred to the Depreciation Fund.

### **Section 302. Interim Financing Authorization.**

**A. Interim Financing.** The District shall use interim financing for the Project during construction of that portion of the cost of the Project financed by the Current Bonds, if available at reasonable rates and terms.

The borrowing of up to the aggregate sum of \$2,065,000 from the Interim Lender is hereby authorized; and the Chairman is hereby authorized to execute the Note in the name and on

behalf of the District. Each advance under the Note shall evidence a loan by the Interim Lender to the District for services rendered and/or materials supplied in connection with the Project, as evidenced by a Requisition Certificate.

Interim financing shall be disbursed as follows:

(1) At the direction of the District, the Interim Lender shall disburse the proceeds of the Note by cashier's checks directly to the parties entitled thereto as set forth in the Requisition Certificate; or

(2) At the direction of the District, the Interim Lender shall deposit the proceeds of the Note in the Construction Account, in which event amounts of the District on deposit therein shall, until expended to the extent that same shall exceed the amount insured by the FDIC, be fully secured by a pledge of U.S. Obligations.

The aggregate of the principal amount of all Notes shall not exceed \$2,065,000. Each Note which is renewed or superseded shall be simultaneously cancelled by the Interim Lender and transmitted to the Treasurer. The rate of interest applicable to each Note shall not exceed a reasonable rate, which rate is subject to the approval of the RD.

The total authorized interim financing of \$2,065,000 shall be the maximum indebtedness which the District may owe at any one time to the Interim Lender for the purpose of providing temporary construction financing for the Project; provided, however, that the District may reduce the amount owed by the District to the Interim Lender from time to time as and when funds are available to the District, whether derived from the proceeds of the Grant Proceeds, the proceeds of the sale of the Current Bonds or otherwise, and may reborrow from the Interim Lender additional amounts in anticipation of the further receipt by the District of additional proceeds from the Current Bonds and/or Grant Proceeds.

The District hereby covenants and agrees with the Interim Lender that upon the issuance and delivery of the Current Bonds and/or the receipt of said Grant Proceeds, the District will apply the proceeds thereof, to whatever extent may be necessary, in payment of the principal amount of the Note, together with accrued interest thereon to the date of such payment; and the proceeds of the Current Bonds and Grant Proceeds are hereby pledged therefor, and such pledge shall constitute a first and prior charge against said proceeds.

Although the proceeds of the Current Bonds and Grant Proceeds are pledged to the repayment of said interim financing, it is recognized that the Grant Proceeds may be applied to the extent required at the time of receipt of the Grant Proceeds, to the payment of costs of the Project due and owing by the District at the time of receipt of such Grant Proceeds, rather than to the repayment of portions of the interim financing at that time. If and to the extent that the Grant Proceeds are in excess of any costs of the Project due and owing at the time of receipt thereof, such Grant Proceeds may be applied, in the same manner as set out hereinabove, to the reduction of the amount of the interim financing, after which, such interim financing may again be increased as

theretofore. The District further pledges the revenues of the System to the repayment of said interim financing, subject to the vested rights and priorities of the pledges securing the Outstanding Bonds.

It is understood that the foregoing constitutes an alternative method of obtaining interim financing, and does not preclude the authorization and sale, by public advertisement or otherwise, of bond anticipation notes and/or grant anticipation notes to the most favorable bidder on the open market, by concurrent or subsequent proceedings of the District.

**B. Multiple Advances by RD.** In the event the Current Bonds are purchased by the RD, and in the event the District is unable to obtain a commitment for interim financing for the Project from any Interim Lender at reasonable rates and terms, the Chairman is authorized to request Multiple Advances of loan funds from the RD.

If the RD agrees to make Multiple Advances to the District pending the delivery of the Current Bonds, the Chairman is hereby authorized to execute in the name and on behalf of the District any number of Notes. Each such Note, evidencing an advance of funds by the RD to the District, shall be in the form prescribed by the RD.

Each request for an advance from the RD shall be accompanied by a Requisition Certificate. The District will also furnish to the RD, prior to the receipt of each Multiple Advance, whatever additional documentation shall be requested by the RD, including an updated supplemental title opinion of Local Counsel and an updated supplemental preliminary legal opinion of Bond Counsel.

The proceeds of any Multiple Advances shall be either (i) disbursed directly to the parties entitled thereto for services and/or materials supplied in connection with the Project; or (ii) deposited into the Construction Account and disbursed in accordance with the provisions of Section 301 hereof, in which event amounts on deposit in such Construction Account shall, until expended, to the extent that same shall exceed the amount insured by the FDIC, be fully secured by a pledge of U.S. Obligations.

The proceeds of the Current Bonds are hereby pledged to the repayment of such Multiple Advances, and such pledge shall constitute a first and prior pledge against such proceeds. The District further pledges the revenues of the System to the repayment of said Multiple Advances, subject to the vested rights and priorities of the pledges securing the Outstanding Bonds.

**Section 303. Arbitrage Limitations on Investment of Proceeds.** The District covenants and certifies, in compliance with the Code, on the basis of known facts and reasonable expectations on the date of adoption of this Resolution, that it is not expected that the proceeds of the Current Bonds will be used in a manner which would cause the Current Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The District covenants to the Owners of the Current Bonds that (1) the District will make no use of the proceeds of said Current Bonds which, if such use had been reasonably expected on the date of issue of such Current Bonds, would have caused such

Current Bonds to be "arbitrage bonds"; and (2) the District will comply with all of the requirements of the Code to whatever extent is necessary to assure that the Current Bonds shall not be treated as or constitute "arbitrage bonds" and that the interest on the Bonds shall be excludable from gross income for federal income tax purposes.

Prior to or at the time of delivery of the Current Bonds, the Chairman and/or the Treasurer (who are jointly and severally charged with the responsibility for the issuance of the Current Bonds) are authorized to execute such certifications as shall be required by Bond Counsel, setting out all known and contemplated facts concerning the anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by Section 148 of the Code in order to assure that interest on the Current Bonds shall be excludable from gross income for federal income tax purposes and that the Current Bonds will not be treated as "arbitrage bonds".

## ARTICLE 4. FLOW OF FUNDS.

**Section 401. Funds.** There was heretofore created in the Prior Bond Resolution the following funds and accounts:

- (a) Big Sandy Water District Waterworks Revenue Fund
- (b) Big Sandy Water District Waterworks Sinking Fund
- (c) Big Sandy Water District Waterworks Depreciation Reserve Fund
- (d) Big Sandy Water District Waterworks Operation and Maintenance Fund

There is hereby created the Big Sandy Water District Waterworks Sinking Fund of 2020 to be established at the Depository Bank, subject to the right of the District to designate a different depository bank.

**Section 402. Flow of Funds.** All proceedings preliminary to and in connection with the issuance of the Outstanding Bonds, including provisions made for (i) the receipt, custody and application of the proceeds of the Outstanding Bonds; (ii) the operation of the System on a revenue-producing basis; (iii) the segregation, allocation and custody of the revenues derived from the operation of the System; (iv) the enforcement and payment of the Outstanding Bonds and (v) the depreciation of the System; and all other covenants for the benefit of Bondowners set out in the Prior Bond Resolution, are hereby ratified and confirmed and shall continue in force and inure to the security and benefit of the Outstanding Bonds, the same as if such provisions and proceedings were set out in full herein; provided, further, that after the issuance of the Current Bonds, the income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

**A. Revenue Fund.** The District covenants and agrees that it will continue to deposit in the Revenue Fund, promptly as received from time to time, all revenues of the System, as same may be extended and improved from time to time. The moneys in the Revenue Fund shall continue to be used, disbursed and applied by the District only for the purpose and in the manner and order of priorities specified in the Prior Bond Resolution, as hereinafter modified by this Resolution, all as permitted by the Act, and in accordance with previous contractual commitments.

**B. Prior Sinking Fund.** There shall be transferred from the Revenue Fund and deposited into the Prior Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Prior Bonds, a sum equal to the total of the following:

- (1) A sum equal to one-sixth (1/6) of the next succeeding interest payment to become due on all Prior Bonds then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of all of the Prior Bonds maturing on the next succeeding principal payment date.



Said Prior Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying the principal of and interest on the Prior Bonds.

**C. Current Sinking Fund.** At or after the time that the Current Bonds have been delivered, there shall be transferred from the Construction Account into the Current Sinking Fund an amount sufficient (currently estimated at \$40,000) to provide for capitalized interest during the construction of the Project, if and to the extent not theretofore expended in paying interest on interim financing and if and to the extent then needed to pay interest during the remaining period of construction of the Project.

After the monthly transfers required in the preceding paragraphs have been paid from the Revenue Fund, there shall next be transferred monthly from said Revenue Fund and deposited into the Current Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Current Bonds, a sum equal to the total of the following:

- (1) An amount equal to one-sixth (1/6) of the next succeeding six-month interest payment to become due on the Current Bonds then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of any Current Bonds maturing on the next succeeding January 1.

The Current Sinking Fund is hereby pledged for the payment of the interest and the principal of the Current Bonds, but subject to the vested rights and priorities of the Prior Bonds.

**D. Depreciation Fund.** There shall next be transferred from the Revenue Fund the sum of at least \$770 each month which shall be deposited into the Depreciation Fund until there is accumulated in such Depreciation Fund the sum of at least \$92,400, which amount shall be maintained, and when necessary, restored to said sum of \$92,400, so long as any of the Current Bonds are outstanding and unpaid. These deposits are in addition to the deposits required by the Prior Bond Resolution.

As further security for the Bondowners and for the benefit of the District, it has been and is hereby provided that in addition to the monthly transfers required to be made from the Revenue Fund into the Depreciation Fund, there shall be deposited into said Depreciation Fund all proceeds of connection fees collected from potential customers (except the amounts necessary to pay the actual costs and service connections applicable to said potential customers) to aid in the financing of the cost of future extensions, additions and improvements to the System, plus the proceeds of any property damage insurance (not otherwise used to replace damaged or destroyed property); and any such amounts or proceeds so deposited shall be used solely and only for the purposes intended.

Moneys in the Depreciation Fund may be withdrawn and used by the District, upon appropriate certification of the Commission, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals and replacements not included in the annual budget of

current expenses and/or of paying the costs of constructing future extensions, additions and improvements to the System which will either enhance its revenue-producing capacity or will provide a higher degree of service, and when necessary, for the purpose of making payments of principal and interest on the Bonds if the amount on deposit in the Sinking Fund is not sufficient to make such payments.

**E. Operation and Maintenance Fund.** There shall next be transferred monthly from the Revenue Fund and deposited into said Operation and Maintenance Fund, sums sufficient to meet the current expenses of operating and maintaining the System. The balance maintained in said Operation and Maintenance Fund shall not be in excess of the amount required to cover anticipated System expenditures for a two-month period pursuant to the District's annual budget.

**F. Monthly Principal and Interest Payments if Requested by the RD.** So long as any of the Bonds are held or insured by the RD, the District shall, if requested by the RD, make the payments required by this Section 402, in monthly installments to the RD or to the insured Owners of the Bonds.

**G. Surplus Funds.** Subject to the provisions for the disposition of the income and revenues of the System as set forth hereinabove, which provisions are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred, within sixty days after the end of each fiscal year, the balance of excess funds in the Revenue Fund on such date, to the Depreciation Fund for application in accordance with the terms of this Resolution or to the Sinking Fund to be applied to the maximum extent feasible, to the prompt purchase or redemption of Outstanding Bonds.

**H. Investment and Miscellaneous Provisions.** All monies in the Sinking Fund and the Depreciation Fund shall be deposited in the Depository Bank, or such portion thereof as is designated by the Commission. All monies in the Sinking Fund and the Depreciation Fund shall be invested for the benefit of such respective Funds in Certificates of Time Deposit or savings accounts of the Depository Bank or in U.S. Obligations which may be converted readily into cash, having a maturity date prior to the date when the sums invested will be needed for the purposes for which such funds may be expended, provided that to the extent that any amount of the District on deposit in the Depository Bank shall cause the total deposits of the District in said Depository Bank to exceed the amount insured by the FDIC, such excess amount shall be continuously secured by a valid pledge of U.S. Obligations, having an equivalent market value, in conformity with Section 66.480 of the Kentucky Revised Statutes.

Any such investments will be a part of the respective Funds from which the proceeds invested are derived, and income from such investments will be credited to such respective Funds. All investments of funds derived from proceeds of the Outstanding Bonds shall be subject to the applicable limitations set out in Section 303 hereof.

All payments into the Funds shall be made on or before the twentieth (20th) day of each month, except that when the twentieth (20th) day of any month shall be a Saturday, Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

All monies held in any of the Funds shall be kept apart from all other District funds and shall be deposited in the Depository Bank, and all such deposits which cause the aggregate of all deposits of the District therein to be in excess of the amount secured by FDIC, shall (unless invested as herein authorized) be secured by a surety bond or bonds or by a pledge of U.S. Obligations, having a market value equivalent to such deposit.

The Treasurer shall keep appropriate records as to payment of principal and interest installments and as to payment of principal of and interest on any Bonds.

**Section 403. Current Bonds Subordinate to the Prior Bonds.** It is hereby found and declared that the Current Bonds shall be payable from the gross income and revenues of the System, subject to the priority of the outstanding Prior Bonds.

## ARTICLE 5. COVENANTS OF DISTRICT

**Section 501. Rates and Charges.** The District shall charge such rates and charges for all services and facilities rendered by the System, which rates and charges shall be reasonable, taking into account and consideration the cost and value of the System, the cost of maintaining, repairing and operating same and the amounts necessary for the payment of principal of and interest on Outstanding Bonds against the System. The District shall charge such rates and charges as shall be adequate to meet the requirements of Articles 4 and 5 hereof.

The District covenants that it will not reduce the rates and charges for the services rendered by the System without first filing with the Secretary a certification of an Independent Consulting Engineer that the annual net revenues (defined as gross revenues less operating expenses) of the then existing System for the fiscal year preceding the year in which such reduction is proposed, as such annual net revenues are adjusted, after taking into account the projected reduction in annual net revenues anticipated to result from any such proposed rate decrease, are equal to not less than 120% of the average annual debt service requirements for principal and interest on all of the then Outstanding Bonds payable from the revenues of the System, calculated in the manner specified in Section 603 hereof.

**Section 502. Books and Accounts; Audit.** The District shall maintain proper records and accounts relating to the operation of the System and the District's financial affairs; and the Bondowners, or their authorized representatives, shall have the right at all reasonable times to inspect the facilities of the System and all records, accounts and data relating thereto. An annual audit shall be made of the books and accounts pertinent to the System by a Certified Public Accountant licensed in Kentucky. No later than ninety (90) days after the close of each Fiscal Year, copies of such audit reports certified by such Certified Public Accountant shall be promptly mailed to the RD without request, so long as the Government is the Owner of any of the Bonds, and to any Bondowner that may have made a written request for same.

Monthly operating reports shall be furnished to the RD and to any Bondowner requesting same, during the first two (2) years of operation after completion of the Project, and whenever and so long as the District is delinquent in any of the covenants set out in the Prior Bond Resolution or this Current Bond Resolution. Thereafter, quarterly operating reports shall be furnished at all other times to the RD and to any Bondowner requesting the same.

**Section 503. System to Continue to be Operated on Fiscal Year Basis; Annual Budget.** While any of the Bonds are outstanding and unpaid, and to the extent permitted by law, the System shall continue to be operated and maintained on a Fiscal Year basis.

Not later than sixty (60) days before the end of each Fiscal Year, the District agrees to cause to be prepared a proposed annual budget of operating expenses (the "Proposed Budget") of the System for the then ensuing Fiscal Year, itemized on the basis of monthly requirements. A copy of said Proposed Budget shall be mailed to any Bondowner who may request in writing a copy of such

Proposed Budget and to the RD without request, if the Government is the Owner of any of the Bonds.

For the purpose of the Proposed Budget, operating expenses shall include all reasonable and necessary expenses of operating, repairing, maintaining and insuring the System, but shall exclude depreciation and debt service payments. The District covenants that the operating expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that the District will not expend any amount or incur any obligation for operation or maintenance and repair in excess of the amounts provided for operating expenses in the annual budget, except upon resolution by the District that such expenses are necessary to operate and maintain the System.

Not later than sixty (60) days before the end of each Fiscal Year, the District shall prepare an estimate of gross revenues to be derived from the operation of the System for said Fiscal Year, and, to the extent that said gross revenues are insufficient (a) to pay debt service requirements on all Outstanding Bonds during the ensuing Fiscal Year, (b) to accumulate and maintain all required reserves enumerated herein and (c) to pay operating expenses, the District shall revise the rates and charges sufficiently to provide the funds so required.

If the Owners of at least 50% of the principal amount of the Outstanding Bonds, or the Government so long as it is the Owner of any of said Outstanding Bonds, so request, the Commission shall hold an open hearing not later than thirty (30) days before the beginning of the ensuing Fiscal Year, at which time any Bondowner may appear by agent or attorney and may file written objections to such proposed budget. Notice of the time and place of such hearing shall be mailed at least fifteen (15) days prior to the hearing to each registered Bondowner and to the Government.

The District covenants that annually before the first day of the Fiscal Year, the annual budget for the upcoming Fiscal Year will be adopted substantially in accordance with the Proposed Budget, and that no expenditures for operation and maintenance expenses of the System in excess of the budgeted amount shall be made during such Fiscal Year unless directed by said District by a specific resolution duly adopted.

**Section 504. General Covenants.** The District, through its Commission, hereby covenants and agrees with the Owners of the Bonds that:

- (1) It will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth of Kentucky;
- (2) It will make and collect reasonable and sufficient rates and charges for services and facilities rendered by the System;
- (3) It will segregate the revenues and income from the System and make application thereof consistent with and as provided by this Resolution;

- (4) Unless the written consent of the Owners of a majority of the principal amount of the Outstanding Bonds has been obtained, the District agrees not to sell, lease, mortgage or in any manner dispose of any integral part of the System, including any and all appurtenances thereto and extensions, additions and improvements that may be made thereto, until all of the Outstanding Bonds shall have been paid or provided for in full, as provided herein; subject to the provisions of Section 607 hereof;
- (5) It will maintain in good condition and continuously operate the System and appurtenances thereto and will charge such rates and charges for the services rendered thereby so that the gross income and revenues will be sufficient at all times (i) to pay the interest on and principal of the Outstanding Bonds as same become due; (ii) to pay the cost of operating and maintaining the System; and (iii) to provide for an adequate depreciation account; and
- (6) It will carry and maintain insurance on properties of the System subject to loss or damage in amounts and against hazards substantially in accordance with the practices of other districts, cities or corporations which own and maintain waterworks systems under similar conditions; and so long as the Government is the Owner of any of the Outstanding Bonds, the Government will be listed as co-beneficiary on any such policy; and the District shall further comply with the insurance requirements of Section 506 hereof (involving insurance on motors, tanks and structures).

**Section 505. Other Covenants Applicable So Long as RD Owns Any Bonds.** So long as the RD shall own any of the Bonds, the District shall comply with such RD regulations, requirements and requests as shall be made by the RD, including the furnishing of operating and other financial statements, in such form and substance and for such periods as may be requested by the RD, the carrying of insurance of such types and in such amounts as the RD may specify, with insurance carriers acceptable to the RD and compliance with all of the terms and conditions of the Loan Resolution (RD Form 1780-27) adopted and executed by the District, which is hereby authorized, approved, ratified and confirmed.

**Section 506. Civil Rights and Equal Opportunity.** The District covenants and agrees to comply with all applicable Federal laws and statutes, including but not limited to:

(a) *Section 504 of the Rehabilitation Act of 1973.* The District acknowledges that under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving RHS financial assistance.

(b) *Civil Rights Act of 1964.* The District acknowledges that it is subject to, and its Facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C.

2000d *et seq.*) and Subpart E of Part 1901 of said Title VI, particularly as it relates to conducting and reporting of compliance reviews.

(c) *Americans with Disabilities Act (ADA) of 1990.* The District acknowledges that the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*) [the "ADA Act"] prohibits discrimination on the basis of disability in employment, state and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the ADA Act applies to facilities operated by state and local public entities that provide services, programs, and activities. Title III of the ADA Act applies to facilities owned, leased, or operated by private entities that accommodate the public.

(d) *Age Discrimination Act of 1975.* The District acknowledges that the Age Discrimination Act of 1975 (42 U.S.C. 6101 *et seq.*) provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

(e) *Limited English Proficiency (LEP) under Executive Order 13166.* The District acknowledges that LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the grounds of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write or understand English. These individuals may be entitled to language assistance, free of charge. The District agrees to take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to RHS programs, services and information the District provides. These protections are pursuant to Executive Order 13166 entitled "Improving Access to Services by Persons with Limited English Proficiency" and further affirmed in the USDA Departmental Regulation 4330-005 "Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.

**Section 507. Insurance on Motors, Tanks and Structures.** The District shall (a) immediately after the adoption of this Resolution and (b) at the time of final acceptance of the Project, insure all electric motors, elevated water storage tanks, pumping stations and major structures of the System in an amount recommended by the Engineers and approved by the RD, so long as the RD is the Owner of any of the Bonds, for the hazards usually covered in such area, and shall similarly insure same in an amount recommended by the Engineers, without the necessity of approval by the RD if and whenever the District has Outstanding Bonds against the System and none of such Outstanding Bonds are owned by the RD.

## ARTICLE 6. INFERIOR BONDS AND PARITY BONDS

**Section 601. Inferior Bonds.** Except as hereinafter provided below in this Article, the District shall not, so long as any Bonds are outstanding, issue any additional bonds payable from the revenues of the System unless the security and/or pledge of the revenues to secure such additional bonds are made inferior and subordinate in all respects to the security of the Bonds.

The District expressly reserves the right at any time to issue its bonds or other obligations payable from the revenues of the System and not ranking on a parity basis with the Current Bonds, without any proof of previous earnings or net revenues, provided that the consent of the RD must be obtained prior to the issuance of any inferior bonds so long as the RD owns any of the Bonds, and provided further that, after the initial completion of the Project, such inferior bonds may be issued only for the purpose of providing for future extensions, additions and improvements to the System, and only in express recognition of the priorities, liens and rights created and existing for the security, source of payment and protection of the Outstanding Bonds; provided further, that nothing in this Section is intended to restrict or shall be construed as a restriction upon, the ordinary refunding all or a portion of the Outstanding Bonds.

**Section 602. Parity Bonds to Complete the Project.** The District hereby certifies, covenants and agrees that in the event that the cost of completion of the construction of the Project shall exceed the moneys available to the District from any and all sources, the District shall have the right, if necessary, to provide for such excess, and only such excess, through the issuance of Parity Bonds, provided the District has obtained a certification from the Engineers to the effect that it is necessary to issue the desired amount of Parity Bonds in order to enable the District to pay the cost (not otherwise provided) of the completion of the Project, and provided the District has complied with the provisions of Section 603 below or has obtained:

- (a) the consent of the RD if the Government is as the Owner of the Prior Bonds at that time or the consent of any other Owners of the Prior Bonds, and
- (b) the consent of (1) the RD if the Government is the purchaser of the Current Bonds; or (2) the Owners of at least 75% of the principal amount of the Current Bonds outstanding, if the Current Bonds have been issued, sold and delivered and are held by Owners other than the Government.

**Section 603. Parity Bonds to Finance Future Improvements.** The District reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional Parity Bonds, but only under the conditions specified in the Current Bond Resolution, which conditions are as follows:

The District further reserves the right to add new waterworks facilities and/or to finance future extensions, additions and improvements to the System by the issuance of one or more additional series of Parity Bonds to be secured by a parity lien on and ratably payable on a parity with the Current Bonds, from the revenues of the System, provided:



(a) The facilities to be constructed from the proceeds of the additional Parity Bonds are made a part of the System and their revenues are pledged as additional security for the additional Parity Bonds and for the Outstanding Bonds.

(b) The District is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds.

(c) The annual net revenues (defined as gross revenues less operating expenses), of the then existing System for the Fiscal Year preceding the year in which such Parity Bonds are to be issued, adjusted as hereinafter provided, shall be certified by an independent Certified Public Accountant to be equal at least one hundred twenty percent (120%) of the average annual debt service requirements for principal and interest on all Outstanding Bonds payable from the revenues of the System, plus the anticipated debt service requirements of any Parity Bonds then proposed to be issued. The calculation of average annual debt service requirements of principal and interest on the additional Parity Bonds to be issued shall, regardless of whether such additional Parity Bonds are to be serial or term bonds, be determined on the basis of the principal of and interest on such Parity Bonds being payable in approximately equal annual installments.

(d) The annual net revenues referred to above may be adjusted for the purpose of the foregoing computations to reflect:

(1) any revisions in the System's schedule of rates or charges being imposed on or before the time of the issuance of any such additional Parity Bonds, and

(2) any increase in the annual net revenues to be realized from the proposed extensions, additions and improvements being financed (in whole or in part) by such additional Parity Bonds;

provided all such adjustments shall be based upon and included in a certification of an Independent Consulting Engineer.

(e) Compliance with Section 603(a) through (d) shall not be necessary for the issuance of Parity Bonds if the District has obtained (1) the written consent of the RD for the issuance of such Parity Bonds, if the Government is the Owner of any Bonds at the time of issuance of such Parity Bonds; and (2) the written consent of the Owners of all of the then outstanding Prior Bonds, and no other prerequisite need be complied with by the District in order to issue Parity Bonds.

**Section 604. Covenants to be Complied with at Time of Issuance of Parity Bonds.** The District hereby covenants and agrees that in the event any Parity Bonds are issued, the District shall:

(a) Adjust the monthly amount to be deposited into the Sinking Fund on the same basis as that prescribed in the provisions establishing such Sinking Fund, to reflect the average annual debt service requirements of the Parity Bonds;

(b) Adjust the minimum annual amount to be deposited monthly into the Depreciation Fund on the same basis as that prescribed in the provisions establishing such Depreciation Fund, taking into account the future debt service requirements of all Bonds which will then be outstanding against the System; and

(c) Make such Parity Bonds payable as to principal on January 1 of each year in which principal falls due and payable as to interest on January 1 and July 1 of each year until the final maturity of such Parity Bonds.

**Section 605. Prepayment Provisions Applicable to Parity Bonds.** If, in connection with any subsequently issued series of Parity Bonds, it is provided that excess revenues in the Revenue Fund shall be used to prepay Outstanding Bonds in advance of scheduled maturity, or if the District at its option undertakes to prepay Outstanding Bonds in advance of scheduled maturity, it is agreed and understood, for so long as the Government owns any of the Outstanding Bonds, that no such prepayment will be effected without the approval of the RD.

**Section 606. Consent of the RD Regarding Future Bonds.** Notwithstanding any other provisions of this Resolution, the District agrees that so long as the Government owns any Outstanding Bonds against and/or payable from the revenues of the System, the District will not issue any future bonds, notes or other obligations against, secured by or payable from the revenues of the System without the written consent of the RD.

**Section 607. Priority of Lien; Permissible Disposition of Surplus or Obsolete Facilities.** The District covenants and agrees that so long as any of the Prior Bonds and/or Bonds are outstanding, the District will not sell or otherwise dispose of any of the facilities of the System, or any part thereof, and, except as provided above, the District will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the Outstanding Bonds. Notwithstanding the foregoing, the District may at any time permanently abandon the use of, or sell at fair market value, any part of the facilities of the System, provided that:

- (a) The District is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds, and the required reserves for such Outstanding Bonds will have been accumulated;
- (b) The District will, in the event of any such sale, apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing prepayment of bonds in advance of maturity; or (2) replacement of the facility so disposed of by another facility, the revenues of which shall be incorporated into the System, as hereinbefore provided;

- (c) The District certifies, in good faith, prior to any abandonment of use, that the facilities to be abandoned are no longer economically feasible of producing net revenues; and
- (d) The District certifies, in good faith, that the estimated net revenues of the remaining facilities of the System for the then next succeeding Fiscal Year, plus the estimated net revenues of the facilities, if any, to be added to the System, comply with the earnings requirements hereinbefore provided in the provisions and conditions governing the issuance of Parity Bonds.

Notwithstanding any other provisions hereof, so long as any Bonds are held by the Government, the District shall not dispose of its title to the System or to any part thereof, without first obtaining the written consent of the RD.

## ARTICLE 7. DEFAULT AND CONSEQUENCES

**Section 701. Events of Default.** The following items shall constitute an Event of Default on the part of the District:

- (a) The failure to pay principal of the Bonds as and when same shall become due and payable, either at maturity or by proceedings for redemption.
- (b) The failure to pay any installment of interest on the Bonds when the same shall become due and payable or, if any or all of the Outstanding Bonds are owned by the RD, within thirty (30) days thereafter.
- (c) The default by the District in the due or punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds, the Prior Bond Resolution or in this Resolution.
- (d) The failure to promptly repair, replace or reconstruct facilities of the System that have been damaged and/or destroyed.
- (e) The entering of any order or decree with the consent or the acquiescence of the District, appointing a receiver of all or any part of the System or any revenues thereof; or if such order or decree shall be entered without the acquiescence or consent of the District, its failure to have the order vacated, discharged or stayed on appeal within sixth (60) days after entry.

**Section 702. Consequences of Event of Default.** Any Owner of the Current Bonds may enforce and compel the performance of all duties and obligations of the District set forth herein. Upon the occurrence of an Event of Default, then upon the filing of a suit by any Owner of said the Current Bonds, any court having jurisdiction of the action may appoint a receiver to administer said System on behalf of the District with power to charge and collect rates sufficient to provide for the payment of operating and maintenance expenses and for the payment of principal of and interest on the Outstanding Bonds and to provide and apply the income and revenues in conformity with this Resolution and with the laws of the Commonwealth of Kentucky.

The District hereby agrees to transfer to any bona fide receiver or other subsequent operator of the System, pursuant to any valid court order in a proceeding brought to enforce collection or payment of the District's obligations, all contracts and other rights of the District pertaining to the System, conditionally, for such time only as such receiver or operator shall operate by authority of the court. Upon the occurrence of an Event of Default, the Owner of any of the Outstanding Bonds may require the governing body of the District by appropriate order to raise the rates a reasonable amount consistent with the requirements of this Resolution.

**ARTICLE 8. CONTRACTUAL PROVISIONS; GRANT APPROVAL;  
MISCELLANEOUS PROVISIONS.**

**Section 801. Resolution Contractual with Bondowners.** The provisions of this Resolution constitute a contract between the District and its Commission and the Owners of the Current Bonds as may be outstanding from time to time; and after the issuance of any of said Current Bonds, no change, alteration or variation of any kind of the provisions of this Resolution shall be made in any manner which will affect an Owner's rights except as herein provided or except with the written consent of all Bondowners until such time as all of the Current Bonds and the interest thereon have been paid in full or fully provided for; provided that the Commission may adopt any resolution for any purpose not inconsistent with the terms of this Resolution and which shall not impair the security of the Owners of the Current Bonds and/or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any resolution or other proceedings pertaining hereto.

It is further agreed that the Owners of 75% in principal amount of the Current Bonds at any time outstanding shall have the right to consent to and approve the adoption of resolutions or other proceedings, modifying or amending any of the terms or provisions contained in this Resolution, subject to the conditions that (a) this Resolution shall not be so modified in any manner that may adversely affect the rights of the Owners of any of the Prior Bonds, nor in any manner that may adversely affect the rights of any certain Owners of the Outstanding Bonds without similarly affecting the rights of all Owners of such Outstanding Bonds, or to reduce the percentage of the number of Owners whose consent is required to effect a further modification and (b) no such change may be effected without the consent of the RD so long as the RD owns any of the Outstanding Bonds.

**Section 802. All Current Bonds are Equal.** The Current Bonds authorized herein shall not be entitled to priority one over the other in the application of the income and revenues of the System, or with respect to the security for their payment, regardless of the time or times of their issuance, it being the intention that there shall be no priority among any of the Current Bonds regardless of the fact that they may be actually issued and delivered at different times.

**Section 803. District Obligated to Refund Current Bonds Owned by Government Whenever Feasible; Defeasement Prohibited.** So long as the Government is the Owner of any of the Current Bonds, if it appears to the Government that the District is able to refund such Current Bonds in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, or to sell bonds of the District in the open market, at reasonable rates and terms, for loans or bond issues for similar purposes and periods of time, the District will, upon request of the Government, obtain such loan and/or issue such bonds in sufficient amount to repay the Government and will take all such action as may be required in connection therewith.

In addition, so long as the Government is the Owner of any of the Current Bonds, the District shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating

the lien of the Current Bonds without immediately prepaying all of the then outstanding Current Bonds.

**Section 804. Approval and Acceptance of RD Grant Agreement.** The RD has agreed to make a grant to the District in the amount of \$845,000 (the "RD Grant") to supplement the proceeds of the Current Bonds in order to provide the total cost of the Project, and the RD has requested the District to approve, accept and execute RD Form 1780-12 (the "RD Grant Agreement"), setting out the terms and conditions upon which said RD Grant will be made. Said RD Grant Agreement is hereby approved, and the Chairman and the Secretary are authorized to execute said RD Grant Agreement on behalf of the District. The Chairman and Secretary are also authorized on behalf of the District to accept any and all other RD Grants offered to the District in connection with the Project and to execute any and all RD Grant Agreements and any other documents as may be requested by the RD in connection with RD Grants which have been and/or which may hereafter be approved for such Project.

**Section 805. Authorization, Ratification and Confirmation of Approval and Execution of Various Documents.** The Commission hereby authorizes, approves, ratifies and confirms the previous action of the officers of the District in approving and executing various documents related to the financing of the Project, including the following:

- (a) Legal Services Agreement with Bond Counsel.
- (b) Legal Services Agreement with Local Counsel.
- (c) Letter of Intent to Meet Conditions of RD Letter of Conditions (RD Form 1942-46).
- (d) Loan Resolution (RD Form 1780-27).
- (e) Agreement for Engineering Services with the Engineers.

**Section 806. Authorization of Condemnation to Acquire Easements and/or Sites.** In the event that (a) any necessary deeds of easement to allow construction of the Project over the property of any property owner or (b) any necessary deed to the necessary site of any waterworks facility of the Project shall not be obtained through negotiation within ten (10) days after the date of adoption of this Resolution and in the event that (1) such waterworks lines cannot be located within the right-of-way of the State and/or County road involved; and/or (2) such waterworks facilities cannot be located on a site already owned by the District, Local Counsel is hereby authorized and directed to file condemnation actions to obtain such necessary rights-of-way and/or sites forthwith, without further authorization or direction from the District or the Commission. Local Counsel is further directed to follow the same condemnation procedure in the event that it becomes necessary, through change orders, line extensions and/or errors in the location of property lines and/or property owners, to obtain additional easements, rights-of-way and/or sites for completion of the Project and whenever the necessary deed is not obtained by negotiation at least

ten (10) days prior to the date on which construction is contemplated in the respective easement, right-of-way and/or site.

The District further approves the payment from the funds available therefor allocated to the costs of the Project to pay any judgment award, or compromise, determined by Local Counsel with the acquiescence of the Commission, toward the costs of such easements, rights-of-way and/or sites; provided, in each instance, that the payment of such funds to satisfy any judgment, award or compromise must first be approved by the RD; and the Commission further determines that if and to whatever extent the funds available from the proceeds of the financing contemplated by this Resolution shall be inadequate to pay any judgment, award or compromise amount for such easements, rights-of-way and/or sites, or if the District is unable to obtain the approval of the RD for any such payment, the Commission shall take all reasonably necessary actions, within the powers and authority of the Commission, to make such additional amount available from all other available District resources.

**Section 807. Authorization to File Required Financing Statements.** In the event that it is determined by Bond Counsel or Local Counsel that the District is required to file any financing statements under the Kentucky Uniform Commercial Code in order to perfect the pledge of the gross revenues of the District's System as security for the Current Bonds, Bond Counsel and/or Local Counsel are hereby authorized to prepare and file with the appropriate officials such financing statements as they deem necessary.

## ARTICLE 9. SALE OF CURRENT BONDS

**Section 901. Sale of Current Bonds.** The Current Bonds shall be offered publicly for sale upon the basis of sealed, competitive bids at such time as the Commission shall designate.

A suggested form of "Notice of Bond Sale", a suggested form of "Official Notice of Sale of Bonds" and a suggested form of "Bid Form", having been prepared in advance by Bond Counsel, and all of such documents having been found to be in satisfactory form, a copy of each is hereby ordered to be filed in the records of the Secretary with the Minutes of the meeting at which this Resolution is adopted. The Notice of Bond Sale shall be signed by the Secretary and may be used for the purpose of publishing notice of the sale of the Current Bonds. Copies of such documents shall be furnished to any interested parties who may request same.

In the event that there is no bid or that all bids are rejected, the District may readvertise the sale pursuant to this Resolution.

**Section 902. Adjustment in Maturities, Prepayment Provisions and Other Dates, with Consent of Purchaser if Delivery is Delayed.** In the event that delivery of the Current Bonds authorized herein is delayed for any reason and the District, with the consent of the Purchaser of the Current Bonds, determines it is in the District's best interest to change the maturities, the applicable prepayment date or any other dates, the District may adjust the same by a certificate signed by the Chairman and the Purchaser.



## ARTICLE 10. CONCLUDING PROVISIONS

**Section 1001. Covenant of District to Take All Necessary Action To Assure Compliance with the Code.** In order to assure the Owners of the Current Bonds that such Current Bonds shall continue to be legal and that interest thereon will continue to be excludable from gross income for federal income tax purposes and exempt from all Kentucky income taxation, the District covenants to and with the Owners of the Current Bonds to take the following action:

(a) The District will (1) take all actions necessary to comply with the provisions of the Code necessary to assure that interest on the Current Bonds will be excludable from gross income for federal income tax purposes; (2) will take no actions which will violate any of the provisions of the Code; and (3) not use the proceeds of the Current Bonds for any purpose which will cause interest on the Current Bonds or on interim financing obligations, including, but not limited to the Note, issued pursuant to Section 302 hereof to become includable in gross income for federal income tax purposes.

(b) The District hereby certifies that it does not reasonably anticipate that the total principal amount of "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code which the District, or any subordinate entity of the District, will issue during the calendar year during which the Current Bonds are issued, will exceed \$10,000,000; and therefore the District hereby designates the Current Bonds and all interim financing obligations, including, but not limited to the Note, issued pursuant to Section 302 hereof as "qualified tax-exempt obligations".

(c) The District further certifies that the Current Bonds and any and all interim financing obligations of the District are not "private activity bonds" within the meaning of the Code.

(d) The District covenants and agrees to comply with the rebate requirements on certain excess earnings imposed by Section 148 of the Code, and in the event it is determined by the District, upon the advice of Bond Counsel, that the Construction Account, or any other Fund established hereunder, is subject to said rebate requirements and does in fact generate earnings from "non-purpose investments" in excess of the amount which said investments would have earned at a rate equal to the "yield" on the Current Bonds, plus any income attributable to such excess, there shall be established a separate and special fund with the Depository Bank, which fund shall be designated the "Excess Earnings and Rebate Fund", which shall be utilized for the collection and payment of any excess generated from investments and the remittance thereof to the United States of America on or before the anniversary of the fifth (5th) year from the date of the Current Bonds, and once every five (5) years thereafter until the final retirement of the Current Bonds; the last installment, to the extent required, to be made no later than sixty (60) days following the date on which funds sufficient for the complete retirement of the Current Bonds are deposited with any escrow agent. The District further covenants to file any and all reports, if any, as may be required to be filed with the Government with regard to the liability or non-liability of the

District as to any such rebate requirements and to maintain records in regard thereto for the period of time required by applicable Treasury regulations.

**Section 1002. Severability Clause.** If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, which shall continue in full force and effect.

**Section 1003. All Provisions in Conflict Repealed.** All motions, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are to the extent of such conflict hereby repealed. It is hereby specifically ordered and provided that any proceedings heretofore taken for the issuance of other bonds of the District payable or secured in any manner by all or any part of the income and revenues of said System or any part thereof, and which have not been heretofore issued and delivered, are hereby revoked and rescinded, and none of such other bonds shall be issued and delivered. The District covenants to correct by appropriate proceedings any required procedure previously taken invalidly.

**Section 1004. Effective Immediately Upon Adoption.** This Resolution shall take effect and be effective immediately upon its adoption.


Adopted this August 21, 2019.

BIG SANDY WATER DISTRICT

  
\_\_\_\_\_  
Chairman

(Seal of District)

Attest:

  
\_\_\_\_\_  
Secretary

CERTIFICATION

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Big Sandy Water District and that the foregoing Resolution is a true copy of a Resolution duly adopted by the Board of Commissioners of said District, signed by the Chairman of said District and attested under Seal by me as Secretary, at a properly convened meeting of said Board of Commissioners held on August 21, 2019, as shown by the official records of said District in my custody and under my control.

I further certify that said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as Secretary and the official Seal of the District this August 21, 2019.

  
Secretary

(Seal of District)

**EXHIBIT A-1**

**Schedule of Principal Payments on Series A Bonds**

<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>	<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>
2021	\$21,000	2041	\$40,000
2022	22,000	2042	41,000
2023	22,000	2043	42,000
2024	23,000	2044	44,000
2025	24,000	2045	45,000
2026	25,000	2046	47,000
2027	25,000	2047	48,000
2028	26,000	2048	50,000
2029	27,000	2049	51,000
2030	28,000	2050	53,000
2031	29,000	2051	55,000
2032	30,000	2052	56,000
2033	31,000	2053	58,000
2034	32,000	2054	60,000
2035	33,000	2055	62,000
2036	34,000	2056	64,000
2037	35,000	2057	66,000
2038	36,000	2058	68,000
2039	37,000	2059	71,000
2040	38,000	2060	71,000

**EXHIBIT A-2**

**Schedule of Principal Payments on Series B Bonds**

<u>Payment Due January 1</u>	<u>Principal Payment</u>	<u>Payment Due January 1</u>	<u>Principal Payment</u>
2021	\$5,500	2041	\$ 9,500
2022	5,500	2042	10,000
2023	6,000	2043	10,000
2024	6,000	2044	10,500
2025	6,000	2045	10,500
2026	6,500	2046	11,000
2027	6,500	2047	11,000
2028	6,500	2048	11,500
2029	7,000	2049	12,000
2030	7,000	2050	12,000
2031	7,500	2051	12,500
2032	7,500	2052	13,000
2033	7,500	2053	13,000
2034	8,000	2054	13,500
2035	8,000	2055	14,000
2036	8,500	2056	14,500
2037	8,500	2057	14,500
2038	9,000	2058	15,000
2039	9,000	2059	15,500
2040	9,500	2060	16,000

**EXHIBIT B**

(FORM OF FULLY REGISTERED BOND)

**UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
BIG SANDY WATER DISTRICT  
WATERWORKS REVENUE BONDS, SERIES 2020** \_\_

No. R- \_\_\_\_\_ Interest Rate: \_\_\_\_\_ % \$ \_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS:

That the Big Sandy Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in the Commonwealth of Kentucky, for value received, hereby promises to pay to

\_\_\_\_\_ the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

\_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_ ),

on the first day of January, in years and installments as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
-------------	------------------	-------------	------------------	-------------	------------------

[Here the printer of the Current Bond will print the maturities of the Current Bonds purchased by the registered Owner]

and in like manner, solely from said fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the Interest Rate specified above, semiannually on the first days of January and July in each year, beginning with the first January or July after the date of this Bond, until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Bond is issued by the District as part of an issue in the aggregate principal amount of \$2,065,000, consisting of \$1,670,000 of Series A Bonds and \$395,000 of Series B Bonds, under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 58 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond is subject to the vested rights and priorities in favor of the owners of the outstanding (i) Big Sandy Water District Waterworks Revenue Bonds, Series 2014, dated May 20, 2014 (the "2014 Bonds"), authorized by a Resolution adopted by the Commission of the District on November 18, 2013 (the "2014 Bond Resolution"); and (ii) certain Kentucky Rural Water Finance Corporation loans to the District (the "KRWFC Loans") [hereinafter the 2014 Bonds and the KRWFC Loans shall be collectively referred to as the "Prior Bonds"]. Accordingly, this Bond, together with any bonds ranking on a parity herewith, is payable from and secured by a pledge of the gross revenues to be derived from the operation of the System, after providing for the requirements of the Prior Bonds.

This Bond has been issued in full compliance with the Current Bond Resolution and this Bond, and any bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions of the Current Bond Resolution are and will continue to be payable from revenues which shall be set aside in a fund for that purpose and identified as the "Big Sandy Water District Waterworks Sinking Fund of 2020", created in the Current Bond Resolution.

This Bond does not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations and is payable solely out of the revenues of the System. As provided in the Current Bond Resolution, the District covenants that so long as any of the Current Bonds are outstanding, the System will be continuously owned and operated by the District as a revenue producing public undertaking within the meaning of the aforesaid Act for the security and source of payment of the Current Bonds and that the District will fix, and if necessary adjust, from time to time, such rates for the services and facilities of the System and will collect and account for the revenues therefrom sufficient to pay promptly the principal of and interest on the Current Bonds and all other bonds ranking on a parity therewith as may be outstanding from time to time, to pay the cost of operation and maintenance of the System and to provide for the depreciation thereof.

The District has reserved the right to issue additional bonds ranking on a parity as to security and source of payment with this Bond in order to complete the Project, and to finance future extensions, additions and improvements to the System, provided the necessary requirements of the Current Bond Resolution have been complied with by the District.

This Bond shall be registered as to principal and interest in the name of the owner hereof, after which it shall be transferable only upon presentation to the Secretary of the District as the Bond Registrar, with a written transfer duly acknowledged by the registered owner or its duly authorized attorney, which transfer shall be noted upon this Bond and upon the registration book of the District kept for that purpose.

The District, at its option, shall have the right to prepay, on any interest payment date on and after January 1, 2028, in inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof, in a multiple of One Hundred Dollars (\$100), as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered owner of this Bond or its assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the registered owner of this Bond.

So long as the registered owner of this Bond is the United States of America, or any agency thereof, the entire principal amount of this Bond, or installments in multiples of \$100, may be prepaid at any time in inverse chronological order of the installments due. Prepayments or extra payments on this Bond shall, after payment of interest, be applied to the installments last to become due hereunder and shall not affect the obligation of the District to pay the remaining installments in accordance with this Bond.

Upon default in the payment of any principal or interest payment on this Bond, or upon failure by the District to comply with any other provision of this Bond or with any provision of the Current Bond Resolution, the registered owner may, at its option, institute all rights and remedies provided by law or by said Current Bond Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.



IN WITNESS WHEREOF said Big Sandy Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

BIG SANDY WATER DISTRICT

By \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

(Seal of District)

PROVISION FOR REGISTRATION

This Bond shall be registered on the registration book of the District kept for that purpose by the Secretary, as Bond Registrar, upon presentation hereof to said Secretary, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered owner or its attorney, such transfer to be made on said book and endorsed hereon.

Date of Registration	Name of Registered Owner	Signature of Bond Registrar

ASSIGNMENT

For value received, this Bond is hereby assigned, without recourse and subject to all of its terms and conditions, unto \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_

**EXHIBIT C**

**REQUISITION CERTIFICATE**

Re: Big Sandy Water District Waterworks Revenue Bonds, Series 2020, in the principal amount of \$2,065,000

The undersigned hereby certify as follows:

1. That they are the signatories required for construction and/or administrative draws pursuant to the Bond Resolution adopted by the Big Sandy Water District (the "District").
2. That the named firms and/or persons set forth on Exhibit A attached hereto are now entitled to the aggregate sum of \$\_\_\_\_\_, itemized as set forth in said Exhibit A and as per approved invoices attached hereto:
3. That upon said amount being lent to said District and/or obtained by said District from the proceeds of the Current Bonds and/or other sources, the undersigned approve such expenditure and the payment of said amounts to said firms and/or persons, either directly or from amounts deposit in the "Big Sandy Water District Waterworks Construction Account".
4. That we hereby certify that we have carefully inspected the work and, as a result of our inspection and to the best of our knowledge and belief, the amounts shown in this Requisition Certificate are correct and the work has been performed in accordance with the agreements between the District and the parties requesting payment.

IN TESTIMONY WHEREOF, witness the signature of the undersigned, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Big Sandy Water District

Sisler-Maggard Engineering, PLLC

By \_\_\_\_\_  
Chairman

By \_\_\_\_\_  
Registered Professional Engineer  
State of Kentucky No. \_\_\_\_\_

Approved on \_\_\_\_\_

Approved on \_\_\_\_\_

USDA, Rural Development

Amount expended heretofore \$ \_\_\_\_\_

By \_\_\_\_\_  
Authorized RD Official

Amount approved herein \_\_\_\_\_

Total \_\_\_\_\_

Approved on \_\_\_\_\_

**EXHIBIT A TO REQUISITION CERTIFICATE**

Name of Entity/Person

Amount

# **EXHIBIT G-3**

JUL 19 2013

PUBLIC SERVICE  
COMMISSION**FIRST AMENDMENT AND SUPPLEMENT TO  
ASSISTANCE AGREEMENT**

This First Amendment and Supplement to Assistance Agreement made and entered into as of March 27, 2013 (the "First Amendment to Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit agency and instrumentality of various political subdivisions of the Commonwealth of Kentucky duly organized and existing under the laws of the Commonwealth of Kentucky (the "Issuer") and the Big Sandy Water District, 18200 State Route 3, Catlettsburg, Kentucky 41129 (the "Governmental Agency"):

**WITNESSETH**

WHEREAS, the Issuer has established its Public Projects Flexible Term Program (the "Program") designed to provide financing for the expansion, addition and improvements of public projects for governmental entities under which the Issuer issued, in various series, its Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program) (the "Bonds") pursuant to a Trust Indenture dated as of April 4, 2001, as supplemented from time to time (collectively, the "Indenture") between the Issuer and Regions Bank, Nashville, Tennessee (as successor in interest to Fifth Third Bank and The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), the net proceeds of which will be applied for the benefit of such governmental entities by making loans, pursuant to assistance agreements; and

WHEREAS, pursuant to the Indenture, the Issuer has authorized the issuance of the Kentucky Rural Water Finance Corporation Public Projects Refunding and Improvement Revenue Bonds (Flexible Term Program), Series 2013C (the "Series 2013C Bonds") in the aggregate principal amount of \$21,765,000, pursuant to a Supplemental Trust Indenture No. 52, dated as of March 27, 2013 by and between the Issuer and the Trustee, which Series 2013C Bonds will rank on a parity with the Bonds and the proceeds of which will be used by certain Governmental Agencies to refinance outstanding Program loans from the Issuer which were used to acquire, construct and equip public projects described in various Assistance Agreements by and between the governmental entities and the Issuer; and

WHEREAS, the Governmental Agency entered into the following Assistance Agreements (collectively, the "Assistance Agreement") with the Issuer: (i) on June 27, 2001, pursuant to which the Issuer provided the Governmental Agency with a loan dated June 27, 2001, in the original principal amount of \$793,000, from the proceeds of the Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001 (the "Series 2001A Loan") and (ii) on October 24, 2004, pursuant to which the Issuer provided the Governmental Agency with a loan dated October 24, 2004, in the original principal amount of \$728,000, from the proceeds of the Kentucky Rural Water Finance Corporation Public Projects Refunding and Improvement Revenue Bonds (Flexible Term Program), Series 2004D (the "Series 2004D Loan"); and

WHEREAS, the proceeds of the Series 2001A Loan were used to refund bonds secured by the District's waterworks system and to finance the cost of a 300,000 gallon water storage tank, and appurtenances for the Governmental Agency's waterworks system (the "System"); and

WHEREAS, the proceeds of the Series 2004D Loan were used to construct 30 miles of water lines in South Lawrence County along US 23, KY 581, McClure Road and Yellow Creek Road, with appurtenances for the benefit of the System; and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable and in the public interest to amend and supplement the Assistance Agreement, in order to effect substantial debt service savings; and

WHEREAS, under the provisions of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, the Governmental Agency is authorized to enter into this First Amendment to Assistance Agreement and to borrow the Obligations, as defined herein, to provide funds for the purpose stated in the Assistance Agreement; and

WHEREAS, the Issuer is willing to cooperate with the Governmental Agency in amending and supplementing the terms of the Series 2001A Loan and the Series 2004D Loan to assist the Governmental Agency in achieving debt service savings upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained; and

WHEREAS, the Issuer and the Governmental Agency have determined to enter into this First Amendment to Assistance Agreement to set forth their respective duties, rights, covenants, and obligations with respect to the repayment of the Series 2001A Loan and the Series 2004D Loan and the Obligations and the interest thereon;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE SERIES 2001A LOAN AND THE SERIES 2004D LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

**Section 1. Definitions.** Unless the context clearly indicates some other meaning or as otherwise set forth below, the words and terms defined in the Assistance Agreement shall apply for the purposes of this First Amendment and Supplement to Assistance Agreement. In addition, the following terms shall have the meanings set forth below:

"*Assistance Agreement*" refers to the Assistance Agreement between the Issuer and the Governmental Agency, dated June 27, 2001, authorizing the Series 2001A Loan and the Assistance Agreement between the Issuer and the Governmental Agency, dated October 24, 2004, authorizing the Series 2004D Loan.

"*First Amendment to Assistance Agreement*" refers to this First Amendment and Supplement to Assistance Agreement supplementing and amending the Assistance Agreement, which authorized the Loan and the Obligations.

"*Indenture*" means the Trust Indenture, dated as of April 4, 2001, as originally executed or as it may from time to time be supplemented, modified or amended by any supplemental indenture, including the Supplemental Trust Indenture No. 52, dated March 27, 2013, by and between the Issuer and the Trustee.

"*Interest Payment Date*" shall mean the 1<sup>st</sup> day of each month, commencing May 1, 2013 and continuing through and including January 1, 2029 or until the Loan has been paid in full.

"*Loan*" refers to the Series 2001A Loan and the Series 2004D Loan to the Governmental Agency from the Issuer, both as amended herein.

"*Obligations*" refers to the Governmental Agency's obligations to make payments as required by the Assistance Agreements authorizing the Series 2001A Loan and the Series 2004D Loan, as amended herein.

"*Trustee*" refers to Regions Bank, Nashville, Tennessee.

**Section 2. Authorization of Obligations; Place of Payment; Manner of Execution.** Section 3 of the Assistance Agreement is amended by the substitution of the following provisions:

That pursuant to the Constitution and laws of Kentucky, and particularly said Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, the Governmental Agency hereby authorizes this borrowing from the Program, for the purpose of providing funds for the Project.

Said Obligations shall mature in such principal amounts, and shall bear interest as set forth in **Exhibit A** attached hereto.

The principal of, redemption price, if any, and interest on the Obligations shall be payable in lawful money of the United States of America on the Interest Payment Date to the Trustee for the Program. Such payment shall be made by the Governmental Agency from funds on deposit in the Sinking Fund pursuant to the ACH Debit Direct Payment Method (the "ACH Method") as described and detailed in the ACH Debit Direct Payment Authorization Form (the "ACH Authorization Form") in a form as provided by the Trustee to the Governmental Agency. The ACH Authorization Form shall be completed, signed and forwarded to the Trustee prior to the Governmental Agency receiving any of the proceeds of the Loan.

Pursuant to the ACH Method, there shall be transferred to the Trustee on or before each Interest Payment Date, from the Sinking Fund, the amounts set forth as sinking fund payments on **Exhibit A** attached hereto.



In addition, in the event the Issuer is required to withdraw moneys from the Program Reserve Fund established pursuant to the Indenture to pay the principal of and interest on the Obligations and any other payments due under the Assistance Agreement as supplemented and amended by the First Amendment to Assistance Agreement on behalf of the Governmental Agency (the "Reserve Withdrawal"), the Governmental Agency shall pay to the Trustee, each amount set forth as sinking fund payments on **Exhibit A** attached hereto, pursuant to the ACH Method an amount equal to at least 1/12 of the Reserve Withdrawal, plus accrued interest thereon at the rate equal to the highest rate of interest paid by the investments making up the Program Reserve Fund until such Reserve Withdrawal has been replenished.

**Section 3. Redemption.** Section 4 of the Assistance Agreement is amended by the substitution of the following provisions:

(a) *Optional Redemption.* The Obligations maturing on and prior to January 1, 2023 shall not be subject to optional redemption prior to maturity. Subject to the prior written approval of the Compliance Group, the Obligations maturing on or after January 1, 2024 are subject to optional redemption, in whole or in part, by the Governmental Agency prior to their stated maturity, at any time falling on or after January 1, 2023 at a redemption price equal to 100% of the principal amount of the Obligations called for redemption, plus unpaid interest accrued to the date of redemption.

**Section 4. Revision of Debt Service Schedule and Amortization of Fees and Costs.** Upon (i) the execution of this First Amendment to Assistance Agreement, (ii) the delivery of this First Amendment to Assistance Agreement to the Trustee, and (iii) certification of the Compliance Group that the Loan will continue to be accepted in the Program; the Issuer will amend the debt service schedule on the Governmental Agency's Loan as evidenced in the attached **Exhibit A**, which debt service schedule will amortize the fees and costs incurred by the Governmental Agency and any other pertinent expenses incident to the issuance, sale and delivery of the Obligations and such other appropriate expenses as may be approved by the Governmental Agency Chief Executive, including but not limited to the Governmental Agency's pro rata share of the Program's fees and expenses.

**Section 5. Calculation of Revised Principal Amount of the Loan.** The revised principal amount of the Loan is \$910,000, which amount was calculated as follows:

Outstanding principal balance of the Loan on March 27, 2013	999,000.00
Plus accrued interest	11,681.20
Plus fee to bondholders for early call of the Loan	5,200.00
Plus net costs associated with amending the debt service on the Loan	(58,427.70)
Plus deposit to Governmental Agency's Sinking Fund (rounding)	1,241.73
Credit for current balance in Governmental Agency's Sinking Fund	<u>(48,695.23)</u>
<b>Revised principal amount of the Loan</b>	<b>\$910,000.00</b>

*[Signature page follows]*

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this First Amendment to Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Big Sandy Water District has caused this First Amendment to Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By James L. Smith  
President

Attest:

By [Signature]  
Secretary/Treasurer

BIG SANDY WATER DISTRICT

By \_\_\_\_\_  
Chairman

Attest:

By \_\_\_\_\_  
Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this First Amendment to Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Big Sandy Water District has caused this First Amendment to Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By \_\_\_\_\_  
President

Attest:

By \_\_\_\_\_  
Secretary/Treasurer

BIG SANDY WATER DISTRICT

By Paul E. Hagan  
Chairman

Attest:

By Darin [Signature]  
Secretary

**EXHIBIT A**

**Debt Service Schedule**

**KRWFC Flexible Term Program Series 2013 B  
Sinking Fund Payment Schedule**

**Borrower: Big Sandy Water District  
Closing Date: 03/27/13**

	<b>Monthly Principal</b>	<b>Monthly Interest</b>	<b>Total Monthly Sinking Fund Payments</b>
5/13-7/13	8,333.33	3,966.57	12,299.90
8/13-1/14	8,333.33	2,935.83	11,269.17
2/14-8/14	5,833.33	2,792.08	8,625.42
8/14-1/15	5,833.33	2,792.08	8,625.42
2/15-7/15	5,833.33	2,599.58	8,432.92
8/15-1/16	5,833.33	2,599.58	8,432.92
2/16-7/16	6,250.00	2,407.08	8,657.08
8/16-1/17	6,250.00	2,407.08	8,657.08
2/17-7/17	6,250.00	2,138.33	8,388.33
8/17-1/18	6,250.00	2,138.33	8,388.33
2/18-7/18	6,250.00	1,869.58	8,119.58
8/18-1/19	6,250.00	1,869.58	8,119.58
2/19-7/19	6,250.00	1,600.83	7,850.83
8/19-1-20	6,250.00	1,600.83	7,850.83
2/20-7/20	6,250.00	1,332.08	7,582.08
8/20-1/21	6,250.00	1,332.08	7,582.08
2/21-7/21	5,833.33	1,063.33	6,896.67
8/21-1/22	5,833.33	1,063.33	6,896.67
2/22-7/22	5,000.00	812.50	5,812.50
8/22-1/23	5,000.00	812.50	5,812.50
2/23-7/23	2,083.33	572.50	2,655.83
8/23-1/24	2,083.33	572.50	2,655.83
2/24-7/24	2,500.00	472.50	2,972.50
8/24-1/25	2,500.00	472.50	2,972.50
2/25-7/25	2,500.00	365.00	2,865.00
8/25-1/26	2,500.00	365.00	2,865.00
2/26-7/26	2,500.00	288.75	2,788.75
8/26-1/27	2,500.00	288.75	2,788.75
2/27-7/27	2,916.67	206.25	3,122.92
8/27-1/28	2,916.67	206.25	3,122.92
2/28-7/28	3,333.33	110.00	3,443.33
8/28-1/29	3,333.33	110.00	3,443.33
2/29-7/29	-	-	-
	<u>910,000.00</u>	<u>253,314.78</u>	<u>1,163,314.78</u>

# **EXHIBIT G-4**

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**ASSISTANCE AGREEMENT**  
**BETWEEN**  
**KENTUCKY RURAL WATER FINANCE CORPORATION**  
**AND**  
**BIG SANDY WATER DISTRICT**  
**DATED**  
**JANUARY 7, 2020**  
**IN THE AMOUNT OF \$1,265,000**

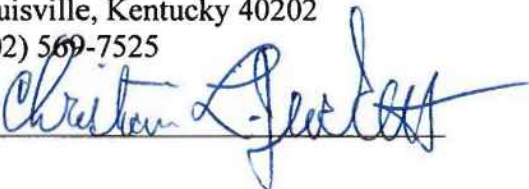
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This document was prepared by:

RUBIN & HAYS  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, Kentucky 40202  
(502) 569-7525

By



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EXHIBIT A ..... Debt Service Schedule



## **ASSISTANCE AGREEMENT**

This Assistance Agreement made and entered into as of January 7, 2020 (the "Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit agency and instrumentality of various political subdivisions of the Commonwealth of Kentucky duly organized and existing under the laws of the Commonwealth of Kentucky (the "Issuer") and the Big Sandy Water District, 18200 State Route 3, Catlettsburg, Kentucky 41129 (the "Governmental Agency"):

### **WITNESSETH**

WHEREAS, the Issuer has established its Public Projects Flexible Term Program (the "Program") designed to provide financing for the expansion, addition and improvements of public projects for governmental entities under which the Issuer issued, in various series, its Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program) pursuant to a Trust Indenture dated as of April 4, 2001, as supplemented from time to time (collectively, the "Indenture") between the Issuer and Regions Bank, Nashville, Tennessee (as successor in interest to Fifth Third Bank and The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), the net proceeds of which will be applied for the benefit of such governmental entities by making loans, pursuant to assistance agreements; and

WHEREAS, pursuant to the Indenture, the Issuer has authorized the issuance of the Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2020A (the "Series 2020A Bonds") in the aggregate principal amount of \$12,635,000, pursuant to a Supplemental Trust Indenture No. 73, dated as of January 7, 2020 by and between the Issuer and the Trustee, which Series 2020A Bonds will rank on a parity with the other outstanding bonds issued under the terms of the Indenture and the proceeds of which will be used by certain governmental agencies to acquire, construct and equip public projects described in various Assistance Agreements by and between the governmental agencies and the Issuer; and

WHEREAS, the Governmental Agency has outstanding its (i) Big Sandy Water District Waterworks Revenue Bonds, Series 1993, dated December 13, 1994, in the original principal amount of \$1,214,000; (ii) Big Sandy Water District Waterworks Revenue Bonds, Series 2000, dated September 26, 2000, in the original authorized principal amount of \$495,000; and (iii) Big Sandy Water District Waterworks Revenue Bonds, Series 2001, dated December 18, 2001, in the amount of \$527,000 (the "Refunded Bonds"), which bonds were issued by the Governmental Agency to make improvements and extensions to the Governmental Agency's waterworks system (the "System"); and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable and in the public interest to currently refund the Refunded Bonds, in order to effect substantial debt service savings (the "Refunding Program"), and the Issuer has determined that the Refunding Program is a project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Issuer; and

WHEREAS, the Governmental Agency has designated the Issuer as its instrumentality and agency; and

WHEREAS, pursuant to this Assistance Agreement the Governmental Agency will proceed with the Refunding Program; and

WHEREAS, in and by the Prior Bond Legislation (as hereinafter defined), the right and privilege was reserved by the Governmental Agency under conditions and restrictions set out in said Prior Bond Legislation, of issuing additional bonds from time to time, payable from the income and revenues of the System and ranking on a parity with the Governmental Agency's outstanding Prior Bonds (as hereinafter defined), for the purpose, among other things, of financing the cost of extensions, additions and improvements to the System and refinancing certain outstanding indebtedness, which conditions and restrictions are found to currently exist and prevail so as to permit the issuance of certain proposed additional bonds so as to rank, when issued, on a parity with the outstanding Prior Bonds; and

WHEREAS, it is deemed necessary and advisable for the best interests of the Governmental Agency that it enter into this Assistance Agreement with the Issuer in order to borrow funds (the "Loan") in the amount of \$1,265,000 for the Refunding Program, and to reaffirm the conditions and restrictions under which similar bonds or obligations may be subsequently issued ranking on a parity therewith; and

WHEREAS, under the provisions of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, and under the provisions of the Prior Bond Legislation, the Governmental Agency is authorized to enter into this Assistance Agreement and to borrow the Loan to provide such funds for the purpose aforesaid; and

WHEREAS, the Issuer is willing to cooperate with the Governmental Agency in making available the Loan pursuant to the Act and the Indenture to be applied to the Refunding Program upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained; and

WHEREAS, the Issuer and the Governmental Agency have determined to enter into this Assistance Agreement pursuant to the terms of the Act and the Indenture and to set forth their respective duties, rights, covenants, and obligations with respect to the financing of the Refunding Program subject to the repayment of the Loan and the interest thereon;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

**Section 1. Definitions.** As used in this Assistance Agreement, unless the context requires otherwise:

*“Act”* refers to Chapters 58 and 74 of the Kentucky Revised Statutes.

*“Assistance Agreement”* refers to this Assistance Agreement authorizing the Loan and the obligations hereunder.

*“Bond Counsel”* refers to Rubin & Hays, Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202, or any other nationally recognized individual or firm in the field of municipal bond law.

*“Bond Legislation of 1994”* or *“1994 Bond Legislation”* refers to the resolution authorizing the Series 1993 Bonds, which was adopted by the Governing Body on October 12, 1993.

*“Bond Legislation of 2000”* or *“2000 Bond Legislation”* refers to the resolution authorizing the Series 2000 Bonds, which was adopted by the Governing Body on August 21, 2000.

*“Bond Legislation of 2001”* or *“2001 Bond Legislation”* refers to the resolution authorizing the Series 2001 Bonds, which was adopted by the Governing Body on August 13, 2001.

*“Bond Legislation of 2014”* or *“2014 Bond Legislation”* refer to the resolution authorizing the Bonds of 2014, duly adopted by the Governing Body on November 18, 2013.

*“Bondowner”*, *“Owner”*, *“Bondholder”* means and contemplates, unless the context otherwise indicates, the registered owner of one or more of the Bonds at the time issued and outstanding hereunder.

*“Bonds”* refers to the Loan, the Prior Bonds and any additional Parity Bonds.

*“Certified Public Accountants”* refers to an independent Certified Public Accountant or firm of Certified Public Accountants, duly licensed in Kentucky and knowledgeable about the affairs of the System and/or of other Governmental Agency financial matters.

*“Code”* refers to the United States Internal Revenue Code of 1986, as amended, and any regulations issued thereunder.

*“Compliance Group”* refers to the Compliance Group identified and defined in the Indenture.

“*Engineer*” or “*Independent Consulting Engineer*” refers to an Independent Consulting Engineer or firm of Engineers of excellent national reputation or of recognized excellent reputation in Kentucky in the fields of waterworks and sewer engineering.

“*Fiscal Year*” refers to the annual accounting period of the Governmental Agency, beginning on January 1, and ending on December 31, of each year.

“*Funds*” refers collectively to the Revenue Fund, the Sinking Fund, the Operation and Maintenance Fund, and the Governmental Agency Account.

“*Governing Body*” means the Board of Commissioners of the Governmental Agency or such other body as shall be the governing body of said Governmental Agency under the laws of Kentucky at any given time.

“*Governmental Agency*” refers to the Big Sandy Water District, 18200 State Route 3, Catlettsburg, Kentucky 41129.

“*Governmental Agency Chief Executive*” refers to the Chairman of the Governing Body.

“*Governmental Agency Clerk*” refers to the Secretary of the Governmental Agency.

“*Indenture*” means the Trust Indenture, dated as of April 4, 2001, as originally executed or as it may from time to time be supplemented, modified or amended by any supplemental indenture, including the Supplemental Trust Indenture No. 73, dated January 7, 2020, by and between the Issuer and the Trustee.

“*Interest Payment Date*” shall mean the 1<sup>st</sup> day of each month, commencing March 1, 2020 and continuing through and including January 1, 2037 or until the Loan has been paid in full.

“*Issuer*” refers to the Kentucky Rural Water Finance Corporation, Bowling Green, Kentucky, 1151 Old Porter Pike, Bowling Green, Kentucky 42103.

“*Loan*” refers to the loan authorized by this Assistance Agreement from the Issuer to the Governmental Agency, in the principal amount of \$1,265,000, maturing January 1, 2037, to defray the cost of the Refunding Program.

“*Operation and Maintenance Fund*” refers to the Big Sandy Waterworks Operation and Maintenance Fund described in Section 401 of the Bond Legislation of 2014.

“*Outstanding Bonds*” refers collectively to all outstanding Prior Bonds, the Loan and any outstanding Parity Bonds and does not refer to any bonds that have been defeased.

“*Parity Bonds*” means bonds issued in the future, which will, pursuant to the provisions of this Assistance Agreement, rank on a basis of parity with the Loan and shall not be deemed to include, nor to prohibit the issuance of, bonds ranking inferior in security to the Loan.

“*Permitted Investments*” refers to investments of funds on deposit in the various funds created herein and includes:

(a) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, if delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian. These investments may be accomplished through repurchase agreements reached with sources including but not limited to national or state banks chartered in the Commonwealth of Kentucky;

(b) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency, including but not limited to:

- i. United States Treasury;
- ii. Export-Import Bank of the United States;
- iii. Farmers Home Administration;
- iv. Government National Mortgage Corporation; and
- v. Merchant Marine bonds;

(c) Obligations of any corporation of the United States government, including but not limited to:

- i. Federal Home Loan Mortgage Corporation;
- ii. Federal Farm Credit Banks;
- iii. Bank for Cooperatives;
- iv. Federal Intermediate Credit Banks;
- v. Federal Land Banks;
- vi. Federal Home Loan Banks;
- vii. Federal National Mortgage Association; and
- viii. Tennessee Valley Authority;

(d) Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institutions which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations, including surety bonds, permitted by KRS Section 41.240(4);

(e) Uncollateralized certificates of deposit issued by any bank or savings and loan institution rated on one (1) of the three (3) highest categories by a nationally recognized rating agency;

(f) Banker’s acceptances for banks rated in one (1) of the three (3) highest categories by a nationally recognized rating agency;

(g) Commercial paper rated in the highest category by a nationally recognized rating agency;

(h) Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and instrumentalities;

(i) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one (1) of the three (3) highest categories by a nationally recognized rating agency; and

(j) Shares of mutual funds, each of which shall have the following characteristics:

- i. The mutual fund shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended;
- ii. The management company of the investment company shall have been in operation for at least five (5) years; and
- iii. All of the securities in the mutual fund shall be eligible investments under this section.

Investments in the above instruments are subject to the following conditions and limitations:

(a) The amount of money invested at any time by a local government or political subdivision in one (1) or more of the categories of investments authorized by subsection (e), (f), (g), and (i) of this definition shall not exceed twenty percent (20%) of the total amount of money invested by the local government; and

(b) No local government or political subdivision shall purchase any investment authorized herein on a margin basis or through the use of any similar leveraging technique.

*“Prior Bond Legislation”* refers collectively to the Series 2001A Assistance Agreement, Series 2004D Assistance Agreement, Series 2007A Assistance Agreement, and 2014 Bond Legislation.

*“Prior Bonds”* refers collectively to the Series 2001A Loan, Series 2004D Loan, Series 2007A Loan, and Series 2014 Bonds.

*“Sinking Fund”* refers to the Big Sandy Water District Waterworks Sinking Fund, described in Section 401 of the Bond Legislation of 2014.

*“Program”* refers to the Issuer’s Public Projects Flexible Term Program designed to provide financing for the expansion, addition and improvement of public projects for governmental entities.

*“Program Administrator”* refers to the Kentucky Rural Water Association, Inc., Bowling Green, Kentucky.

“*Program Reserve Fund*” refers to the Reserve Fund created and established pursuant to Section 4.2 of the Indenture.

“*Refunded Bonds*” refers to the outstanding Series 1993 Bonds, Series 2000 Bonds, and Series 2001 Bonds.

“*Refunding Program*” refers to the current refunding of the Refunded Bonds with the proceeds of the Loan.

“*Revenue Fund*” refers to the Big Sandy Water District Waterworks Revenue Fund created in the Prior Bond Legislation and which Revenue Fund will continue to be maintained for the benefit of all of the Bonds.

“*Series 1993 Bonds*” refers to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 1993, dated December 13, 1994, in the original authorized principal amount of \$1,214,000.

“*Series 2000 Bonds*” refers to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 2000, dated January 11, 2001, in the original authorized principal amount of \$495,000.

“*Series 2001 Bonds*” refers to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 2001, dated December 18, 2001, in the original authorized principal amount of \$527,000.

“*Series 2001A Assistance Agreement*” refers to the Assistance Agreement between the Kentucky Rural Water Finance Corporation and the Governmental Agency, dated June 27, 2001, authorizing the loan in the principal amount of \$793,000 from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2001A.

“*Series 2001A Loan*” refers to the loan to the Governmental Agency in the principal amount of \$793,000 from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2001A.

“*Series 2004D Assistance Agreement*” refers to the Assistance Agreement between the Kentucky Rural Water Finance Corporation and the Governmental Agency, dated October 19, 2004, authorizing the loan in the principal amount of \$732,000 from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2004D.

“*Series 2004D Loan*” refers to the loan to the Governmental Agency in the principal amount of \$732,000 from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2004D.

“*Series 2007A Assistance Agreement*” refers to the Assistance Agreement between the Kentucky Rural Water Finance Corporation and the Governmental Agency, dated January 30,

2007, authorizing the loan in the principal amount of \$931,000 from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2007A.

“*Series 2007A Loan*” refers to the loan to the Governmental Agency in the principal amount of \$931,000 from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2007A.

“*Series 2014 Bonds*” refer to the outstanding Big Sandy Water District Waterworks Revenue Bonds, Series 2014, dated May 20, 2014, in the original aggregate authorized principal amount of \$1,165,000.

“*System*” refers to the Governmental Agency’s waterworks system, together with all future extensions, additions and improvements to said System.

“*Treasurer*” refers to the Treasurer of the Governmental Agency.

“*Trustee*” refers to Regions Bank, Nashville, Tennessee.

“*U.S. Obligations*” refers to bonds, notes, or Treasury Bills, which are direct obligations of the United States of America or obligations fully guaranteed by the United States of America, including book-entry obligations of the United States Treasury-State and Local Government Series, and Trust Receipts representing an ownership interest in direct obligations of the United States.

**Section 2. Reaffirmation of Declaration of Waterworks System.** That all proceedings heretofore taken for the establishment of and the supplying of water service in and to said Governmental Agency as a waterworks system are hereby in all respects ratified and confirmed; and so long as the Loan hereinafter authorized or permitted to be issued remain outstanding, said System shall be owned, controlled, operated and maintained for the security and source of payment of the Loan. Said System is hereby declared to constitute a public project within the meaning and application of Sections 58.010 to 58.140, inclusive, of the Kentucky Revised Statutes.

**Section 3. Authorization of Loan; Place of Payment; Manner of Execution.** That pursuant to the Constitution and laws of Kentucky, and particularly the Act, the Governmental Agency hereby authorizes the borrowing of \$1,265,000 from the Program, to provide funds for the Refunding Program.

The Loan is payable on the Interest Payment Date in such principal and interest amounts as set forth in **Exhibit A** attached hereto.

The principal of, redemption price, if any, and interest on the Loan shall be payable in lawful money of the United States of America on the Interest Payment Date to the Trustee for the Program. Such payment shall be made by the Governmental Agency from funds on deposit in the Sinking Fund pursuant to the ACH Debit Direct Payment Method (the “ACH Debit Direct Payment Method”) as described and detailed in the ACH Debit Direct Payment Authorization



Form (the "ACH Authorization Form") in a form as provided by the Trustee to the Governmental Agency. The ACH Authorization Form shall be completed, signed and forwarded to the Trustee prior to the Governmental Agency receiving any of the proceeds of the Loan.

Pursuant to the ACH Debit Direct Payment Method, there shall be transferred to the Trustee on or before each Interest Payment Date, from the Sinking Fund, the amounts set forth as sinking fund payments on Exhibit A attached hereto.

In addition, in the event the Issuer is required to withdraw moneys from the Program Reserve Fund established pursuant to the Indenture to pay the principal of and interest on the Loan and any other payments due under this Assistance Agreement on behalf of the Governmental Agency (the "Reserve Withdrawal"), the Governmental Agency shall pay to the Trustee, each amount set forth as sinking fund payments on **Exhibit A** attached hereto, pursuant to the ACH Debit Direct Payment Method an amount equal to at least 1/12 of the Reserve Withdrawal, plus accrued interest thereon at the rate equal to the highest rate of interest paid by the investments making up the Program Reserve Fund until such Reserve Withdrawal has been replenished.

#### **Section 4. Redemption.**

(a) *Optional Redemption.* Subject to the prior written approval of the Compliance Group, the Loan payments due on or after January 1, 2029 are subject to optional redemption, in whole or in part, by the Governmental Agency prior to their stated maturity, at any time falling on or after January 1, 2028 at a redemption price equal to 100% of the principal amount of the Loan payments called for redemption, plus unpaid interest accrued to the date of redemption.

In the event that the Governmental Agency desires to optionally redeem a portion of its Loan payments, such redemption shall be in a denomination equal to \$5,000 or any integral multiple thereof.

(b) *Notice of Redemption.* The Governmental Agency shall give the Issuer and the Trustee notice of any redemption by sending at least one such notice by first class United States mail not less than 45 and not more than 90 days prior to the date fixed for redemption.

All of said Loan payments as to which the Governmental Agency reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given, and for the retirement of which, upon the terms aforesaid, funds are duly provided, will cease to bear interest on the redemption date.

**Section 5. Loan Payable Out of Gross Revenues on a Parity with Prior Bonds.** The Loan, the Prior Bonds and any additional Parity Bonds that may be issued under the conditions and restrictions hereinafter set forth, shall be secured by and payable out of the gross revenues of the System.

**Section 6. Compliance with Parity Coverage Requirements of the Prior Bond Legislation.** It is hereby declared that in accordance with the provisions of the Prior Bond

Legislation and prior to the issuance of the Loan hereby authorized, there will be procured and filed with the Governmental Agency Clerk of said Governmental Agency any and all statements or certifications for the purpose of having both principal and interest on the Prior Bonds and the Loan hereby authorized payable on a parity from the income and revenues of said System with said outstanding Prior Bonds.

**Section 7. Flow of Funds.** All proceedings preliminary to and in connection with the issuance of the Prior Bonds, whereby provision was made for the receipt, custody, and application of the proceeds of the Prior Bonds; for the operation of said System on a revenue-producing basis; for the segregation, allocation, and custody of the revenues derived from the operation of the System; and for the enforcement and payment of the Prior Bonds; and all other covenants for the benefit of the bondholders set out in the Prior Bond Legislation, are hereby ratified and confirmed and shall continue in force and inure to the security and benefit of the Bonds, the same as if such provisions and proceedings were repeated in full herein; provided, further, that, hereafter, the income and revenues of the System shall be collected, segregated, accounted for, and distributed as follows:

**A. Revenue Fund.** The Governmental Agency covenants and agrees that it will continue to deposit in the Revenue Fund, promptly as received from time to time, all revenues of the System, as same may be extended and improved from time to time. The moneys in the Revenue Fund shall continue to be used, disbursed and applied by the Governmental Agency only for the purpose and in the manner and order of priorities specified in the Prior Bond Legislation, as hereinafter modified by this Assistance Agreement, all as permitted by the Act, and in accordance with previous contractual commitments.

**B. Sinking Fund.** It is hereby recognized that the Governmental Agency is obligated upon the issuance of the Loan to provide for additional debt service requirements of the Loan.

There shall be transferred from the Revenue Fund and deposited into the Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Prior Bonds, including the Loan, a sum equal to the total of the following:

- (1) An amount equal to one-sixth (1/6) of the next succeeding six-month interest payment to become due on the Prior Bonds and the Loan balance then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of any Prior Bonds and the Loan maturing on the next succeeding principal payment date.

Said Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying the principal of and interest on the Prior Bonds and the Loan.

**C. Operation and Maintenance Fund.** There shall next be transferred monthly from the Revenue Fund and deposited into said Operation and Maintenance Fund, sums sufficient to meet the current expenses of operating and maintaining the System. The balance

maintained in said Operation and Maintenance Fund shall not be in excess of the amount required to cover anticipated System expenditures for a two-month period pursuant to the Governmental Agency's annual budget.

**D. Surplus Funds.** Subject to the provisions for the disposition of the income and revenues of the System as set forth hereinabove, which provisions are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred, within sixty days after the end of each Fiscal Year, the balance of excess funds in the Revenue Fund on such date, to the Sinking Fund to be applied to the maximum extent feasible, to the prompt purchase or redemption of Outstanding Bonds.

Provided, however, notwithstanding anything to the contrary in any Prior Bond Legislation, the Governmental Agency shall be allowed a credit to the extent of moneys on deposit in the Program Reserve Fund for the purpose of meeting any parity requirements in any Prior Bond Legislation; subject however, to the limitation that moneys in the Program Reserve Fund may only be used to make payments of the Government Agency due under this Assistance Agreement, if necessary, and; provided further, that the Trustee may not seek payment for any reserve funds held by the Governmental Agency under any Prior Bond Legislation for payment of any amounts due from the Governmental Agency under this Assistance Agreement.

**Section 8. Disposition of Proceeds of the Loan; Governmental Agency Account.** Upon (i) the execution of this Assistance Agreement, (ii) the delivery of this Assistance Agreement to the Trustee, (iii) certification of the Compliance Group that the Loan is to be accepted in the Program, and (iv) upon receipt by the Governmental Agency of the proceeds of the Loan, the proceeds shall be applied as follows:

(a) *Disposition of the Proceeds.* There shall first be deducted and paid from the proceeds of the Loan the fees and costs incurred by the Governmental Agency and any other pertinent expenses incident to the issuance, sale and delivery of the Loan and such other appropriate expenses as may be approved by the Governmental Agency Chief Executive, including but not limited to the Governmental Agency's pro rata share of the Program's fees and expenses.

The balance shall be deposited to the Governmental Agency Account to be used for the Refunding Program.

(b) *Governmental Agency Account.* It is hereby acknowledged that a fund entitled "Big Sandy Water District Governmental Agency Account" (the "Governmental Agency Account") has been created and maintained by the Trustee pursuant to the Indenture; and such amount on deposit in said Governmental Agency Account shall be transferred to the Rural Development (the "RD") of the Department of Agriculture of the United States of America, the holder of the Refunded Bonds, as may be required:

- (1) To pay the interest on the Refunded Bonds to and including January 9, 2020; and

(2) To redeem on January 9, 2020 at a price equal to 100% of principal amount the Refunded Bonds that as of that date have not been redeemed, retired or otherwise paid, thereby defeasing the pledge of revenues and the property securing the Refunded Bonds.

Investment income derived from investment of the Governmental Agency Account, which shall be invested in Permitted Investments in accordance with this Assistance Agreement, shall, as received, be deposited in the Governmental Agency Account.

The Trustee shall be obligated to send written notice to the Governmental Agency of the need for investment directions if and whenever funds in excess of \$50,000 shall remain uninvested for a period of more than five days. In the absence of written direction from the Governmental Agency with respect to investment of moneys held in the Governmental Agency Account, the Trustee is hereby directed to invest funds in money market mutual funds of the Trustee or its affiliates that qualify as Permitted Investments under this Assistance Agreement.

No expenditure shall be made from the Governmental Agency Account except for proper and authorized expenses relating to the Refunding Program as approved by the Governmental Agency.

After completion of the Refunding Program, any balance then remaining on deposit in the Governmental Agency Account shall, subject to any and all applicable legal provisions and applicable arbitrage regulations necessary to assure the exemption of interest on the Loan from Federal income taxation, upon orders of the Governing Body, be transferred to the Sinking Fund, to be used for the purposes thereof.

#### **Section 9. Arbitrage Limitations.**

(a) The Governmental Agency covenants that neither the proceeds of the Loan, nor "Non-Exempt Revenues" of the System, as defined below, will be invested in investments that will produce a net adjusted yield in excess of the net interest cost (effective yield) of the Loan, if such investment would cause such Loan to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, as amended, and the applicable regulations thereunder; provided, however, that such proceeds and/or revenues may be invested to whatever extent and whenever the Code and/or applicable regulations permit same to be invested without causing the Loan to be treated as "arbitrage bonds."

(b) "Non-Exempt Revenues" within the meaning of the foregoing shall be deemed to refer to revenues of the System deposited in any of the funds earmarked for or reasonably expected to be used for the payment of debt service on the Loan, in excess of "Exempt Revenues," which Exempt Revenues are:

(1) amounts deposited in the Sinking Fund for the purpose of paying debt service on any obligations against the System within thirteen (13) months from the date of deposit; and

(2) amounts deposited in a depreciation fund or any similar reserve for replacements, reasonably expected to be used for extensions, additions, improvements or replacements to the System, and not reasonably expected to be used to pay debt service (even if pledged to be used to pay debt service in the event of the unexpected inadequacy of other funds pledged for that purpose).

(c) If, and to the extent that any Non-Exempt Revenues are on deposit and are available for investment by reason of the foregoing, such funds shall be subject to the investment limitations set out in Subsection (a) above.

(d) On the basis of information furnished to the Governmental Agency, on known facts, circumstances and reasonable expectations on the date of enactment of this Assistance Agreement, the Governmental Agency certifies as follows:

(1) That it is not expected or contemplated that the proceeds of the Loan will be used or invested in any manner which will cause the Loan to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder.

(2) That it is not expected or contemplated that the Governmental Agency will make any use of the proceeds of the Loan, which, if such use had been reasonably anticipated on the date of issuance of the Loan, would have caused the Loan to be arbitrage bonds.

(3) That it is expected and contemplated that the Governmental Agency will comply with (i) all of the requirements of Section 148 of the Code; and (ii) all of the requirements of the applicable regulations thereunder, to whatever extent is necessary to assure that the Loan will not be treated as arbitrage bonds.

(4) That it is anticipated that amounts on deposit in the Sinking Fund will be used within 13 months from the date of deposit for the payment of debt service on the outstanding Loan and all Prior Bonds payable from said Sinking Fund.

(5) That amounts accumulated in the Sinking Fund shall not exceed the limitations set forth in this Assistance Agreement.

(6) That it is not reasonably anticipated that amounts accumulated in a depreciation fund will be used for payment of debt service on any bonds payable from the revenues of the System, even though such depreciation fund will be so available if necessary to prevent a default in the payment of principal and interest on such bonds.

Prior to or at the time of delivery of the Loan, the Governmental Agency Chief Executive and/or the Governmental Agency Treasurer are authorized to execute the appropriate certification with reference to the matters referred to above, setting out all known and contemplated facts concerning such anticipated investment of the proceeds of the Loan, including the execution of necessary and/or desirable certifications of the type contemplated by

the Code and applicable regulations, as amended, in order to assure that interest on the Loan will be exempt from all federal income taxes and that the Loan will not constitute or be treated as arbitrage bonds.

**Section 10. Parity Bonds.** The lien and security of and for any bonds or obligations hereafter issued that are payable from the income and revenues of the System, shall, except as set out herein, be subject to the priority of the Prior Bonds and the Loan as may from time to time be outstanding; provided the Governmental Agency has in said Prior Bond Legislation reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional bonds from time to time payable from the income and revenues of the System ranking on a parity with the Prior Bonds and with the Loan, but only under the conditions specified herein and in the Prior Bond Legislation, which conditions are hereinafter repeated, taking into account the issuance of the Loan.

The Governmental Agency reserves the right to finance future extensions, additions, and/or improvements to the System by the issuance of one or more additional series of bonds to be secured by a parity lien on and ratably payable from, the revenues of the System pledged to the Prior Bonds and the Loan, provided;

(a) The facilities to be constructed from the proceeds of the additional Parity Bonds are made a part of the System and their revenues are pledged as additional security for the additional Parity Bonds and for the Outstanding Bonds.

(b) The Governmental Agency is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds.

(c) The annual net revenues (defined as gross revenues less operating expenses), of the then existing System for the Fiscal Year preceding the year in which such Parity Bonds are to be issued, adjusted as hereinafter provided, shall be certified by an independent Certified Public Accountant to be equal at least one hundred twenty percent (120%) of the average annual debt service requirements for principal and interest on all Outstanding Bonds payable from the revenues of the System, plus the anticipated debt service requirements of any Parity Bonds then proposed to be issued. The calculation of average annual debt service requirements of principal and interest on the additional Parity Bonds to be issued shall, regardless of whether such additional Parity Bonds are to be serial or term bonds, be determined on the basis of the principal of and interest on such Parity Bonds being payable in approximately equal annual installments.

(d) The "annual net revenues" referred to above may be adjusted for the purpose of the foregoing computations to reflect:

(1) any revisions in the System's schedule of rates or charges being imposed on or before the time of the issuance of any such additional Parity Bonds, and

(2) any increase in the annual net revenues to be realized from the proposed extensions, additions and improvements being financed (in whole or in part) by such additional Parity Bonds;

provided all such adjustments shall be based upon and included in a certification of a Certified Public Accountant or an Independent Consulting Engineer.

(e) Reference is made to the necessity of obtaining the written consent of the United States Department of Agriculture Farmers Home Administration or its successor [the "FHA"] for the issuance of future bonds encumbering the System while the FHA holds any bonds payable from the revenues of the System.

(f) The Governmental Agency reserves the right to issue Parity Bonds to refund or refinance any part or all of the Loan, provided that prior to the issuance of such Parity Bonds for that purpose, there shall have been procured and filed with the Governmental Agency Clerk of the Governmental Agency a statement by a Certified Public Accountant, as defined herein, reciting the opinion based upon necessary investigation that:

(1) after the issuance of the Parity Bonds, the annual net revenues, as adjusted and defined above, of the then existing system for the Fiscal Year preceding the date of issuance of the Parity Bonds, after taking into account the revised debt service requirements resulting from the issuance of the Parity Bonds and from the elimination of the Outstanding Bonds being refunded or refinanced thereby, are equal to not less than 120% of the average annual debt service requirements then scheduled to fall due in any Fiscal Year thereafter for principal of and interest on all of the Outstanding Bonds payable from the revenues of the System, calculated in the manner specified above; or

(2) in the alternative, that the average annual debt service requirements for the proposed Parity Bonds, in any year of maturities thereof after the redemption of the obligations scheduled to be refunded through the issuance of the proposed Parity Bonds, shall not exceed the average annual debt service requirements applicable to the then outstanding obligations for any year prior to the issuance of the proposed Parity Bonds and the redemption of the obligations scheduled to be refunded.

**Section 11. Rates and Charges for Services of the System.** While the Loan remains outstanding and unpaid, the rates for all services of the System rendered by the Governmental Agency to its citizens, corporations, or others requiring the same, shall be reasonable and just, taking into account and consideration the cost and value of said System, the cost of maintaining and operating the same, the proper and necessary allowances for depreciation thereof, and the amounts necessary for the retirement of the Outstanding Bonds and the accruing interest on all Outstanding Bonds as may be outstanding under the provisions of this Assistance Agreement and the Prior Bond Legislation, and there shall be charged such rates and amounts as shall be adequate to meet all requirements of the provisions of this Assistance Agreement. Prior to the issuance of the Loan a schedule of rates and charges for the services rendered by the System to all users adequate to meet all requirements of this Assistance Agreement has been established and adopted.

The Governmental Agency covenants that it will not reduce the rates and charges for the services rendered by the System without first filing with the Governmental Agency Clerk a

certification of an Independent Consulting Engineer or a Certified Public Accountant that the annual net revenues (as defined in Section 10 hereof) of the then existing System for the Fiscal Year preceding the year in which such reduction is proposed, as such annual net revenues are adjusted, after taking into account the projected reduction in annual net revenues anticipated to result from any such proposed rate decrease, are equal to not less than 120% of the average annual debt service requirements for principal and interest on all of the then outstanding bonds payable from the revenues of the System, calculated in the manner specified in Section 10 hereof.

The Governmental Agency also covenants to cause a report to be filed with the Governing Body within four months after the end of each Fiscal Year by a Certified Public Accountant, setting forth the precise debt service coverage percentage of the average annual debt service requirements falling due in any Fiscal Year thereafter for principal of and interest on all of the then Outstanding Bonds payable from the revenues of the System, produced or provided by the net revenues of the System in that Fiscal Year, calculated in the manner specified in Section 10 hereof; and the Governmental Agency covenants that if and whenever such report so filed shall establish that such coverage of annual net revenues for such year was less than 120% of the average annual debt service requirements falling due in any year thereafter for the principal of and interest on all of the then Outstanding Bonds, the Governmental Agency shall increase the rates by an amount sufficient, in the opinion of such Certified Public Accountant, to establish the existence of or immediate projection of, such minimum 120% coverage.

**Section 12. All Obligations of this Loan Are Equal.** The obligations authorized and permitted to be issued hereunder, and from time to time outstanding, shall not be entitled to priority one over the other in the application of the income and revenues of the System regardless of the time or times of their issuance, it being the intention that there shall be no priority among the obligations authorized or permitted to be issued under the provisions of this Assistance Agreement, regardless of the fact that they may be actually issued and delivered at different times.

**Section 13. Defeasance and/or Refunding of the Loan.** The Governmental Agency reserves the right, at any time, to cause the pledge of the revenues securing the outstanding Loan to be defeased and released by paying an amount into an escrow fund sufficient, when invested (or sufficient without such investment, as the case may be) in cash and/or U.S. Obligations, to assure the availability in such escrow fund of an adequate amount (a) to call for redemption and to redeem and retire all of such outstanding Loan, both as to principal and as to interest, on the next or any optional redemption date, including all costs and expenses in connection therewith, and to pay all principal and interest falling due on the outstanding Loan to and on said date, or (b) to pay all principal and interest requirements on the outstanding Loan as same matures, without redemption in advance of maturity, the determination of whether to defease under (a) or (b) or both to be made by the Governing Body. Such U.S. Obligations shall have such maturities as to assure that there will be sufficient funds for such purpose. If such defeasance is to be accomplished pursuant to (a), the Governmental Agency shall take all steps necessary to publish the required notice of the redemption of the outstanding Loan and the applicable redemption date. Upon the proper amount of such investments being placed in escrow and so secured, such



revenue pledge shall be automatically fully defeased and released without any further action being necessary.

**Section 14. Contractual Nature of Assistance Agreement.** The provisions of this Assistance Agreement shall constitute a contract between the Governmental Agency and the Issuer; and after the issuance of the Loan, no change, variation or alteration of any kind in the provisions of this Assistance Agreement, nor of the Prior Bond Legislation, shall be made in any manner except as herein or therein provided until such time as all of the Bonds authorized thereby and the interest thereon have been paid or provided for in full, or as otherwise provided herein; provided that the Governing Body may enact legislation for any other purpose not inconsistent with the terms of this Assistance Agreement, and which shall not impair the security of the Issuer and/or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any ordinance or other proceedings pertaining hereto.

**Section 15. Appointment and Duties of Trustee.** The Trustee is hereby designated as the bond registrar and paying agent with respect to the Loan.

Its duties as Trustee shall be as follows:

- (a) To register the Loan in the name of the Issuer;
- (b) To cancel and destroy (or remit to the Governmental Agency for destruction, if so requested by the Governmental Agency) all exchanged, matured, retired and redeemed Loan obligations, and to maintain adequate records relevant thereto;
- (c) To remit, but only to the extent that all required funds are made available to the Trustee by the Governmental Agency, semiannual interest payments directly to the Issuer's accounts for the Program;
- (d) To notify the Issuer of any Loan obligations to be redeemed and to redeem the Loan prior to its stated maturity upon receiving sufficient funds; and
- (e) To supply the Governmental Agency with a written accounting evidencing the payment of interest on and principal of the Loan within thirty (30) days following each respective due date.

The Trustee shall be entitled to the advice of counsel and shall be protected for any acts taken by it in good faith in reliance upon such advice. The Trustee shall not be liable for any actions taken in good faith and believed by it to be within its discretion or the power conferred upon it by this Assistance Agreement, or the responsibility for the consequences of any oversight or error in judgment.

The Trustee may at any time resign from its duties set forth in this Assistance Agreement by filing its resignation with the Governmental Agency Clerk and notifying the Issuer. Thereupon, the Issuer shall notify the Governmental Agency of a successor Trustee which shall

be an incorporated bank or trust company authorized to transact business in the United States of America. Notwithstanding the foregoing, in the event of the resignation of the Trustee, provision shall be made for the orderly transition of the books, records and accounts relating to the Loan to the successor Trustee in order that there will be no delinquencies in the payment of interest or principal due on the Loan.

**Section 16. Provisions in Conflict Repealed.** All ordinances, resolutions and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby repealed; and it is hereby specifically ordered and provided that any proceedings heretofore taken for the issuance of other bonds payable or secured in any manner by all or any part of the income and revenues of the System, or any part thereof, and which have not heretofore been issued and delivered, are hereby revoked and rescinded, and none of such other bonds shall be issued and delivered.

**Section 17. Covenant of Governmental Agency to Take All Action Necessary to Assure Compliance with the Internal Revenue Code of 1986.** In order to assure purchasers of the Loan that interest thereon will continue to be exempt from federal and Kentucky income taxation (subject to certain exceptions set out below), the Governmental Agency covenants to and with the Issuer that (1) the Governmental Agency will take all actions necessary to comply with the provisions of the Code, (2) the Governmental Agency will take no actions which will violate any of the provisions of the Code, or would cause the Loan to become "private activity bonds" within the meaning of the Code, (3) none of the proceeds of the Loan will be used for any purpose which would cause the interest on the Loan to become subject to federal income taxation, and the Governmental Agency will comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Loan.

The Governmental Agency reserves the right to amend this Assistance Agreement but only with the consent of the Issuer (i) to whatever extent shall, in the opinion of Bond Counsel, be deemed necessary to assure that interest on the Loan shall be exempt from federal income taxation, and (ii) to whatever extent shall be permissible (without jeopardizing such tax exemption or the security of such owners) to eliminate or reduce any restrictions concerning the investment of the proceeds of the Loan, or the application of such proceeds or of the revenues of the System. The purchasers of the Loan are deemed to have relied fully upon these covenants and undertakings on the part of the Governmental Agency as part of the consideration for the purchase of the Loan. To the extent that the Governmental Agency obtains an opinion of nationally recognized bond counsel to the effect that non-compliance with any of the covenants contained in this Assistance Agreement or referred to in this Assistance Agreement would not subject interest on the Loan to federal income taxes or Kentucky income taxes, the Governmental Agency shall not be required to comply with such covenants or requirements.

This Assistance Agreement is executed in contemplation that Bond Counsel will render an opinion as to exemption of principal of the Loan from Kentucky ad valorem taxation and as to exemption of interest on the Loan from federal and Kentucky income taxation, based on the assumption by Bond Counsel that the Governmental Agency complies with covenants made by the Governmental Agency with respect to compliance with the provisions of the Code, and based on the assumption of compliance by the Governmental Agency with requirements as to any

required rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Loan. The Governmental Agency has been advised that based on the foregoing assumptions of compliance, Bond Counsel is of the opinion that the Loan is not an "arbitrage bond" within the meaning of Section 148 of the Code.

**Section 18. Insurance.**

(a) *Fire and Extended Coverage.* If and to the extent that the System includes structures above ground level, the Governmental Agency shall, upon receipt of the proceeds of the sale of the Loan, if such insurance is not already in force, procure fire and extended coverage insurance on the insurable portion of all of the facilities of the System, of a kind and in such amounts as would ordinarily be carried by private companies or public bodies engaged in operating a similar utility.

The foregoing fire and extended coverage insurance shall be maintained so long as any of the Loan is outstanding and shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percent (80%) of the full insurable value of the damaged facility.

In the event of any damage to or destruction of any part of the System the Governmental Agency shall promptly arrange for the application of the insurance proceeds for the repair or reconstruction of the damaged or destroyed portion thereof.

(b) *Liability Insurance on Facilities.* So long as the Loan is outstanding, the Governmental Agency shall, procure and maintain, public liability insurance relating to the operation of the facilities of the System, with limits of not less than \$200,000 for one person and \$1,000,000 for more than one person involved in one accident, to protect the Governmental Agency from claims for bodily injury and/or death; and not less than \$200,000 from claims for damage to property of others which may arise from the Governmental Agency's operations of the System and any other facilities constituting a portion of the System.

(c) *Vehicle Liability Insurance.* If and to the extent that the Governmental Agency owns or operates vehicles in the operation of the System, upon receipt of the proceeds of the Loan, the Governmental Agency shall, if such insurance is not already in force, procure and maintain, so long as the Loan is outstanding, vehicular public liability insurance with limits of not less than \$200,000 for one person and \$1,000,000 for more than one person involved in one accident, to protect the Governmental Agency from claims for bodily injury and/or death, and not less than \$200,000 against claims for damage to property of others which may arise from the operation of such vehicles by the Governmental Agency.

**Section 19. Events of Default; Remedies.** The following items shall constitute an "Event of Default" on the part of the Governmental Agency:

(a) The failure to pay principal on the Loan when due and payable, either at maturity or by proceedings for redemption;

(b) The failure to pay any installment of interest on the Loan when the same shall become due and payable;

(c) The failure of the Governmental Agency to fulfill any of its obligations pursuant to this Assistance Agreement and to cure any such failure within 30 days after receipt of written notice of such failure; and/or

(d) The failure to promptly repair, replace or reconstruct essential facilities of the System after any major damage and/or destruction thereof.

Upon the occurrence of an Event of Default, the Issuer or the Trustee on its behalf, as owner of the Loan, may enforce and compel the performance of all duties and obligations of the Governmental Agency as set forth herein. Upon the occurrence of an Event of Default, then, upon the filing of suit by the Trustee or the Issuer, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Governmental Agency, with power to charge and collect rates sufficient to provide for the payment of the principal of and interest on the Loan, and for the payment of operation and maintenance expenses of the System, and to provide and apply the income and revenues in conformity with this Assistance Agreement and with the laws of the Commonwealth of Kentucky.

In addition to and apart from the foregoing, upon the occurrence of an Event of Default, the owner of the Loan may require the Governmental Agency by demand, court order, injunction, or otherwise, to raise all applicable rates charged for services of the System a reasonable amount, consistent with the requirements of this Assistance Agreement.

**Section 20. Annual Reports.** The Governmental Agency hereby agrees to provide or cause to be provided to the Issuer and the Compliance Group audited financial statements prepared in accordance with generally accepted accounting principles (commencing with the Fiscal Year ended December 31, 2019) and such other financial information and/or operating data as requested by the Issuer or the Compliance Group.

The annual financial information and operating data, including audited financial statements, will be made available on or before 180 days after the end of each Fiscal Year.

**Section 21. Supplemental Assistance Agreement.** The Governmental Agency may, but only with the consent of the Issuer, execute one or more supplemental Assistance Agreements as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Assistance Agreement;

(b) to subject to the lien and pledge of this Assistance Agreement additional revenues, properties, or collateral which may legally be subjected;

(c) to add to the conditions, limitations and restrictions on the issuance of bonds, other conditions, limitations and restrictions thereafter to be observed;

(d) to add to the covenants and agreements of the Governmental Agency in this Assistance Agreement, other covenants and agreements thereafter to be incurred by the Governmental Agency or to surrender any right or power herein reserved to or conferred upon the Governmental Agency;

(e) to affect the issuance of additional Parity Bonds; and/or

(f) to modify the terms and conditions of this Assistance Agreement at the request of the Issuer in order to assist the Issuer in operating the Program or to maintain any rating the Issuer may have on its Program obligations.

**Section 22. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given hereunder and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power and any such right and power may be exercised from time to time and as often as may be deemed expedient.

**Section 23. Waivers.** In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

**Section 24. Agreement to Pay Attorneys' Fees and Expenses.** In the event that either party hereto shall become in default under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefore to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

**Section 25. Signatures of Officers.** If any of the officers whose signatures or facsimile signatures appear on this Assistance Agreement or any other document evidencing the Loan cease to be such officers before delivery of the Loan, such signatures shall nevertheless be valid for all purposes the same as if such officers had remained in office until delivery, as provided by KRS 58.040 and KRS 61.390.

**Section 26. Severability Clause.** If any section, paragraph, clause or provision of this Assistance Agreement shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Assistance Agreement.

*[Signature page follows]*

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Big Sandy Water District has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By John M. Dix  
President

Attest:

By [Signature]  
Secretary/Treasurer

BIG SANDY WATER DISTRICT

By \_\_\_\_\_  
Chairman

Attest:

By \_\_\_\_\_  
Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Big Sandy Water District has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By \_\_\_\_\_  
President

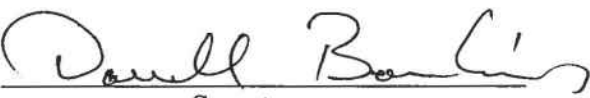
Attest:

By \_\_\_\_\_  
Secretary/Treasurer

BIG SANDY WATER DISTRICT

By  \_\_\_\_\_  
Chairman

Attest:

By  \_\_\_\_\_  
Secretary

**EXHIBIT A**

**Debt Service Schedule**



**KRWFC Flexible Term Program Series 2020 A  
Sinking Fund Payment Schedule**

**Borrower: Big Sandy Water District  
Closing Date: 01/07/20**

	<b>Monthly Principal</b>	<b>Monthly Interest</b>	<b>Total Monthly Sinking Fund Payments</b>
3/20-7/20	9,004.74	6,169.64	15,174.38
8/20-1/21	8,333.33	4,536.50	12,869.83
2/21-7/21	8,333.33	4,124.83	12,458.17
8/21-1/22	8,333.33	4,124.83	12,458.17
2/22-7/22	8,750.00	3,691.50	12,441.50
8/22-1/23	8,750.00	3,691.50	12,441.50
2/23-7/23	9,583.33	3,236.50	12,819.83
8/23-1/24	9,583.33	3,236.50	12,819.83
2/24-7/24	10,000.00	2,738.17	12,738.17
8/24-1/25	10,000.00	2,738.17	12,738.17
2/25-7/25	10,416.67	2,218.17	12,634.83
8/25-1/26	10,416.67	2,218.17	12,634.83
2/26-7/26	10,833.33	1,676.50	12,509.83
8/26-1/27	10,833.33	1,676.50	12,509.83
2/27-7/27	5,833.33	1,113.17	6,946.50
8/27-1/28	5,833.33	1,113.17	6,946.50
2/28-7/28	5,833.33	809.83	6,643.17
8/28-1/29	5,833.33	809.83	6,643.17
2/29-7/29	5,833.33	681.50	6,514.83
8/29-1/30	5,833.33	681.50	6,514.83
2/30-7/30	6,250.00	553.17	6,803.17
8/30-2/31	6,250.00	553.17	6,803.17
2/31-7/31	6,250.00	407.54	6,657.54
8/31-1/32	6,250.00	407.54	6,657.54
2/32-7/32	6,250.00	254.42	6,504.42
8/32-1/33	6,250.00	254.42	6,504.42
2/33-7/33	833.33	93.17	926.50
8/33-1/34	833.33	93.17	926.50
2/34-7/34	833.33	70.67	904.00
8/34-1/35	833.33	70.67	904.00
2/35-7/35	833.33	48.17	881.50
8/35-1/36	833.33	48.17	881.50
2/36-7/36	833.33	24.58	857.92
8/36-1/37	833.33	24.58	857.92
	<u>1,265,000.00</u>	<u>318,969.70</u>	<u>1,583,969.70</u>

**FIRST AMENDMENT AND SUPPLEMENT TO  
ASSISTANCE AGREEMENT**

This First Amendment and Supplement to Assistance Agreement made and entered into as of January 7, 2020 (the "First Amendment to Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit agency and instrumentality of various political subdivisions of the Commonwealth of Kentucky duly organized and existing under the laws of the Commonwealth of Kentucky (the "Issuer") and the Big Sandy Water District, 18200 State Route 3, Catlettsburg, Kentucky 41129 (the "Governmental Agency"):

**WITNESSETH**

WHEREAS, the Issuer has established its Public Projects Flexible Term Program (the "Program") designed to provide financing for the expansion, addition and improvements of public projects for governmental entities under which the Issuer issued, in various series, its Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program) pursuant to a Trust Indenture dated as of April 4, 2001, as supplemented from time to time (collectively, the "Indenture") between the Issuer and Regions Bank, Nashville, Tennessee (as successor in interest to Fifth Third Bank and The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), the net proceeds of which will be applied for the benefit of such governmental entities by making loans, pursuant to assistance agreements; and

WHEREAS, pursuant to the Indenture, the Issuer has authorized the issuance of the Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2020A (the "Series 2020A Bonds") in the aggregate principal amount of \$12,635,000, pursuant to a Supplemental Trust Indenture No. 73, dated as of January 7, 2020 by and between the Issuer and the Trustee, which Series 2020A Bonds will rank on a parity with the other outstanding bonds issued under the terms of the Indenture and the proceeds of which will be used by certain governmental agencies to acquire, construct and equip public projects described in various Assistance Agreements by and between the governmental agencies and the Issuer; and

WHEREAS, the Governmental Agency entered into an Assistance Agreement (the "Assistance Agreement") with the Issuer on January 30, 2007, pursuant to which the Issuer provided the Governmental Agency with a loan dated January 30, 2007, in the original principal amount of \$931,000, from the proceeds of the Kentucky Rural Water Finance Corporation Public Projects Refunding and Improvement Revenue Bonds (Flexible Term Program), Series 2007A (the "Loan"); and

WHEREAS, the proceeds of the Series 2007A Loan were used to finance the cost to acquire radio read meters and purchase certain billing hardware and software and refinance and currently refund the loan to the Governmental Agency in the original principal amount of \$316,000, dated December 22, 2005, from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2005D, which loan was issued

to install water lines in Lawrence County, Kentucky, and appurtenances, to be part of the District's waterworks system (the "System"); and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable and in the public interest to amend and supplement the Assistance Agreement, in order to effect substantial debt service savings; and

WHEREAS, under the provisions of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, the Governmental Agency is authorized to enter into this First Amendment to Assistance Agreement and to borrow the Loan, as defined herein, to provide funds for the purpose stated in the Assistance Agreement; and

WHEREAS, the Issuer is willing to cooperate with the Governmental Agency in amending and supplementing the terms of the Loan to assist the Governmental Agency in achieving debt service savings upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained; and

WHEREAS, the Issuer and the Governmental Agency have determined to enter into this First Amendment to Assistance Agreement to set forth their respective duties, rights, covenants, and obligations with respect to the repayment of the Loan and the interest thereon;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

**Section 1. Definitions.** Unless the context clearly indicates some other meaning or as otherwise set forth below, the words and terms defined in the Assistance Agreement shall apply for the purposes of this First Amendment and Supplement to Assistance Agreement. In addition, the following terms shall have the meanings set forth below:

*"Assistance Agreement"* refers to the Assistance Agreement between the Issuer and the Governmental Agency, dated January 30, 2007, authorizing the Series 2007A Loan.

*"First Amendment to Assistance Agreement"* refers to this First Amendment and Supplement to Assistance Agreement supplementing and amending the Assistance Agreement, which authorized the Loan.

*"Indenture"* means the Trust Indenture, dated as of April 4, 2001, as originally executed or as it may from time to time be supplemented, modified or amended by any supplemental indenture, including the Supplemental Trust Indenture No. 73, dated January 7, 2020, by and between the Issuer and the Trustee.

“*Interest Payment Date*” shall mean the 1<sup>st</sup> day of each month, commencing March 1, 2020 and continuing through and including January 1, 2040 or until the Loan has been paid in full.

“*Loan*” refers to the loan in the amount of \$931,000, dated January 30, 2007, to the Big Sandy Water District from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2007A, as amended herein.

“*Trustee*” refers to Regions Bank, Nashville, Tennessee.

**Section 2. Authorization of Loan; Place of Payment; Manner of Execution.**

Section 3 of the Assistance Agreement is amended by the substitution of the following provisions:

That pursuant to the Constitution and laws of Kentucky, and particularly the Act, the Governmental Agency hereby authorizes this borrowing of \$465,000 from the Program, for the purpose of providing funds to re-amortize the Loan.

The Loan is payable on the Interest Payment Date in such principal and interest amounts as set forth in **Exhibit A** attached hereto.

The principal of, redemption price, if any, and interest on the Loan shall be payable in lawful money of the United States of America on the Interest Payment Date to the Trustee for the Program. Such payment shall be made by the Governmental Agency from funds on deposit in the Sinking Fund pursuant to the ACH Debit Direct Payment Method (the “ACH Debit Direct Payment Method”) as described and detailed in the ACH Debit Direct Payment Authorization Form (the “ACH Authorization Form”) in a form as provided by the Trustee to the Governmental Agency. The ACH Authorization Form shall be completed, signed and forwarded to the Trustee prior to the Governmental Agency receiving any of the proceeds of the Loan.

Pursuant to the ACH Debit Direct Payment Method, there shall be transferred to the Trustee on or before each Interest Payment Date, from the Sinking Fund, the amounts set forth as sinking fund payments on Exhibit A attached hereto.

In addition, in the event the Issuer is required to withdraw moneys from the Program Reserve Fund established pursuant to the Indenture to pay the principal of and interest on the Loan and any other payments due under this Assistance Agreement on behalf of the Governmental Agency (the “Reserve Withdrawal”), the Governmental Agency shall pay to the Trustee, each amount set forth as sinking fund payments on **Exhibit A** attached hereto, pursuant to the ACH Debit Direct Payment Method an amount equal to at least 1/12 of the Reserve Withdrawal, plus accrued interest thereon at the rate equal to the highest rate of interest paid by the investments making up the Program Reserve Fund until such Reserve Withdrawal has been replenished.

**Section 3. Redemption.** Section 4 of the Assistance Agreement is amended by the substitution of the following provisions:

(a) *Optional Redemption.* Subject to the prior written approval of the Compliance Group, the Loan payments due on or after January 1, 2040 are subject to optional redemption, in whole or in part, by the Governmental Agency prior to their stated maturity, at any time falling on or after January 1, 2028 at a redemption price equal to 100% of the principal amount of the Loan payments called for redemption, plus unpaid interest accrued to the date of redemption.

**Section 4. Revision of Debt Service Schedule and Amortization of Fees and Costs.** Upon (i) the execution of this First Amendment to Assistance Agreement, (ii) the delivery of this First Amendment to Assistance Agreement to the Trustee, and (iii) certification of the Compliance Group that the Loan will continue to be accepted in the Program; the Issuer will amend the debt service schedule on the Governmental Agency's Loan as evidenced in the attached **Exhibit A**, which debt service schedule will amortize the fees and costs incurred by the Governmental Agency and any other pertinent expenses incident to the issuance, sale and delivery of the Loan and such other appropriate expenses as may be approved by the Governmental Agency Chief Executive, including but not limited to the Governmental Agency's pro rata share of the Program's fees and expenses.

**Section 5. Calculation of Revised Principal Amount of the Loan.** The revised principal amount of the Loan is \$465,000, which amount was calculated as follows:

Outstanding principal balance of the Loan on January 7, 2020	471,685.56
Plus net costs associated with amending the debt service on the Loan	(7,033.05)
Plus deposit to Governmental Agency's Sinking Fund (rounding)	<u>347.49</u>
<b>Revised principal amount of the Loan</b>	<b>\$465,000.00</b>

*[Signature page follows]*

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this First Amendment to Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Big Sandy Water District has caused this First Amendment to Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By   
President

Attest:  
By   
Secretary/Treasurer

BIG SANDY WATER DISTRICT

By \_\_\_\_\_  
Chairman

Attest:  
By \_\_\_\_\_  
Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this First Amendment to Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Big Sandy Water District has caused this First Amendment to Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By \_\_\_\_\_  
President

Attest:

By \_\_\_\_\_  
Secretary/Treasurer

BIG SANDY WATER DISTRICT

By Paul E. H... ..  
Chairman

Attest:

By Darrell B. ... ..  
Secretary

**KRWFC Flexible Term Program Series 2020 A  
Sinking Fund Payment Schedule**

**Borrower: Big Sandy Water District KRWFC  
Closing Date: 01/07/20**

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
3/20-7/20	1,000.00	1,872.27	2,872.27
8/20-1/21	1,666.67	1,375.65	3,042.31
2/21-7/21	1,666.67	1,310.65	2,977.31
8/21-1/22	1,666.67	1,310.65	2,977.31
2/22-7/22	1,666.67	1,223.98	2,890.65
8/22-1/23	1,666.67	1,223.98	2,890.65
2/23-7/23	1,666.67	1,137.31	2,803.98
8/23-1/24	1,666.67	1,137.31	2,803.98
2/24-7/24	1,666.67	1,050.65	2,717.31
8/24-1/25	1,666.67	1,050.65	2,717.31
2/25-7/25	1,666.67	963.98	2,630.65
8/25-1/26	1,666.67	963.98	2,630.65
2/26-7/26	2,083.33	877.31	2,960.65
8/26-1/27	2,083.33	877.31	2,960.65
2/27-7/27	2,083.33	768.98	2,852.31
8/27-1/28	2,083.33	768.98	2,852.31
2/28-7/28	2,083.33	660.65	2,743.98
8/28-1/29	2,083.33	660.65	2,743.98
2/29-7/29	2,083.33	614.81	2,698.15
8/29-1/30	2,083.33	614.81	2,698.15
2/30-7/30	2,083.33	568.98	2,652.31
8/30-2/31	2,083.33	568.98	2,652.31
2/31-7/31	2,500.00	520.44	3,020.44
8/31-1/32	2,500.00	520.44	3,020.44
2/32-7/32	2,500.00	459.19	2,959.19
8/32-1/33	2,500.00	459.19	2,959.19
2/33-7/33	2,500.00	394.69	2,894.69
8/33-1/34	2,500.00	394.69	2,894.69
2/34-7/34	2,500.00	327.19	2,827.19
8/34-1/35	2,500.00	327.19	2,827.19
2/35-7/35	2,500.00	259.69	2,759.69
8/35-1/36	2,500.00	259.69	2,759.69
2/36-7/36	2,500.00	189.06	2,689.06
8/36-1/37	2,500.00	189.06	2,689.06
2/37-7/37	1,250.00	115.31	1,365.31
8/37-1/37	1,250.00	115.31	1,365.31
2/38-7/38	1,250.00	78.44	1,328.44
8/38-1/39	1,250.00	78.44	1,328.44
2/39-7/39	1,250.00	40.00	1,290.00
8/39-1/40	1,250.00	40.00	1,290.00
	<u>465,000.00</u>	<u>156,318.91</u>	<u>573,522.17</u>



# **EXHIBIT H**

# **EXHIBIT H-1**

Name	Big Sandy Water District			LOAN NUMBER	91-16	
Bond Series	Amount of Bond			Interest Rate	Semi Annual	
2014	\$1,050,000.00			2.750%	5/20/2014	
		January	July			
YEAR	PRINCIPAL	INTEREST	Principal/ Interest Payment Due	INTEREST Interest Payment Due	Yearly Total Paid	BALANCE
						\$1,050,000.00
2015		\$14,437.50	\$14,437.50	\$14,437.50	\$28,875.00	\$1,050,000.00
2016	\$15,500.00	\$14,437.50	\$29,937.50	\$14,224.38	\$44,161.88	\$1,034,500.00
2017	\$16,000.00	\$14,224.38	\$30,224.38	\$14,004.38	\$44,228.75	\$1,018,500.00
2018	\$16,000.00	\$14,004.38	\$30,004.38	\$13,784.38	\$43,788.75	\$1,002,500.00
2019	\$16,500.00	\$13,784.38	\$30,284.38	\$13,557.50	\$43,841.88	\$986,000.00
2020	\$17,000.00	\$13,557.50	\$30,557.50	\$13,323.75	\$43,881.25	\$969,000.00
2021	\$17,500.00	\$13,323.75	\$30,823.75	\$13,083.13	\$43,906.88	\$951,500.00
2022	\$18,000.00	\$13,083.13	\$31,083.13	\$12,835.63	\$43,918.75	\$933,500.00
2023	\$18,500.00	\$12,835.63	\$31,335.63	\$12,581.25	\$43,916.88	\$915,000.00
2024	\$19,000.00	\$12,581.25	\$31,581.25	\$12,320.00	\$43,901.25	\$896,000.00
2025	\$19,500.00	\$12,320.00	\$31,820.00	\$12,051.88	\$43,871.88	\$876,500.00
2026	\$20,000.00	\$12,051.88	\$32,051.88	\$11,776.88	\$43,828.75	\$856,500.00
2027	\$20,500.00	\$11,776.88	\$32,276.88	\$11,495.00	\$43,771.88	\$836,000.00
2028	\$21,000.00	\$11,495.00	\$32,495.00	\$11,206.25	\$43,701.25	\$815,000.00
2029	\$22,000.00	\$11,206.25	\$33,206.25	\$10,903.75	\$44,110.00	\$793,000.00
2030	\$22,500.00	\$10,903.75	\$33,403.75	\$10,594.38	\$43,998.13	\$770,500.00
2031	\$23,000.00	\$10,594.38	\$33,594.38	\$10,278.13	\$43,872.50	\$747,500.00
2032	\$23,500.00	\$10,278.13	\$33,778.13	\$9,955.00	\$43,733.13	\$724,000.00
2033	\$24,500.00	\$9,955.00	\$34,455.00	\$9,618.13	\$44,073.13	\$699,500.00
2034	\$25,000.00	\$9,618.13	\$34,618.13	\$9,274.38	\$43,892.50	\$674,500.00
2035	\$25,500.00	\$9,274.38	\$34,774.38	\$8,923.75	\$43,698.13	\$649,000.00
2036	\$26,500.00	\$8,923.75	\$35,423.75	\$8,559.38	\$43,983.13	\$622,500.00
2037	\$27,000.00	\$8,559.38	\$35,559.38	\$8,188.13	\$43,747.50	\$595,500.00
2038	\$28,000.00	\$8,188.13	\$36,188.13	\$7,803.13	\$43,991.25	\$567,500.00
2039	\$28,500.00	\$7,803.13	\$36,303.13	\$7,411.25	\$43,714.38	\$539,000.00
2040	\$29,500.00	\$7,411.25	\$36,911.25	\$7,005.63	\$43,916.88	\$509,500.00
2041	\$30,000.00	\$7,005.63	\$37,005.63	\$6,593.13	\$43,598.75	\$479,500.00
2042	\$31,000.00	\$6,593.13	\$37,593.13	\$6,166.88	\$43,760.00	\$448,500.00
2043	\$32,000.00	\$6,166.88	\$38,166.88	\$5,726.88	\$43,893.75	\$416,500.00
2044	\$33,000.00	\$5,726.88	\$38,726.88	\$5,273.13	\$44,000.00	\$383,500.00
2045	\$33,500.00	\$5,273.13	\$38,773.13	\$4,812.50	\$43,585.63	\$350,000.00
2046	\$34,500.00	\$4,812.50	\$39,312.50	\$4,338.13	\$43,650.63	\$315,500.00
2047	\$35,500.00	\$4,338.13	\$39,838.13	\$3,850.00	\$43,688.13	\$280,000.00
2048	\$36,500.00	\$3,850.00	\$40,350.00	\$3,348.13	\$43,698.13	\$243,500.00
2049	\$37,500.00	\$3,348.13	\$40,848.13	\$2,832.50	\$43,680.63	\$206,000.00
2050	\$38,500.00	\$2,832.50	\$41,332.50	\$2,303.13	\$43,635.63	\$167,500.00
2051	\$39,500.00	\$2,303.13	\$41,803.13	\$1,760.00	\$43,563.13	\$128,000.00
2052	\$40,500.00	\$1,760.00	\$42,260.00	\$1,203.13	\$43,463.13	\$87,500.00
2053	\$42,000.00	\$1,203.13	\$43,203.13	\$625.63	\$43,828.75	\$45,500.00
2054	\$45,500.00	\$625.63	\$46,125.63	\$0.00	\$46,125.63	\$0.00
	<b>Total Prin. Paid</b>	<b>Total Semi-Annual Int. Paid</b>		<b>Total Semi-Annual Int. Paid</b>	<b>Total Bond Prin./Int. Paid</b>	
	<b>\$1,050,000.00</b>	<b>\$352,467.50</b>		<b>\$338,030.00</b>	<b>\$1,740,497.50</b>	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.

# **EXHIBIT H-2**

Name	Big Sandy Water District				LOAN NUMBER	91-18	
Bond Series		Amount of Bond				Interest Rate	Semi Annual
2014		\$115,000.00				3.250%	5/20/2014
				January	July		
YEAR	PRINCIPAL	INTEREST	Principal/ Interest Payment Due	INTEREST Interest Payment Due	Yearly Total Paid	BALANCE	
							\$115,000.00
2015		\$1,868.75	\$1,868.75	\$1,868.75	\$3,737.50	\$115,000.00	
2016	\$1,500.00	\$1,868.75	\$3,368.75	\$1,844.38	\$5,213.13	\$113,500.00	
2017	\$1,500.00	\$1,844.38	\$3,344.38	\$1,820.00	\$5,164.38	\$112,000.00	
2018	\$1,500.00	\$1,820.00	\$3,320.00	\$1,795.63	\$5,115.63	\$110,500.00	
2019	\$1,500.00	\$1,795.63	\$3,295.63	\$1,771.25	\$5,066.88	\$109,000.00	
2020	\$1,500.00	\$1,771.25	\$3,271.25	\$1,746.88	\$5,018.13	\$107,500.00	
2021	\$1,500.00	\$1,746.88	\$3,246.88	\$1,722.50	\$4,969.38	\$106,000.00	
2022	\$1,500.00	\$1,722.50	\$3,222.50	\$1,698.13	\$4,920.63	\$104,500.00	
2023	\$1,500.00	\$1,698.13	\$3,198.13	\$1,673.75	\$4,871.88	\$103,000.00	
2024	\$2,000.00	\$1,673.75	\$3,673.75	\$1,641.25	\$5,315.00	\$101,000.00	
2025	\$2,000.00	\$1,641.25	\$3,641.25	\$1,608.75	\$5,250.00	\$99,000.00	
2026	\$2,000.00	\$1,608.75	\$3,608.75	\$1,576.25	\$5,185.00	\$97,000.00	
2027	\$2,000.00	\$1,576.25	\$3,576.25	\$1,543.75	\$5,120.00	\$95,000.00	
2028	\$2,000.00	\$1,543.75	\$3,543.75	\$1,511.25	\$5,055.00	\$93,000.00	
2029	\$2,000.00	\$1,511.25	\$3,511.25	\$1,478.75	\$4,990.00	\$91,000.00	
2030	\$2,000.00	\$1,478.75	\$3,478.75	\$1,446.25	\$4,925.00	\$89,000.00	
2031	\$2,500.00	\$1,446.25	\$3,946.25	\$1,405.63	\$5,351.88	\$86,500.00	
2032	\$2,500.00	\$1,405.63	\$3,905.63	\$1,365.00	\$5,270.63	\$84,000.00	
2033	\$2,500.00	\$1,365.00	\$3,865.00	\$1,324.38	\$5,189.38	\$81,500.00	
2034	\$2,500.00	\$1,324.38	\$3,824.38	\$1,283.75	\$5,108.13	\$79,000.00	
2035	\$2,500.00	\$1,283.75	\$3,783.75	\$1,243.13	\$5,026.88	\$76,500.00	
2036	\$3,000.00	\$1,243.13	\$4,243.13	\$1,194.38	\$5,437.50	\$73,500.00	
2037	\$3,000.00	\$1,194.38	\$4,194.38	\$1,145.63	\$5,340.00	\$70,500.00	
2038	\$3,000.00	\$1,145.63	\$4,145.63	\$1,096.88	\$5,242.50	\$67,500.00	
2039	\$3,000.00	\$1,096.88	\$4,096.88	\$1,048.13	\$5,145.00	\$64,500.00	
2040	\$3,000.00	\$1,048.13	\$4,048.13	\$999.38	\$5,047.50	\$61,500.00	
2041	\$3,500.00	\$999.38	\$4,499.38	\$942.50	\$5,441.88	\$58,000.00	
2042	\$3,500.00	\$942.50	\$4,442.50	\$885.63	\$5,328.13	\$54,500.00	
2043	\$3,500.00	\$885.63	\$4,385.63	\$828.75	\$5,214.38	\$51,000.00	
2044	\$3,500.00	\$828.75	\$4,328.75	\$771.88	\$5,100.63	\$47,500.00	
2045	\$4,000.00	\$771.88	\$4,771.88	\$706.88	\$5,478.75	\$43,500.00	
2046	\$4,000.00	\$706.88	\$4,706.88	\$641.88	\$5,348.75	\$39,500.00	
2047	\$4,000.00	\$641.88	\$4,641.88	\$576.88	\$5,218.75	\$35,500.00	
2048	\$4,500.00	\$576.88	\$5,076.88	\$503.75	\$5,580.63	\$31,000.00	
2049	\$4,500.00	\$503.75	\$5,003.75	\$430.63	\$5,434.38	\$26,500.00	
2050	\$4,500.00	\$430.63	\$4,930.63	\$357.50	\$5,288.13	\$22,000.00	
2051	\$5,000.00	\$357.50	\$5,357.50	\$276.25	\$5,633.75	\$17,000.00	
2052	\$5,000.00	\$276.25	\$5,276.25	\$195.00	\$5,471.25	\$12,000.00	
2053	\$5,000.00	\$195.00	\$5,195.00	\$113.75	\$5,308.75	\$7,000.00	
2054	\$7,000.00	\$113.75	\$7,113.75	\$0.00	\$7,113.75	\$0.00	
	<b>Total Prin. Paid</b>	<b>Total Semi-Annual Int. Paid</b>		<b>Total Semi-Annual Int. Paid</b>	<b>Total Bond Prin./Int. Paid</b>		
	<b>\$115,000.00</b>	<b>\$47,953.75</b>		<b>\$46,085.00</b>	<b>\$209,038.75</b>		

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.

# **EXHIBIT H-3**

Name	Big Sandy Water District			LOAN NUMBER	91-20	
Bond Series	Amount of Bond			Interest Rate	Semi Annual	
2020	\$1,670,000.00			1.500%	7/16/2020	
		January	July			
YEAR	PRINCIPAL	INTEREST	Principal/ Interest Payment Due	INTEREST Interest Payment Due	Yearly Total Paid	BALANCE
						\$1,670,000.00
2021	\$21,000.00	\$12,525.00	\$33,525.00	\$12,367.50	\$45,892.50	\$1,649,000.00
2022	\$22,000.00	\$12,367.50	\$34,367.50	\$12,202.50	\$46,570.00	\$1,627,000.00
2023	\$22,000.00	\$12,202.50	\$34,202.50	\$12,037.50	\$46,240.00	\$1,605,000.00
2024	\$23,000.00	\$12,037.50	\$35,037.50	\$11,865.00	\$46,902.50	\$1,582,000.00
2025	\$24,000.00	\$11,865.00	\$35,865.00	\$11,685.00	\$47,550.00	\$1,558,000.00
2026	\$25,000.00	\$11,685.00	\$36,685.00	\$11,497.50	\$48,182.50	\$1,533,000.00
2027	\$25,000.00	\$11,497.50	\$36,497.50	\$11,310.00	\$47,807.50	\$1,508,000.00
2028	\$26,000.00	\$11,310.00	\$37,310.00	\$11,115.00	\$48,425.00	\$1,482,000.00
2029	\$27,000.00	\$11,115.00	\$38,115.00	\$10,912.50	\$49,027.50	\$1,455,000.00
2030	\$28,000.00	\$10,912.50	\$38,912.50	\$10,702.50	\$49,615.00	\$1,427,000.00
2031	\$29,000.00	\$10,702.50	\$39,702.50	\$10,485.00	\$50,187.50	\$1,398,000.00
2032	\$30,000.00	\$10,485.00	\$40,485.00	\$10,260.00	\$50,745.00	\$1,368,000.00
2033	\$31,000.00	\$10,260.00	\$41,260.00	\$10,027.50	\$51,287.50	\$1,337,000.00
2034	\$32,000.00	\$10,027.50	\$42,027.50	\$9,787.50	\$51,815.00	\$1,305,000.00
2035	\$33,000.00	\$9,787.50	\$42,787.50	\$9,540.00	\$52,327.50	\$1,272,000.00
2036	\$34,000.00	\$9,540.00	\$43,540.00	\$9,285.00	\$52,825.00	\$1,238,000.00
2037	\$35,000.00	\$9,285.00	\$44,285.00	\$9,022.50	\$53,307.50	\$1,203,000.00
2038	\$36,000.00	\$9,022.50	\$45,022.50	\$8,752.50	\$53,775.00	\$1,167,000.00
2039	\$37,000.00	\$8,752.50	\$45,752.50	\$8,475.00	\$54,227.50	\$1,130,000.00
2040	\$38,000.00	\$8,475.00	\$46,475.00	\$8,190.00	\$54,665.00	\$1,092,000.00
2041	\$40,000.00	\$8,190.00	\$48,190.00	\$7,890.00	\$56,080.00	\$1,052,000.00
2042	\$41,000.00	\$7,890.00	\$48,890.00	\$7,582.50	\$56,472.50	\$1,011,000.00
2043	\$42,000.00	\$7,582.50	\$49,582.50	\$7,267.50	\$56,850.00	\$969,000.00
2044	\$44,000.00	\$7,267.50	\$51,267.50	\$6,937.50	\$58,205.00	\$925,000.00
2045	\$45,000.00	\$6,937.50	\$51,937.50	\$6,600.00	\$58,537.50	\$880,000.00
2046	\$47,000.00	\$6,600.00	\$53,600.00	\$6,247.50	\$59,847.50	\$833,000.00
2047	\$48,000.00	\$6,247.50	\$54,247.50	\$5,887.50	\$60,135.00	\$785,000.00
2048	\$50,000.00	\$5,887.50	\$55,887.50	\$5,512.50	\$61,400.00	\$735,000.00
2049	\$51,000.00	\$5,512.50	\$56,512.50	\$5,130.00	\$61,642.50	\$684,000.00
2050	\$53,000.00	\$5,130.00	\$58,130.00	\$4,732.50	\$62,862.50	\$631,000.00
2051	\$55,000.00	\$4,732.50	\$59,732.50	\$4,320.00	\$64,052.50	\$576,000.00
2052	\$56,000.00	\$4,320.00	\$60,320.00	\$3,900.00	\$64,220.00	\$520,000.00
2053	\$58,000.00	\$3,900.00	\$61,900.00	\$3,465.00	\$65,365.00	\$462,000.00
2054	\$60,000.00	\$3,465.00	\$63,465.00	\$3,015.00	\$66,480.00	\$402,000.00
2055	\$62,000.00	\$3,015.00	\$65,015.00	\$2,550.00	\$67,565.00	\$340,000.00
2056	\$64,000.00	\$2,550.00	\$66,550.00	\$2,070.00	\$68,620.00	\$276,000.00
2057	\$66,000.00	\$2,070.00	\$68,070.00	\$1,575.00	\$69,645.00	\$210,000.00
2058	\$68,000.00	\$1,575.00	\$69,575.00	\$1,065.00	\$70,640.00	\$142,000.00
2059	\$71,000.00	\$1,065.00	\$72,065.00	\$532.50	\$72,597.50	\$71,000.00
2060	\$71,000.00	\$532.50	\$71,532.50	\$0.00	\$71,532.50	\$0.00
	<b>Total Prin. Paid</b>	<b>Total Semi-Annual Int. Paid</b>		<b>Total Semi-Annual Int. Paid</b>	<b>Total Bond Prin./Int. Paid</b>	
	<b>\$1,670,000.00</b>	<b>\$308,325.00</b>		<b>\$295,800.00</b>	<b>\$2,274,125.00</b>	

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# **EXHIBIT H-4**



<b>Name</b>	<b>Big Sandy Water District</b>			<b>LOAN NUMBER</b>	<b>91-22</b>	
<b>Bond Series</b>		<b>Amount of Bond</b>			<b>Interest Rate</b>	<b>Semi Annual</b>
<b>2020</b>		<b>\$395,000.00</b>			<b>1.500%</b>	<b>7/16/2020</b>
			<i>January</i>	<i>July</i>		
<b>YEAR</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>Principal/ Interest Payment Due</b>	<b>INTEREST</b>	<b>Yearly Total Paid</b>	<b>BALANCE</b>
				<b>Interest Payment Due</b>		
2021	\$5,500.00	\$2,962.50	<b>\$8,462.50</b>	\$2,921.25	\$11,383.75	\$389,500.00
2022	\$5,500.00	\$2,921.25	<b>\$8,421.25</b>	\$2,880.00	\$11,301.25	\$384,000.00
2023	\$6,000.00	\$2,880.00	<b>\$8,880.00</b>	\$2,835.00	\$11,715.00	\$378,000.00
2024	\$6,000.00	\$2,835.00	<b>\$8,835.00</b>	\$2,790.00	\$11,625.00	\$372,000.00
2025	\$6,000.00	\$2,790.00	<b>\$8,790.00</b>	\$2,745.00	\$11,535.00	\$366,000.00
2026	\$6,500.00	\$2,745.00	<b>\$9,245.00</b>	\$2,696.25	\$11,941.25	\$359,500.00
2027	\$6,500.00	\$2,696.25	<b>\$9,196.25</b>	\$2,647.50	\$11,843.75	\$353,000.00
2028	\$6,500.00	\$2,647.50	<b>\$9,147.50</b>	\$2,598.75	\$11,746.25	\$346,500.00
2029	\$7,000.00	\$2,598.75	<b>\$9,598.75</b>	\$2,546.25	\$12,145.00	\$339,500.00
2030	\$7,000.00	\$2,546.25	<b>\$9,546.25</b>	\$2,493.75	\$12,040.00	\$332,500.00
2031	\$7,500.00	\$2,493.75	<b>\$9,993.75</b>	\$2,437.50	\$12,431.25	\$325,000.00
2032	\$7,500.00	\$2,437.50	<b>\$9,937.50</b>	\$2,381.25	\$12,318.75	\$317,500.00
2033	\$7,500.00	\$2,381.25	<b>\$9,881.25</b>	\$2,325.00	\$12,206.25	\$310,000.00
2034	\$8,000.00	\$2,325.00	<b>\$10,325.00</b>	\$2,265.00	\$12,590.00	\$302,000.00
2035	\$8,000.00	\$2,265.00	<b>\$10,265.00</b>	\$2,205.00	\$12,470.00	\$294,000.00
2036	\$8,500.00	\$2,205.00	<b>\$10,705.00</b>	\$2,141.25	\$12,846.25	\$285,500.00
2037	\$8,500.00	\$2,141.25	<b>\$10,641.25</b>	\$2,077.50	\$12,718.75	\$277,000.00
2038	\$9,000.00	\$2,077.50	<b>\$11,077.50</b>	\$2,010.00	\$13,087.50	\$268,000.00
2039	\$9,000.00	\$2,010.00	<b>\$11,010.00</b>	\$1,942.50	\$12,952.50	\$259,000.00
2040	\$9,500.00	\$1,942.50	<b>\$11,442.50</b>	\$1,871.25	\$13,313.75	\$249,500.00
2041	\$9,500.00	\$1,871.25	<b>\$11,371.25</b>	\$1,800.00	\$13,171.25	\$240,000.00
2042	\$10,000.00	\$1,800.00	<b>\$11,800.00</b>	\$1,725.00	\$13,525.00	\$230,000.00
2043	\$10,000.00	\$1,725.00	<b>\$11,725.00</b>	\$1,650.00	\$13,375.00	\$220,000.00
2044	\$10,500.00	\$1,650.00	<b>\$12,150.00</b>	\$1,571.25	\$13,721.25	\$209,500.00
2045	\$10,500.00	\$1,571.25	<b>\$12,071.25</b>	\$1,492.50	\$13,563.75	\$199,000.00
2046	\$11,000.00	\$1,492.50	<b>\$12,492.50</b>	\$1,410.00	\$13,902.50	\$188,000.00
2047	\$11,000.00	\$1,410.00	<b>\$12,410.00</b>	\$1,327.50	\$13,737.50	\$177,000.00
2048	\$11,500.00	\$1,327.50	<b>\$12,827.50</b>	\$1,241.25	\$14,068.75	\$165,500.00
2049	\$12,000.00	\$1,241.25	<b>\$13,241.25</b>	\$1,151.25	\$14,392.50	\$153,500.00
2050	\$12,000.00	\$1,151.25	<b>\$13,151.25</b>	\$1,061.25	\$14,212.50	\$141,500.00
2051	\$12,500.00	\$1,061.25	<b>\$13,561.25</b>	\$967.50	\$14,528.75	\$129,000.00
2052	\$13,000.00	\$967.50	<b>\$13,967.50</b>	\$870.00	\$14,837.50	\$116,000.00
2053	\$13,000.00	\$870.00	<b>\$13,870.00</b>	\$772.50	\$14,642.50	\$103,000.00
2054	\$13,500.00	\$772.50	<b>\$14,272.50</b>	\$671.25	\$14,943.75	\$89,500.00
2055	\$14,000.00	\$671.25	<b>\$14,671.25</b>	\$566.25	\$15,237.50	\$75,500.00
2056	\$14,500.00	\$566.25	<b>\$15,066.25</b>	\$457.50	\$15,523.75	\$61,000.00
2057	\$14,500.00	\$457.50	<b>\$14,957.50</b>	\$348.75	\$15,306.25	\$46,500.00
2058	\$15,000.00	\$348.75	<b>\$15,348.75</b>	\$236.25	\$15,585.00	\$31,500.00
2059	\$15,500.00	\$236.25	<b>\$15,736.25</b>	\$120.00	\$15,856.25	\$16,000.00
2060	\$16,000.00	\$120.00	<b>\$16,120.00</b>	\$0.00	\$16,120.00	\$0.00
	<b>Total Prin. Paid</b>	<b>Total Semi-Annual Int. Paid</b>		<b>Total Semi-Annual Int. Paid</b>	<b>Total Bond Prin./Int. Paid</b>	
	<b>\$395,000.00</b>	<b>\$71,212.50</b>		<b>\$68,250.00</b>	<b>\$534,462.50</b>	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.

# **EXHIBIT H-5**

KENTUCKY RURAL WATER FINANCE CORPORATION FLEXIBLE TERM FINANCE PROGRAM SERIES 2013 C

Borrower: Big Sandy Water District  
 Closing Date: 03/27/13

Borrower Payment Schedule

Payment Date	Principal	Interest Rate	Interest	Trustee Fees	Total	Fiscal Total
01/01/13						
07/01/13			12,134.78		12,134.78	12,134.78
01/01/14	75,000.00	2.300%	17,615.00	350.00	92,965.00	
07/01/14			16,752.50		16,752.50	109,717.50
01/01/15	70,000.00	3.300%	16,752.50	350.00	87,102.50	
07/01/15			15,597.50		15,597.50	102,700.00
01/01/16	70,000.00	3.300%	15,597.50	350.00	85,947.50	
07/01/16			14,442.50		14,442.50	100,390.00
01/01/17	75,000.00	4.300%	14,442.50	350.00	89,792.50	
07/01/17			12,830.00		12,830.00	102,622.50
01/01/18	75,000.00	4.300%	12,830.00	350.00	88,180.00	
07/01/18			11,217.50		11,217.50	99,397.50
01/01/19	75,000.00	4.300%	11,217.50	350.00	86,567.50	
07/01/19			9,605.00		9,605.00	96,172.50
01/01/20	75,000.00	4.300%	9,605.00	350.00	84,955.00	
07/01/20			7,992.50		7,992.50	92,947.50
01/01/21	75,000.00	4.300%	7,992.50	350.00	83,342.50	
07/01/21			6,380.00		6,380.00	89,722.50
01/01/22	70,000.00	4.300%	6,380.00	350.00	76,730.00	
07/01/22			4,875.00		4,875.00	81,605.00
01/01/23	60,000.00	4.800%	4,875.00	350.00	65,225.00	
07/01/23			3,435.00		3,435.00	68,660.00
01/01/24	25,000.00	4.800%	3,435.00	350.00	28,785.00	
07/01/24			2,835.00		2,835.00	31,620.00
01/01/25	30,000.00	4.300%	2,835.00	350.00	33,185.00	
07/01/25			2,190.00		2,190.00	35,375.00
01/01/26	30,000.00	3.050%	2,190.00	350.00	32,540.00	
07/01/26			1,732.50		1,732.50	34,272.50
01/01/27	30,000.00	3.300%	1,732.50	350.00	32,082.50	
07/01/27			1,237.50		1,237.50	33,320.00
01/01/28	35,000.00	3.300%	1,237.50	350.00	36,587.50	
07/01/28			660.00		660.00	37,247.50
01/01/29	40,000.00	3.300%	660.00	350.00	41,010.00	
07/01/29						41,010.00
Totals	<u>910,000.00</u>		<u>253,314.78</u>	<u>5,600.00</u>	<u>1,168,914.78</u>	<u>1,168,914.78</u>

# **EXHIBIT H-6**

**KRWFC Flexible Term Program Series 2020 A**  
**Sinking Fund Payment Schedule**

**Borrower:** Big Sandy Water District  
**Closing Date:** 01/07/20

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
3/20-7/20	9,004.74	6,169.64	15,174.38
8/20-1/21	8,333.33	4,536.50	12,869.83
2/21-7/21	8,333.33	4,124.83	12,458.17
8/21-1/22	8,333.33	4,124.83	12,458.17
2/22-7/22	8,750.00	3,691.50	12,441.50
8/22-1/23	8,750.00	3,691.50	12,441.50
2/23-7/23	9,583.33	3,236.50	12,819.83
8/23-1/24	9,583.33	3,236.50	12,819.83
2/24-7/24	10,000.00	2,738.17	12,738.17
8/24-1/25	10,000.00	2,738.17	12,738.17
2/25-7/25	10,416.67	2,218.17	12,634.83
8/25-1/26	10,416.67	2,218.17	12,634.83
2/26-7/26	10,833.33	1,676.50	12,509.83
8/26-1/27	10,833.33	1,676.50	12,509.83
2/27-7/27	5,833.33	1,113.17	6,946.50
8/27-1/28	5,833.33	1,113.17	6,946.50
2/28-7/28	5,833.33	809.83	6,643.17
8/28-1/29	5,833.33	809.83	6,643.17
2/29-7/29	5,833.33	681.50	6,514.83
8/29-1/30	5,833.33	681.50	6,514.83
2/30-7/30	6,250.00	553.17	6,803.17
8/30-2/31	6,250.00	553.17	6,803.17
2/31-7/31	6,250.00	407.54	6,657.54
8/31-1/32	6,250.00	407.54	6,657.54
2/32-7/32	6,250.00	254.42	6,504.42
8/32-1/33	6,250.00	254.42	6,504.42
2/33-7/33	833.33	93.17	926.50
8/33-1/34	833.33	93.17	926.50
2/34-7/34	833.33	70.67	904.00
8/34-1/35	833.33	70.67	904.00
2/35-7/35	833.33	48.17	881.50
8/35-1/36	833.33	48.17	881.50
2/36-7/36	833.33	24.58	857.92
8/36-1/37	833.33	24.58	857.92
	<u>1,265,000.00</u>	<u>318,969.70</u>	<u>1,583,969.70</u>

# **EXHIBIT H-7**

**KRWFC Flexible Term Program Series 2020 A  
Sinking Fund Payment Schedule**

**Borrower: Big Sandy Water District KRWFC  
Closing Date: 01/07/20**

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
3/20-7/20	1,000.00	1,872.27	2,872.27
8/20-1/21	1,666.67	1,375.65	3,042.31
2/21-7/21	1,666.67	1,310.65	2,977.31
8/21-1/22	1,666.67	1,310.65	2,977.31
2/22-7/22	1,666.67	1,223.98	2,890.65
8/22-1/23	1,666.67	1,223.98	2,890.65
2/23-7/23	1,666.67	1,137.31	2,803.98
8/23-1/24	1,666.67	1,137.31	2,803.98
2/24-7/24	1,666.67	1,050.65	2,717.31
8/24-1/25	1,666.67	1,050.65	2,717.31
2/25-7/25	1,666.67	963.98	2,630.65
8/25-1/26	1,666.67	963.98	2,630.65
2/26-7/26	2,083.33	877.31	2,960.65
8/26-1/27	2,083.33	877.31	2,960.65
2/27-7/27	2,083.33	768.98	2,852.31
8/27-1/28	2,083.33	768.98	2,852.31
2/28-7/28	2,083.33	660.65	2,743.98
8/28-1/29	2,083.33	660.65	2,743.98
2/29-7/29	2,083.33	614.81	2,698.15
8/29-1/30	2,083.33	614.81	2,698.15
2/30-7/30	2,083.33	568.98	2,652.31
8/30-2/31	2,083.33	568.98	2,652.31
2/31-7/31	2,500.00	520.44	3,020.44
8/31-1/32	2,500.00	520.44	3,020.44
2/32-7/32	2,500.00	459.19	2,959.19
8/32-1/33	2,500.00	459.19	2,959.19
2/33-7/33	2,500.00	394.69	2,894.69
8/33-1/34	2,500.00	394.69	2,894.69
2/34-7/34	2,500.00	327.19	2,827.19
8/34-1/35	2,500.00	327.19	2,827.19
2/35-7/35	2,500.00	259.69	2,759.69
8/35-1/36	2,500.00	259.69	2,759.69
2/36-7/36	2,500.00	189.06	2,689.06
8/36-1/37	2,500.00	189.06	2,689.06
2/37-7/37	1,250.00	115.31	1,365.31
8/37-1/37	1,250.00	115.31	1,365.31
2/38-7/38	1,250.00	78.44	1,328.44
8/38-1/39	1,250.00	78.44	1,328.44
2/39-7/39	1,250.00	40.00	1,290.00
8/39-1/40	1,250.00	40.00	1,290.00
	<u>465,000.00</u>	<u>156,318.91</u>	<u>573,522.17</u>

# **EXHIBIT I**



## DEBT SERVICE REQUIREMENTS

	RD 2014A		RD 2014B		RD 2020A		RD 2020B		KRWFC 2013		KRWFC 2020A_Original		KRWFC 2020A_Suppl		Total		Cash Payments
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2023	18,500	25,419	1,500	3,372	22,000	24,240	6,000	5,715	60,000	8,310	105,000	44,298	20,000	14,688	173,006	126,041	299,047
2024	19,000	24,901	2,000	3,315	23,000	23,903	6,000	5,625	25,000	6,270	115,000	38,838	20,000	13,648	185,006	116,500	301,506
2025	19,500	24,372	2,000	3,250	24,000	23,550	6,000	5,535	30,000	5,025	120,000	32,858	20,000	12,608	191,506	107,198	298,704
2026	20,000	23,829	2,000	3,185	25,000	23,183	6,500	5,441	30,000	3,923	125,000	26,618	20,000	11,568	198,506	97,746	296,252
2027	20,500	23,272	2,000	3,120	25,000	22,808	6,500	5,344	30,000	2,970	130,000	20,118	25,000	10,528	209,006	88,159	297,165

5-year Total: \$ 1,492,674  
 Annual Average: \$ 298,535  
 Coverage: \$ 59,707

# **EXHIBIT J**

## **DISCLOSURE OF RELATED TRANSACTION**

The attached Statements of Disclosure of Related Transactions refer to a transaction in the amount of \$3,962.12 involving Bowling Garage LLC and occurring in October 2020. Bowling Garage LLC is a Kentucky Limited Liability Company. Its president is Kevin Bowling, whose father is Big Sandy Water District Commissioner Darrell Bowling. Bowling Garage operates a garage and motor vehicle repair service in Ashland, Kentucky. In October 2020, a 2017 Chevrolet Silverado 1500 owned by Big Sandy Water District was in immediate need of a new transmission. After contacting several other garages in the area and finding that none could immediately service the District's vehicle, the District contacted Bowling Garage, who indicated that it could immediately service the vehicle. The invoice of the transaction is attached.

## BOWLING GARAGE LLC

717 NORTH BIG RUN RD  
ASHLAND, KY 41102  
606 928 6382

10/21/2020 9:04:37 AM

**Invoice #542**

Page:1

**BIG SANDY WATER DISTRICT**

**Phone: 606-928-2075**

18200 STATE RT 3  
Catlettsburg KY, 41129

Service Writer : 01

**Vehicle : 2017 Chevrolet Silverado 1500 1/2 Ton 5.3 L 325 CID V8**

VIN : 1GCVKNEC1HZ247678  
Fleet #/Driver:  
Created : 10/7/2020 9:47:24 AM  
Invoiced : 10/20/2020 8:49:34 AM

Tag/State : C9422/KY  
Color : White  
Odometer In : 139265  
Odometer Out : 139273

Qty	Code/Tech*	Description	Condition	Unit Price	Price
		TRANSMISSION ASSEMBLY Remove & Replace			\$950.00
Note:					
Includes: R&I Transfer Case Assembly.					
Includes: Confirm Fluid temperature for level check. Includes: Flush Cooling Lines.					
Includes: Adjust and road test.					
1		Exhaust Gasket		\$12.43	\$12.43
1		Automatic Transmission Filter Kit - Rubber Coated Metal - OE Style - Carded		\$56.53	\$56.53
Note: 18 Bolt Pan					
1		EXHAUST CLAMP	New	\$36.51	\$36.51
2		KOOLER KLEEN	New	\$20.01	\$40.02
		SCAN AND DIAGNOSE VEHICLE			\$0.00
Note: CONNECT COMPUTERIZED ENGINE SYSTEM ANALYZER TO RETRIEVE AND RESET TROUBLE CODES. U0422, C0765					
1		BATTERY	New	\$169.99	\$169.99
1		CORE CHARGE		\$16.00	\$16.00
1		CORE CREDIT		(\$16.00)	(\$16.00)
13		ATF DEXRON VI SYNTHETIC	New	\$5.32	\$69.16
Note: AC DELCO 109243					
1		GEAR SHIFT CABLE UPPER	New	\$36.24	\$36.24
1		GEAR SHIFT CABLE LOWER	New	\$63.35	\$63.35
1		COOLER LINE GASKET	New	\$5.13	\$5.13
		BATTERY Remove & Replace			\$0.00
Note: Includes: Test.					
		SHIFT CONTROL CABLE Remove & Replace			\$0.00
Note: Includes: Adjustment.					
1		Transfer Case Gasket		\$12.76	\$12.76
1		TRANSMISSION USED	Used	\$2,500.00	\$2,500.00
Note: TRANSMISSION GAP 51K					

Labor .....	\$950.00
Parts .....	\$3,002.12
Other Charges .....	\$10.00

Check #022840: \$2,500.00

**PAID**

**\$3,962.12**

Technician Code : 01  
Certification # : ASE-2355-7893

- 2,500.00  
1,462.12

Date & Time      Total Amount      Authorized By      Approvals      Method

pd by ck#  
1397  
10/22/20

Employee



**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between \_\_\_\_\_ Big Sandy Water District \_\_\_\_\_ ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Bowling Garage, LLC	Vehicle Repair	\$3,962.12

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

James H. Blanton  
\_\_\_\_\_  
(Print Name)

*James H. Blanton*  
\_\_\_\_\_  
(Signed)

General Manager  
\_\_\_\_\_  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF BOYD

Subscribed and sworn to before me by James H. Blanton  
(Name)

this 24<sup>th</sup> day of March, 2022.



Bobbi Burton

NOTARY PUBLIC  
State-at-Large

Notary Number: 633516

My Commission expires: 10/14/2023

**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Big Sandy Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Bowling Garage, LLC	Vehicle Repair	\$3,962.12

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

Darnell Bowling  
(Print Name)

  
(Signed)

Commissioner  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Boyd

Subscribed and sworn to before me by Darnell  
Darnell Bowling  
(Name)

this 17 day of February, 2022.



Bobbi Burton

NOTARY PUBLIC  
State-at-Large

Notary Number: 633516

My Commission expires: 10/14/2023



**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

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Bill Hardin  
(Print Name)

Bill Hardin  
(Signed)

Commissioner  
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Boyd

Subscribed and sworn to before me by Bill Hardin  
(Name)

this 17 day of February, 2022.



Bobbi Burton  
NOTARY PUBLIC  
State-at-Large  
Notary Number: 633516  
My Commission expires: 10/14/2023

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Randy Lowe  
(Print Name)

  
(Signed)

Commissioner  
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Boyd

Subscribed and sworn to before me by Randy Lowe  
(Name)

this 17 day of February, 2022.



Bobbi Burton  
NOTARY PUBLIC

State-at-Large

Notary Number: 633516

My Commission expires: 10/14/2023

**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

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Charles Shockey  
(Print Name)

Charles Shockey  
(Signed)

Commissioner  
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Boyd

Subscribed and sworn to before me by Charles Shockey  
(Name)

this 17 day of February, 2022.



Bobbi Burton

NOTARY PUBLIC  
State-at-Large

Notary Number: 633516

My Commission expires: 10/14/2023

**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

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Paul Thomas  
(Print Name)

  
(Signed)

Commissioner  
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Boyd

Subscribed and sworn to before me by Paul Thomas  
(Name)

this 17 day of February, 2022.



Bobbi Burton  
NOTARY PUBLIC

State-at-Large

Notary Number: 633516

My Commission expires: 10/14/2023



# **EXHIBIT K**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF BIG SANDY WATER DISTRICT AUTHORIZING AN APPLICATION TO THE KENTUCKY PUBLIC SERVICE COMMISSION FOR AUTHORITY TO ADJUST RATES FOR RETAIL WATER SERVICE**

**WHEREAS**, Big Sandy Water District is a water district created pursuant to the provisions of KRS Chapter 74;

**WHEREAS**, pursuant to KRS 278.015, the Kentucky General Assembly has declared water districts to be public utilities and subject to the jurisdiction of the Kentucky Public Service Commission in the same manner and to the same extent as any other utility as defined in KRS 278.010;

**WHEREAS**, Big Sandy District has prepared a rate review using the ratemaking methodology that the Kentucky Public Service Commission has historically employed for water districts to establish the appropriate level of revenue from its rates for water service and that review indicates that Big Sandy Water District's present rates for water service are producing \$226,687 less than the level of revenue required to meet Big Sandy Water District's operating expenses, service its debt obligations and provide for adequate working capital and that an increase in Big Sandy Water District's current rates for water service is necessary to obtain the appropriate level of revenue to ensure adequate and reliable service;

**WHEREAS**, Big Sandy Water District proposes to adjust its rates for water service to produce the appropriate level of revenue to ensure adequate and reliable service to persons within its territory and to reflect the actual cost of providing water service;

**WHEREAS**, the rates attached to this Resolution as Exhibit A are the rates that, based upon Big Sandy Water District's adjusted operations for the year ending December 31, 2020, will produce the appropriate level of revenue;

**WHEREAS**, the charges that Big Sandy Water District currently assesses for a meter connection and for a second meter connection within eight feet of an existing meter connection fail to recover the cost of making such connections;

**WHEREAS**, the connection fees set forth in Exhibit A will permit Big Sandy Water District to recover the actual cost of making a meter connection and a second meter connection within eight feet of an existing meter connection;

**WHEREAS**, Big Sandy Water District has been experiencing unaccounted-for water loss in excess of 23 percent every year since at 2010 and during that period its average annual unaccounted-for water loss was 33.40 percent of all water purchased;

**WHEREAS**, Big Sandy Water District in 2021 experienced unaccounted-for water loss of 41.65 percent;

**WHEREAS**, Big Sandy Water District finds that a water loss reduction and control program should be implemented and that this program should be funded through a temporary surcharge of \$6.15 assessed monthly on all Big Sandy Water District customers for 60 months,

**WHEREAS**, KRS 278.180 and 807 KAR 5:076 require Big Sandy Water District to serve notice of its proposed rate adjustment on and to make application for rate adjustment to the Kentucky Public Service Commission;

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF BIG SANDY WATER DISTRICT AS FOLLOWS:**

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

**Section 2.** The Chairman is authorized and directed to take all actions reasonably necessary to apply to the Kentucky Public Service Commission, pursuant to 807 KAR 5:076, for authority to adjust Big Sandy Water District's rates for water service to those set forth in Exhibit A to this Resolution.

**Section 3.** The Chairman, or his designated agent, is hereby authorized and directed to execute an application to the Kentucky Public Service Commission necessary to obtain an adjustment of rates for retail water service.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF BIG SANDY WATER DISTRICT at a meeting held on March 22, 2022, signed by the Chairman, and attested by the Secretary.**

  
\_\_\_\_\_  
**Paul Thomas, Chairman**

**ATTEST:**

  
\_\_\_\_\_  
**Darrell Bowling, Secretary**

**EXHIBIT A**

**EXHIBIT TO A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF BIG SANDY WATER DISTRICT DATED MARCH 22, 2022**

**PROPOSED RATES**

**5/8-Inch x 3/4-Inch Meter**

First 1,000 Gallons	\$ 19.82 Minimum Bill
Next 9,000 Gallons	0.01021 Per Gallon
Next 10,000 Gallons	0.00695 Per Gallon
Next 20,00 Gallons	0.00646 Per Gallon
Over 40,000 Gallons	0.00619 Per Gallon

**1-Inch Meter**

First 10,000 Gallons	\$ 111.69 Minimum Bill
Next 10,000 Gallons	0.00695 Per Gallon
Next 20,00 Gallons	0.00646 Per Gallon
Over 40,000 Gallons	0.00619 Per Gallon

**1 1/2-Inch Meter**

First 20,000 Gallons	\$ 181.19 Minimum Bill
Next 20,00 Gallons	0.00646 Per Gallon
Over 40,000 Gallons	0.00619 Per Gallon

**2-Inch Meter**

First 40,000 Gallons	\$ 310.42 Minimum Bill
Over 40,000 Gallons	0.00619 Per Gallon

**3-Inch Meter**

First 100,000 Gallons	\$ 681.81 Minimum Bill
Over 100,000 Gallons	0.00619 Per Gallon

**4-Inch Meter**

First 100,000 Gallons	\$1,300.81 Minimum Bill
Over 100,000 Gallons	0.00619 Per Gallon

Wholesale	0.00619 Per Gallon
-----------	--------------------

5/8-Inch Service Connection Fee	\$1,590.00
5/8-Inch Service Connection (Second Tap) Fee	\$ 970.00
Water Loss Reduction Surcharge	\$ 6.15 per month

**CERTIFICATION**

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Big Sandy Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Commissioners of the Big Sandy Water District at a meeting duly held on March 22, 2022; that said official action appears as a matter of public record in Big Sandy Water District's official records or journal; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

WITNESS my hand this 22nd day of March 2022.

  
\_\_\_\_\_  
**Darrell Bowling, Secretary**

# **EXHIBIT L**

### **COMPLIANCE WITH 807 KAR 5:076, SECTION 5**

In accordance with 807 KAR 5:076, Section 5(2)(b), Big Sandy Water District on or before March 25, 2022 mailed written notice of the filing of this application to each of its existing customers. A copy of the written notice appears on the following page.

In accordance with 807 KAR 5:076, Section 5(1)(a), Big Sandy Water District posted on or about March 25, 2022 at its offices a copy of the notice on the next page.

As of March 25, 2022, in accordance with 807 KAR 5:076, Section 5(1)(b), Big Sandy Water District has post on its website (<https://bswd.nexbillpayonline.com>) and its Facebook page (<https://www.facebook.com/boycarterlawrencebigandy/>) a copy of the notice on the next page and a hyperlink to the location on the Public Service Commission's website where the case documents are available.

## NOTICE

On or about March 25, 2022, Big Sandy Water District will file an application with the Kentucky Public Service Commission to adjust its monthly rates for water service. Big Sandy Water District’s application will be filed pursuant to the procedures set forth in 807 KAR 5:076. Under those procedures, the proposed rates may not be placed into effect until the Kentucky Public Service Commission has issued an order approving the proposed rates or six (6) months from the date of the filing of the application, whichever occurs first.

The proposed rates for water service are as follows:

	Present Rate	Proposed Rate	Change (\$)	Change (%)
<b>5/8-Inch Meter</b>				
First 1,000 Gallons	\$ 18.25 Minimum Bill	\$ 19.82 Minimum Bill	\$1.57	8.60
Next 9,000 Gallons	0.00940 Per Gallon	0.01021 Per Gallon	\$0.00081	8.62
Next 10,000 Gallons	0.00640 Per Gallon	0.00695 Per Gallon	\$0.00055	8.59
Next 20,00 Gallons	0.00595 Per Gallon	0.00646 Per Gallon	\$0.00951	8.57
Over 40,000 Gallons	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
<b>1-Inch Meter</b>				
First 10,000 Gallons	\$ 102.85 Minimum Bill	\$ 111.69 Minimum Bill	\$8.84	8.60
Next 10,000 Gallons	0.00640 Per Gallon	0.00695 Per Gallon	\$0.00055	8.59
Next 20,00 Gallons	0.00595 Per Gallon	0.00646 Per Gallon	\$0.00951	8.57
Over 40,000 Gallons	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
<b>1 1/2-Inch Meter</b>				
First 20,000 Gallons	\$ 166.85 Minimum Bill	\$ 181.19 Minimum Bill	\$14.34	8.59
Next 20,000 Gallons	0.00595 Per Gallon	0.00646 Per Gallon	\$0.00951	8.57
Over 40,000 Gallons	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
<b>2-Inch Meter</b>				
First 40,000 Gallons	\$ 285.85 Minimum Bill	\$ 310.42 Minimum Bill	\$24.57	8.60
Over 40,000 Gallons	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
<b>3-Inch Meter</b>				
First 100,000 Gallons	\$ 627.85 Minimum Bill	\$ 681.81 Minimum Bill	\$53.96	8.59
Over 100,000 Gallons	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
<b>4-Inch Meter</b>				
First 100,000 Gallons	\$1,197.85 Minimum Bill	\$1,300.81 Minimum Bill	\$102.96	8.60
Over 100,000 Gallons	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
<b>Wholesale</b>				
	0.00570 Per Gallon	0.00619 Per Gallon	\$0.00049	8.60
Service Connection Fee (5/8-Inch)	\$ 835.00	\$1,590.00	\$755.00	90.42
Second Tap Connection Fee (5/8-Inch)	\$ 600.00	\$ 970.00	\$370.00	61.67

If the Public Service Commission approves the proposed water rate, the increase in a customer’s monthly bill will be:



<b>Customer</b>	<b>Average Usage (gals)</b>	<b>Monthly Bill at Current Rate</b>	<b>Monthly Bill at Proposed Rate</b>	<b>Monthly Bill Increase (%)</b>
5/8-Inch	3,397	\$ 40.78	\$ 44.29	8.61
1-Inch	7,347	\$ 102.85	\$ 111.69	8.60
1 1/2-Inch	3,818	\$ 166.85	\$ 181.19	8.59
2-Inch	18,600	\$ 285.85	\$ 310.42	8.60
3-Inch	115,944	\$ 718.73	\$ 780.50	8.59
4-Inch	542,575	\$ 3,150.53	\$ 3,421.35	8.60
Wholesale	0	0	0	0

The Kentucky Public Service Commission has established Case No. 2022-00044 to review Big Sandy Water District's application. Any person may examine this application at Big Sandy Water District's office, 18200 KY-3, Catlettsburg, Kentucky 41129, Monday through Friday, 8:00 a.m. to 4:00 p.m., or at the Kentucky Public Service Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's Web site at <https://psc.ky.gov/Case/ViewCaseFilings/2022-00044>.

Comments regarding the application may be submitted to the Kentucky Public Service Commission through the Commission's Web Site at <http://psc.ky.gov> or by e-mail to [psc.info@ky.gov](mailto:psc.info@ky.gov) or by mail to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Big Sandy Water District. However, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the person's status and interest. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of notice, it may take final action on the proposed rates.

Big Sandy Water District  
Mailing Date: March 25, 2022  
Posted Date: March 25, 2022

# **EXHIBIT M**

# **EXHIBIT M-1**

**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

Name of Utility Big Sandy Water District

The following is an itemization of expenses for providing a metered service connection.

**A. Meter Size**

5/8-Inch     3/4-Inch     1-Inch     1 1/2 -Inch     2-Inch

Other (specify) \_\_\_\_\_

**B. Materials Expense**

		<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1.	Water Meter	<u>1</u>	<u>206.70</u>	<u>206.70</u>
2.	Meter Yoke	<u>1</u>	<u>362.50</u>	<u>362.50</u>
3.	Corporation Stop	<u>1</u>	<u>34.79</u>	<u>34.79</u>
4.	Meter Box and Top	<u>1</u>	<u>69.35</u>	<u>69.35</u>
5.	Miscellaneous Fittings	<u>2</u>	<u>1.44</u>	<u>2.88</u>
6.	Other (Itemize)			
	<u>Regulator</u>	<u>1</u>	<u>66.16</u>	<u>66.16</u>
	<u>Meter Gaskets</u>	<u>4</u>	<u>.32</u>	<u>1.28</u>
	<u>6" Saddle</u>	<u>1</u>	<u>54.21</u>	<u>54.21</u>

TOTAL MATERIALS EXPENSE \$ 797.87  
(add total cost)

**C. Service Pipe Expense**

Type of Service Pipe Poly Size of Service Pipe 3/4"

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>15'</u>	<u>.25/ft.</u>	<u>3.00</u>
2. Long Side Service	<u>50'</u>	<u>.25/ft.</u>	<u>12.50</u>

AVERAGE SERVICE PIPE EXPENSE \$ 7.75  
(add total cost and divide by 2)

**D. Installation Labor Expense**

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>9</u>	<u>17.73</u>	<u>159.57</u>
2. Long Side Service	<u>12</u>	<u>17.73</u>	<u>212.76</u>

AVERAGE INSTALLATION LABOR EXPENSE \$186.17  
(add total cost and divide by 2)

**E. Installation Equipment Expense**

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>2</u>	<u>125.00</u>	<u>250.00</u>
2. Long Side Service	<u>3</u>	<u>125.00</u>	<u>400.00</u>
Air Compressor	<u>1</u>	<u>50.00</u>	<u>50.00</u>

AVERAGE INSTALLATION EQUIPMENT EXPENSE \$ 350.00  
(add total cost and divide by 2)

F. Installation Miscellaneous Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	<u>2</u>	<u>17.74</u>	<u>35.48</u>
2. Site Clean-Up	<u>2</u>	<u>17.74</u>	<u>35.48</u>
3. Other			
<u>Grass Seed</u>	<u>          </u>	<u>          </u>	<u>2.00</u>
<u>Straw</u>	<u>          </u>	<u>          </u>	<u>5.00</u>
AVERAGE INSTALLATION MISCELLANEOUS EXPENSE (add total cost)			<u>\$ 77.96</u>

G. Overhead Expense

1. Installation expense (\$_____ ) times overhead rate (____%)	<u>\$ 169.72*</u>
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H. Administrative Expense

1. Office expense for establishing a new account and billing record.	<u>\$ 8.67**</u>
---	------------------

I. Total Expenses

Materials Expense	<u>\$ 797.87</u>
Service Pipe Expense	<u>7.75</u>
Installation Labor Expense	<u>186.17</u>
Installation Equipment Expense	<u>350.00</u>
Installation Miscellaneous Expense	<u>77.96</u>
Overhead Expense	<u>169.37</u>
Administrative Expense	<u>8.67</u>

**TOTAL CONNECTION EXPENSE** \$ 1,597.79

\*Based upon cost of employee benefits: Operation Labor = 14.5 hours x \$11.30 per hour = \$163.85;  
Administrative Labor = 0.5 hours x \$11.03 per hour = \$5.52

\*\*Assumes 0.5 hours of Administrative Labor

## Employee Wage Cost Calculations

Employee Position	Hourly Wage	Average Hourly Wage	Average Overtime Wage
<b>Operations:</b>			
Certified Operator	22.41		
Laborer	17.5		
Laborer	17.5		
Laborer	13.5		
<b>Total</b>	<b>\$70.91</b>	<b>\$ 17.73</b>	<b>\$ 26.59</b>

<b>Administration:</b>			
Office Manager	\$ 22.00		
Assistant Office Manager	\$ 17.50		
Clerk	\$ 12.50		
<b>Total</b>	<b>\$ 52.00</b>	<b>\$ 17.33</b>	<b>\$ 26.00</b>

### Employee Benefit Costs

Benefit	% of Wages
Workers Comp	2.00
FICA Taxes	6.20
Medicare	1.45
Pension	26.95
<b>Utility Responsibility</b>	<b>36.60</b>

### Health Insurance\*

Annual Health Insurance Premium	\$ 97,421.00		
Divided By Test Period Reg Hours	20,800.00		
Health Insurance Cost Per Hr		\$ 4.68	

### Dental Insurance\*

Annual Dental Insurance Premium**	\$ 1,477.95		
Divided By Test Period Reg Hours	20,800.00		
Life Insurance Cost Per Hr		\$ 0.07	

### Life Insurance\*

Annual Life Insurance Premium	\$ 1,172.00		
Divided By Test Period Reg Hours	20,800.00		
Life Insurance Cost Per Hr		\$ 0.06	

### Benefits Calculations:

Operational (17.73 x 36.6%)	\$6.49
Administrative (\$17.33 x 36.6%)	\$6.34

### Average Hourly Wage w/ Benefits

Operational	\$29.03	\$36.32
Administrative	\$28.36	\$35.52

\* Costs not included in overtime calculation as benefits are provided regardless of whether employee performs overtime work

\*\*Includes only PSC-allowed employer contribution

# **EXHIBIT M-2**



**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

Name of Utility Big Sandy Water District

The following is an itemization of expenses for providing a metered service connection.

**A. Meter Size**

5/8-Inch     3/4-Inch     1-Inch     1 1/2 -Inch     2-Inch

Other (specify) 2nd Tap (within 8 feet of original tap)

**B. Materials Expense**

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Water Meter	<u>1</u>	<u>206.70</u>	<u>206.70</u>
2. Meter Yoke	<u>1</u>	<u>362.50</u>	<u>362.50</u>
3. Corporation Stop 3/4"	<u>          </u>	<u>          </u>	<u>          </u>
4. Meter Box and Top	<u>1</u>	<u>69.35</u>	<u>69.35</u>
5. Miscellaneous Fittings	<u>          </u>	<u>          </u>	<u>          </u>
6. Other (Itemize)			
<u>Regulator</u>	<u>1</u>	<u>66.16</u>	<u>66.16</u>
<u>Brass Nipples</u>	<u>2</u>	<u>4.50</u>	<u>4.50</u>
<u>3/4" Compression Tee</u>	<u>1</u>	<u>30.50</u>	<u>30.50</u>

TOTAL MATERIALS EXPENSE \$ 744.21  
(add total cost)

**C. Service Pipe Expense**

Type of Service Pipe Poly Size of Service Pipe 3/4"

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>8 ft.</u>	<u>.25/ft.</u>	<u>2.00</u>
2. Long Side Service	<u>          </u>	<u>          </u>	<u>          </u>
AVERAGE SERVICE PIPE EXPENSE (add total cost and divide by 2)			<u>\$ 2.00</u>

**D. Installation Labor Expense**

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>3</u>	<u>17.73</u>	<u>53.19</u>
2. Long Side Service	<u>          </u>	<u>          </u>	<u>          </u>
AVERAGE INSTALLATION LABOR EXPENSE (add total cost and divide by 2)			<u>\$53.19</u>

**E. Installation Equipment Expense**

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>1</u>	<u>125.00</u>	<u>125.00</u>
2. Long Side Service	<u>          </u>	<u>          </u>	<u>          </u>
AVERAGE INSTALLATION EQUIPMENT EXPENSE (add total cost and divide by 2)			<u>\$ 125.00</u>

**F. Installation Miscellaneous Expense**

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	_____	_____	_____
2. Site Clean-Up	_____	_____	_____
3. Other	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

AVERAGE INSTALLATION MISCELLANEOUS EXPENSE \$ \_\_\_\_\_  
(add total cost)

**G. Overhead Expense**

1. Installation expense (\$ \_\_\_\_\_) times  
overhead rate (\_\_\_\_%) \$39.1 G

**H. Administrative Expense**

1. Office expense for establishing a new account  
and billing record. \$ 1.6i \*\*/

**I. Total Expenses**

Materials Expense	<u>\$744.21</u>
Service Pipe Expense	<u>2.00</u>
Installation Labor Expense	<u>53.19</u>
Installation Equipment Expense	<u>125.00</u>
Installation Miscellaneous Expense	<u>0.00</u>
Overhead Expense	<u>39.1 G</u>
Administrative Expense	<u>1.6i</u>

**TOTAL CONNECTION EXPENSE \$973.79**

\*Based upon cost of employee benefits: Operation Labor = 3 hours x \$11.30 per hour = \$33.90;  
Administrative Labor = 0.5 hours x \$11.€3 per hour = \$5.1 G

\*\*Assumes 0.5 hours of Administrative Labor

## Employee Wage Cost Calculations

Employee Position	Hourly Wage	Average Hourly Wage	Average Overtime Wage
<b>Operations:</b>			
Certified Operator	22.41		
Laborer	17.5		
Laborer	17.5		
Laborer	13.5		
<b>Total</b>	<b>\$70.91</b>	<b>\$ 17.73</b>	<b>\$ 26.59</b>

<b>Administration:</b>			
Office Manager	\$ 22.00		
Assistant Office Manager	\$ 17.50		
Clerk	\$ 12.50		
<b>Total</b>	<b>\$ 52.00</b>	<b>\$ 17.33</b>	<b>\$ 26.00</b>

### Employee Benefit Costs

Benefit	% of Wages
Workers Comp	2.00
FICA Taxes	6.20
Medicare	1.45
Pension	26.95
<b>Utility Responsibility</b>	<b>36.60</b>

### Health Insurance\*

Annual Health Insurance Premium	\$ 97,421.00		
Divided By Test Period Reg Hours	20,800.00		
Health Insurance Cost Per Hr		\$ 4.68	

### Dental Insurance\*

Annual Dental Insurance Premium**	\$ 1,477.95		
Divided By Test Period Reg Hours	20,800.00		
Life Insurance Cost Per Hr		\$ 0.07	

### Life Insurance\*

Annual Life Insurance Premium	\$ 1,172.00		
Divided By Test Period Reg Hours	20,800.00		
Life Insurance Cost Per Hr		\$ 0.06	

### Benefits Calculations:

Operational (17.73 x 36.6%)	\$6.49
Administrative (\$17.33 x 36.6%)	\$6.34

### Average Hourly Wage w/ Benefits

Operational	\$29.03	\$36.32
Administrative	\$28.36	\$35.52

\* Costs not included in overtime calculation as benefits are provided regardless of whether employee performs overtime work

\*\*Includes only PSC-allowed employer contribution

# **EXHIBIT N**

# **EXHIBIT N-1**

**NEED FOR AND GENERAL DESCRIPTION OF PROPOSED WATER LOSS  
DETECTION AND CONTROL PROGRAM**

**Background.** Big Sandy Water District (“the District”) purchases its total water requirements from neighboring water suppliers. As shown in the table below, in each year since 2010 it has been unable to account for 23 percent or more of its total purchased water. During that period, it has experienced an average annual unaccounted water loss rate of 33.4 percent. Simply put, for every two gallons of water it has sold since 2010, the District has lost one gallon of water. In 2021 it lost more than four of every ten gallons of water that it purchased for resale. (A copy of the District’s water loss report for calendar year 2021 is attached to this Application as **Exhibit N-2.**)

<b>Year</b>	<b>Purchased (Gallons)</b>	<b>Water Loss (Gallons)</b>	<b>Water Loss (%)</b>
2010	378,902,000	88,960,000	23.48
2011	375,060,000	120,386,000	32.10
2012	374,610,000	118,358,000	31.59
2013	333,317,000	92,728,000	27.82
2014	359,009,000	111,684,000	31.11
2015	380,610,000	124,737,000	32.77
2016	377,589,000	128,461,000	34.02
2017	353,039,000	105,920,000	30.00
2018	409,693,000	167,013,000	40.77
2019	359,009,000	111,684,000	31.11
2020	413,582,000	183,368,000	44.34
2021	385,288,890	160,485,361	41.65

This high rate of unaccounted-for water adversely affects the District’s finances. In 2020, the District expended approximately \$501,927.80, or approximately 16.61 percent of its operating expenses, to purchase and to transport unaccounted-for water – water that never reaches customer meters. For the same year, it reported an operating loss of \$332,241. For four of the last six years in which the District has filed an annual report with the Public Service Commission, it has reported operating losses.

Approximately 29.37 percent of the cost that the District incurred in the test period to purchase and transport this unaccounted-for water cannot be recovered through rates for water service. 807 KAR 5:066, Section 6(3) provides that “[e]xcept purchased water rate adjustments for water districts and water associations, and rate adjustments pursuant to KRS 278.023(4), for rate making purposes a utility’s unaccounted-for water loss shall not exceed fifteen (15) percent of total water produced and purchased, excluding water used by a utility in its own operations.” As reflected in **Exhibit C** to this Application, 807 KAR 5:066, Section 6(3) requires the disallowance of approximately \$353,990.64 of purchased power and purchased power costs due to the District’s high level of water loss.

In Case No. 2019-00041,<sup>1</sup> the Public Service Commission investigated the District's high level of water loss. In its final order, the Commission recommended several actions. These included the implementation of a plan to comply with the meter testing requirements of 807 KAR 5:066, Section 16; the development of a zone metering system; the performance of annual water audits, and the hiring of additional personnel to perform leak detection and water loss prevention activities changes.

The District has acted to reduce its high level of water unaccounted-for water. It has established eleven (11) district meter areas and plans to establish four additional ones before the end of 2023. a series of district meter areas. The District monitors water usage within each of these meter areas. Unusual water usage in a meter area is an indicator of a possible leak or water main break. Once unusual water usage is identified in an area, the District deploys resources to that meter area to pinpoint and repair the leak or break

The District has also sought to reduce the number of meters currently in service that have not been tested for accuracy within ten (10) years. Inaccurately registering meters are believed to be a major contributor to the District's high water loss. 807 KAR 5:066, Section 16, requires a water utility to periodically test all 5.8-inch water meters so that no meter remains in service longer than ten years between tests. In July 2019, the District advised the Public Service Commission that approximately 2,100 meters were in service for 10 years or longer since last being tested for accuracy. This backlog resulted from the District's limited testing facilities and its lack of personnel. To alleviate the problem and to replace aging meters – the District's last major meter replacement occurred in 2005 - the District purchased 1,100 new meters at a cost of \$216,000. The District financed this purchase in part through the withdrawal of \$100,000 from its depreciation reserve account. As the District's bond covenants required the maintenance of the depreciation reserve account, the District was required the approval of Rural Development ("RD") - the holder of the District's bonded debt. RD authorized the withdrawal of funds on the condition that the District replenish the account as soon as possible. At this time, approximately \$81,665 remains to be redeposited into to the depreciation reserve account. At this time, the District has 1,308 meters in service that have been in service for 10 or more years since last being tested for accuracy.

The District has been conducting annual water audits. The first water audit, conducted with the assistance of the University of Kentucky Water Resources Research Institute ("WRRRI") and using the methodology set forth in the American Water Works Association M36 Manual, was completed and filed with the Public Service Commission in January 2021. A second audit, also prepared with the WRRRI's assistance, was completed in December 2021. The District has committed to conducting a water audit annually.

The District has lacked the funds to hire additional personnel to conduct additional leak detection and water loss prevention activities. It currently has two unfilled full-time positions unrelated to enhanced leak detection and water loss prevention efforts.

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<sup>1</sup> *Electronic Investigation Into Excessive Water Loss by Kentucky's Jurisdictional Water Utilities*, Case No. 2019-00041 (Ky. PSC Nov. 22, 2019).



**Surcharge Proposal.** A lack of funding has stymied the District’s water loss control efforts. To improve these efforts and obtain a meaningful reduction in water loss, the District proposes to assess a surcharge of \$6.15 on each customer’s monthly bill for a period of 60 months. Assuming a customer base of 4,800 customers, the proposed surcharge will produce additional annual revenue of \$354,240. The amount of the surcharge is based upon the sum of purchased water expense and purchased power expense that 807 KAR 5:066, Section 3 requires to be disallowed from rate recovery due to excessive unaccounted-for water.

To ensure full transparency and the appropriate use of surcharge proceeds, the District proposes that following controls be placed on the proposed surcharge:

- a. The surcharge will be billed as a separate line item and identified as “Water Loss Detection and Control Program Surcharge.”
- b. All surcharge proceeds will be maintained in a separate, interest-bearing account.
- c. The District must obtain prior Public Service Commission approval for the use of surcharge proceeds for any expenditure.
- d. For each month in which the surcharge is in effect and until all surcharge proceeds are expended, the District must submit to the Public Service Commission monthly activity reports that include a statement of monthly surcharge billings and collections; a monthly surcharge bank statement; a list of each payment from the account, its payee and a description of its purpose; and invoices supporting each payment.
- e. The District must submit to the Public Service Commission monthly water loss reports for each month in which the surcharge is in effect and until all surcharge proceeds are expended.
- f. With the exception of deposits to District’s depreciation reserve fund to replenish the remaining balance (\$81,665) withdrawn for the purchase of metering equipment in 2020, the District may not use surcharge proceeds for expenses incurred prior to surcharge’s effective date .
- g. Each year following the effective date of the surcharge, the District must submit to the Public Service Commission a schedule of the estimated and actual progress of its Water Loss Detection and Repair Program and the estimated and actual surcharge expenditures. These reports will permit the Public Service Commission to annually review the progress of the District’s efforts and determine if changes are required or if the surcharge is no longer required.
- h. Should the District fail to reduce its unaccounted-for water loss level to fifteen (15) percent or less of total water produced and purchased, excluding water used by the District in its own operations within 60 months of the effective date, the District may request an extension of the period in which the surcharge may be assessed and collected.
- i. Failure to comply with any control placed on the assessment of the surcharge is sufficient basis to terminate the surcharge and to require the refund of all surcharge proceeds in the District’s possession or control and of all proceeds disbursed for expenses or projects not approved by the Public Service Commission.

A proposed tariff sheet containing these controls is attached to this Application as **Exhibit N-3**.

The proposed surcharge is similar to and consistent with the surcharge that the Commission authorized in Cases No. 2011-00217<sup>2</sup> and No. 2018-00376<sup>3</sup> for Cannonsburg Water District and in Case No. 2019-00119<sup>4</sup> for Estill County Water District to fund water loss control efforts. The proposal is also consistent with the Water Loss Demonstration Project that the Commission previously conducted in its effort to assist water utilities in their efforts to reduce water loss.<sup>5</sup>

**Proposed Initial Expenditures.** The District proposes to use surcharge proceeds to make the following expenditures:

<b>Expenditure</b>	<b>Amount</b>
Replenish Depreciation Reserve Fund (1/2020 Withdrawal for Meter Purchase)	\$ 81,665.00
Additional 1,000 Meters	\$216,000.00
Water Listening Device	\$ 5,156.00
Leak Loggers	\$ 13,582.00
Pumps	\$168,000.00
Generator	\$ 89,668.00
Meter Testing Building	\$180,000.00
Meter Testing Bench	\$ 27,815.00
Two Trucks	\$ 80,000.00
Part-Time Employees (Leak Detection Team) (Annual Wage & Overhead)	\$ 48,442.50

**Replenish Depreciation Reserve Fund.** As a condition to RD’s approval of the withdrawal of \$100,000 from the District’s depreciation reserve fund for the purpose of purchasing metering equipment in February 2020, the District must, in addition to the monthly deposits required under its bond ordinances, must redeposit withdrawn funds. Approximately \$81,665 remains to be returned to the fund. The District proposes to refund this amount over a period of five years. See **Exhibits N-4a through N-4d**.

<sup>2</sup> *Application of Cannonsburg Water District for (1) Approval of Emergency Rate Relief and (2) Approval of the Increase in Nonrecurring Charges*, Case No. 2011-00217 (Ky. PSC Jun 4, 2012).

<sup>3</sup> *Application of Cannonsburg Water District for A Rate Adjustment for Small Utilities Pursuant to 807 KAR 5:076*, Case No. 2018-00376 (Ky. PSC May 13, 2019).

<sup>4</sup> *Electronic Application of Estill County Water District No. 1 for a Surcharge to Finance Water Loss Control Efforts*, Case No. 2019-00119 (Ky. PSC Mar. 24, 2020).

<sup>5</sup> *See, e.g., Adjustment of Rates of North Logan Water District*, Case No. 97-399 (Ky. PSC May 22, 1998); *An Investigation Into the Operations and Management of Mountain Water District*, Case No. 96-126 (Ky. PSC Aug. 11, 1997); *The Notice of Lake Village Water Association, Inc., of a Tariff Amendment Adjusting Rates and Imposing Construction Surcharge*, Case No. 89-075 (Ky. PSC Jan. 29, 1990); *The Application of the Muhlenberg County Water District, A Water District Organized Pursuant to Chapter 74 of the Kentucky Revised Statutes for a General Adjustment of Rates and Revision of Rates*, Case No. 9262 (Ky. PSC Oct. 9, 1985); *The Notice By Lake Village Water Association, Inc. of A Tariff Amendment Adjusting Rates; Notice of Tariff Amendment Imposing A Temporary Special Rule To Limit The Availability of Water Service Connections; Application For A Certificate of Public Convenience and Necessity; Application For Authority To Issue A Promissory Note and Mortgage To the Farmers Home Administration; and Application and Request That It Be Included In the Demonstration Project to Define Excessive Water Loss*, Case No. 9290 (Ky. PSC Dec. 30, 1985)

Additional 1,000 Meters. The District proposes to purchase an additional 1,000 meters to replace existing meters and to return the District to compliance with the meter testing requirements of 807 KAR 5:066, Section 16. See **Exhibits N-4e through N-4g.**

Water Listening Devices and Leak Loggers. The District's leak detection equipment was purchased in 2005 and has limited capabilities. The District proposes to obtain a more sensitive and accurate acoustical listening device. It also proposes to purchase water loggers to located in meter zones experiencing higher than normal water usage to acoustically detect leaks. See **Exhibits N-4h through N-4k.**

Pumps and Generator. The District proposes to purchase 10 pumps and one portable generator to ensure system resiliency and continuity of service and to prevent potential water loss due to pumping and power failures. See **Exhibits N-4i and N-4m.**

Meter Bench and Meter Building. The District's current meter building is poor condition and its meter test bench can test only four meters at one setting. These conditions have contributed to the failure to meet meter testing requirements. The District proposes to either construct a new meter facility or renovate existing facility and to acquire a new test bench capable of testing twelve meters concurrently. See **Exhibits N-4n and N-4o.**

Trucks. The District proposes to purchase two trucks for use in leak detection and repair work. The estimated cost for the trucks includes a contingency to account for potential increases due to supply chain problems. The District's current vehicle fleet is old and has significant mileage. See **Exhibits N-4p.**

Additional Employees. The District proposes to hire at the earliest possible date two part-time employees whose sole assignment will be leak detection and repair. The employees are expected to work approximately 30 hours per week for 50 weeks per year at a starting hourly wage of \$15.00. Estimated annual cost of \$48,442.50 includes federal payroll taxes.

Depending upon the results achieved and other circumstances, the District may modify its list of proposed expenditures. As previously noted, all expenditures must receive prior Public Service Commission approval.

# **EXHIBIT N-2**

# PUBLIC SERVICE COMMISSION

*Emailed 3/19/21  
Erin Dinges, PSC,  
Ashley Bowen*

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	31,851,300	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>31,851,300</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	13,061,500	
8	Commercial	385,300	
9	Industrial	2,570,800	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	407,600	
13	<b>TOTAL WATER SALES</b>	<b>16,425,200</b>	51.6%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	14,350	
19	Fire Department	900	
20	Other <u>meter testing</u>	30,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>45,250</b>	0.1%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	4,224,200	
26	Line Leaks	11,156,650	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>15,380,850</b>	48.3%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>48.3%</b>

# PUBLIC SERVICE COMMISSION

*Emailed 4/21/21  
Erin Danges, PSC,  
Ashley Bowen*

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	34,871,700	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>34,871,700</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	14,971,900	
8	Commercial	287,300	
9	Industrial	3,014,500	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>churches, schools, fire departments</u>	610,300	
13	<b>TOTAL WATER SALES</b>	<b>18,884,000</b>	54.2%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	164,110	
19	Fire Department	-	
20	Other <u>Meter Testing</u>	30,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>194,110</b>	0.6%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows	250,000	
25	Line Breaks	3,264,000	
26	Line Leaks	12,279,590	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>15,793,590</b>	45.3%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	<b>Unaccounted-For Water (Line 28 divided by Line 4)</b>	<b>45.3%</b>	

Emailed 5/24/21  
 Erin Donges  
 PSC  
 Ashley Bowen

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	33,277,100	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>33,277,100</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	14,444,000	
8	Commercial	367,800	
9	Industrial	2,262,800	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	427,000	
13	<b>TOTAL WATER SALES</b>	<b>17,501,600</b>	52.6%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	173,700	
19	Fire Department	13,300	
20	Other <u>Meter Testing</u>	50,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>237,000</b>	0.7%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	3,987,700	
26	Line Leaks	11,550,800	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>15,538,500</b>	46.7%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>46.7%</b>

*6/18/21  
Emailed  
Erin Danges  
PSC & Ashley Bowen*

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	36,653,300	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>36,653,300</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	15,567,500	
8	Commercial	509,800	
9	Industrial	2,713,900	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	503,700	
13	<b>TOTAL WATER SALES</b>	<b>19,294,900</b>	52.6%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	54,000	
19	Fire Department	6,000	
20	Other _____		
21	<b>TOTAL OTHER WATER USED</b>	<b>60,000</b>	0.2%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	1,796,900	
26	Line Leaks	15,501,500	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>17,298,400</b>	47.2%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>47.2%</b>



# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

*Emailed 7/14/21  
Erin Danges  
PSC  
Ashley Bowen*

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	31,556,700	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>31,556,700</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	16,436,400	
8	Commercial	441,500	
9	Industrial	1,882,600	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	405,800	
13	<b>TOTAL WATER SALES</b>	<b>19,166,300</b>	60.7%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	65,225	
19	Fire Department	3,000	
20	Other <u>Testing</u>	20,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>88,225</b>	0.3%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	2,738,100	
26	Line Leaks	9,564,075	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>12,302,175</b>	39.0%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>39.0%</b>

# PUBLIC SERVICE COMMISSION

*Emailed:  
Erin Donges,  
PSC  
Ashley Bowen  
8/19/21*

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	32,241,110	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>32,241,110</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	17,055,500	
8	Commercial	475,400	
9	Industrial	2,356,800	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	351,600	
13	<b>TOTAL WATER SALES</b>	<b>20,239,300</b>	62.8%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	60,850	
19	Fire Department	16,100	
20	Other <u>Meter Testing</u>	25,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>101,950</b>	0.3%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	3,600,260	
26	Line Leaks	8,299,600	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>11,899,860</b>	36.9%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)	<b>36.9%</b>	

9/16/21  
 Emailed:  
 Erin Donges  
 PSC  
 Ashley Bowen

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>	
2	Water Produced	
3	Water Purchased	29,902,900
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>29,902,900</b>
5		
6	<b>WATER SALES</b>	
7	Residential	17,607,100
8	Commercial	410,100
9	Industrial	2,917,700
10	Bulk Loading Stations	348,900
11	Wholesale	
12	Other Sales <u>schools, fire departments, churches</u>	-
13	<b>TOTAL WATER SALES</b>	<b>21,983,800</b> 71.2%
14		
15	<b>OTHER WATER USED</b>	
16	Utility and/or Water Treatment Plant	
17	Wastewater Plant	
18	System Flushing	53,850
19	Fire Department	30,000
20	Other <u>Pumphouse</u>	20,000
21	<b>TOTAL OTHER WATER USED</b>	<b>103,850</b> 0.3%
22		
23	<b>WATER LOSS</b>	
24	Tank Overflows	-
25	Line Breaks	2,060,800
26	Line Leaks	6,454,450
27	Other _____	-
28	<b>TOTAL LINE LOSS</b>	<b>8,515,250</b> 28.5%
29		
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4	
31		
32	<b>WATER LOSS PERCENTAGE</b>	
33	Unaccounted-For Water (Line 28 divided by Line 4)	<b>28.5%</b>

10/22/21  
 emailed  
 Erin Danges  
 PSC  
 Ashley Bowen

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	30,358,200	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>30,358,200</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	15,219,900	
8	Commercial	413,200	
9	Industrial	2,130,000	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	268,900	
13	<b>TOTAL WATER SALES</b>	<b>18,032,000</b>	59.4%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	63,100	
19	Fire Department	9,400	
20	Other <u>Meter Testing</u>	20,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>92,500</b>	0.3%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	4,138,920	
26	Line Leaks	8,094,780	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>12,233,700</b>	40.3%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>40.3%</b>

# PUBLIC SERVICE COMMISSION

*Emailed  
Erin Danges  
PSC  
Ashley Gowen  
11/24/2021*

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	27,896,100	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>27,896,100</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	14,897,900	
8	Commercial	365,000	
9	Industrial	1,545,000	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	348,600	
13	<b>TOTAL WATER SALES</b>	<b>17,156,500</b>	61.5%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	127,525	
19	Fire Department	3,250	
20	Other <u>Testing meters</u>	20,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>150,775</b>	0.5%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows	75,000	
25	Line Breaks	2,771,640	
26	Line Leaks	7,742,185	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>10,588,825</b>	38.0%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>38.0%</b>

12/16/21  
 Emailed: Erin Dwyer  
 PSC, Ashley Bowen

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	29,364,530	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>29,364,530</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	14,653,200	
8	Commercial	406,600	
9	Industrial	1,686,300	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	488,300	
13	<b>TOTAL WATER SALES</b>	<b>17,234,400</b>	58.7%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	28,900	
19	Fire Department	1,500	
20	Other <u>Meter Testing</u>	40,000	
21	<b>TOTAL OTHER WATER USED</b>	<b>70,400</b>	0.2%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	2,588,440	
26	Line Leaks	9,471,290	
27	Other _____		
28	<b>TOTAL LINE LOSS</b>	<b>12,059,730</b>	41.1%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>41.1%</b>

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: Big Sandy Water District

For the Month of: November Year: 2021

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	33,191,100	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>33,191,100</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	14,573,000	
8	Commercial	442,300	
9	Industrial	2,748,800	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>schools, churches, fire departments</u>	264,100	
13	<b>TOTAL WATER SALES</b>	<b>18,028,200</b>	54.3%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	288,650	
19	Fire Department	21,000	
20	Other _____		
21	<b>TOTAL OTHER WATER USED</b>	<b>309,650</b>	0.9%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks	4,817,680	
26	Line Leaks	10,015,570	
27	Other <u>Meter Testing</u>	20,000	
28	<b>TOTAL LINE LOSS</b>	<b>14,853,250</b>	44.8%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>44.8%</b>

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)	
1	<b>WATER PRODUCED, PURCHASED &amp; DISTRIBUTED</b>		
2	Water Produced		
3	Water Purchased	34,314,850	
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>34,314,850</b>	
5			
6	<b>WATER SALES</b>		
7	Residential	15,871,300	
8	Commercial	438,000	
9	Industrial	1,870,000	
10	Bulk Loading Stations		
11	Wholesale		
12	Other Sales <u>churches, schools, fire departments</u>	246,600	
13	<b>TOTAL WATER SALES</b>	<b>18,425,900</b>	53.7%
14			
15	<b>OTHER WATER USED</b>		
16	Utility and/or Water Treatment Plant		
17	Wastewater Plant		
18	System Flushing	151,620	
19	Fire Department	26,000	
20	Other _____		
21	<b>TOTAL OTHER WATER USED</b>	<b>177,620</b>	0.5%
22			
23	<b>WATER LOSS</b>		
24	Tank Overflows		
25	Line Breaks		
26	Line Leaks	15,691,330	
27	Other <u>meter testing</u>	20,000	
28	<b>TOTAL LINE LOSS</b>	<b>15,711,330</b>	45.8%
29			
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4		
31			
32	<b>WATER LOSS PERCENTAGE</b>		
33	Unaccounted-For Water (Line 28 divided by Line 4)		<b>45.8%</b>



# **EXHIBIT N-3**

AREA Entire Service Territory

PSC KY NO. 1

30th Revised SHEET NO. 2

Big Sandy Water District No. 1

CANCELLING PSC KY NO. 1

29 Revised SHEET NO. 2

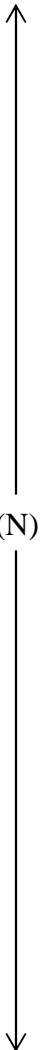
RATES AND CHARGES

**Water Loss Detection and Control Program Surcharge**

Water Loss Detection and Control Program Surcharge \$6.15 Monthly Per Bill

Big Sandy Water District (“the District”) shall assess the Water Loss Detection and Control Program Surcharge to all customers for service rendered on and after the effective date for a period of 60 months subject to the following conditions:

1. No later than 90 days after the effective date, the District shall submit to the Public Service Commission a comprehensive unaccounted-for water loss reduction plan and a time schedule for elimination of the sources of unaccounted-for water loss.
2. The District will deposit and maintain all surcharge proceeds in a separate, interest-bearing account.
3. Beginning the second month following the effective day and continuing for the next 59 months or until all surcharge proceeds are expended, whichever occurs later, the District shall file with the Commission a monthly activity report, which includes a statement of monthly surcharge billings and collections; a monthly surcharge bank statement; a list of each payment from the account, its payee and a description of its purpose; and invoices supporting each payment, no later than the 15<sup>th</sup> day of the following month.
4. Beginning for the month following the effective date and continuing for the next 59 months or until all surcharge proceeds are expended, whichever occurs later, the District file with the Commission a water loss report for the month no later than the 15th day of the following month.
5. Surcharge proceeds may not be used for expenses incurred prior to effective date except to replenish the District’s reserve depreciation fund for the purchase of metering equipment in 2020.
6. The Surcharge shall be billed as a separate line item on all customer bills.



DATE OF ISSUE \_\_\_\_\_  
MONTH / DATE / YEAR

DATE EFFECTIVE \_\_\_\_\_  
MONTH / DATE / YEAR

ISSUED BY /s/Paul Thomas  
SIGNATURE OF OFFICER

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. 2022-00044 DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 1

26th Revised SHEET NO. 3

Big Sandy Water District No. 1

CANCELLING PSC KY NO. 1

25th Revised SHEET NO. 3

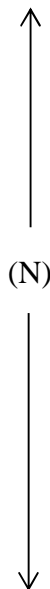
**RATES AND CHARGES**

7. The District shall obtain Public Service Commission approval for the use of surcharge proceeds for a specific water loss control activity prior to the expenditure of surcharge proceeds for such activity.

8. Each year following the effective date of the surcharge, the District shall submit to the Public Service Commission a schedule of the estimated and actual progress of its Water Loss Detection and Repair Program and the estimated and actual surcharge expenditures.

9. Should the District fail to reduce its unaccounted-for water loss level to fifteen (15) percent or less of total water produced and purchased, excluding water used by the District in its own operations within 60 months of the effective date, the District may request an extension of the period in which the surcharge may be assessed and collected.

The District' failure to comply with these conditions will result in termination of the Water Loss Detection and Control Program Surcharge and refund of all surcharge proceeds in the District's possession or control and of all proceeds disbursed for expenses or projects not approved by the Public Service Commission.



DATE OF ISSUE \_\_\_\_\_  
MONTH / DATE / YEAR

DATE EFFECTIVE \_\_\_\_\_  
MONTH / DATE / YEAR

ISSUED BY /s/Paul Thomas  
SIGNATURE OF OFFICER

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. 2022-00044 DATED \_\_\_\_\_

# **EXHIBIT N-4**

# **EXHIBIT N-4a**



Neptune Equipment Company  
 11082 Southland Road  
 Cincinnati, OH 45240-3713  
 UNITED STATES  
 (513)-851-8008

PAGE 1

INVOICE DATE 2/11/2020  
 INVOICE NO 142308

S BIG010  
 O BIG SANDY WATER  
 L 18200 KY. RT #3  
 D CATLETTSBURG, KY 41129  
 T  
 O

S 000001  
 H BIG SANDY  
 I 18200 KY. RT #3  
 P CATLETTSBURG, KY 41129  
 T  
 O

TOTAL DUE 26,122.00

SLS1	SLS2	DUE DATE	DISC DUE DATE	ORDER NO	ORDER DATE	SHIP NO
BH		3/12/2020	2/11/2020	00020570	1/24/2020	

TERMS DESCRIPTION	CUSTOMER PO NO	SHIP VIA	SHIP DATE
n/30	RM0120	XPO 2/5/20	2/11/2020

ITEM ID	TX CL	UNITS	ORDERED	SHIPPED	UNIT PRICE	EXTENSION
W5/8X3/4 GPROi PIT BIG S 5/8X3/4 T-10 PROCODER)R900i PIT GAL 39688139-8238 PLASTIC BOTTOM CAP 6' ANTENNA	0	EA	100.0000	100.0000	198.7200	19,872.00
WP 13442-200 R900 V4 PIT MIU 6' ASSY COMPLETE	0	EA	50.0000	50.0000	125.0000	6,250.00
WP 8340-069 5/8" T-10 BOTTOM CAP GASKET	0	EA	100.0000	0.0000	0.4600	0.00

1-1/2% CHARGE PER MONTH ADDED AFTER 30 DAYS!

TAXABLE	NONTAXABLE	FREIGHT	SALES TAX	MISC	TOTAL
0.00	26,122.00	0.00	0.00	0.00	26,122.00
TOTAL DUE					26,122.00



Neptune Equipment Company  
 11082 Southland Road  
 Cincinnati, OH 45240-3713  
 UNITED STATES  
 (513)-851-8008

PAGE 1

INVOICE DATE 2/11/2020  
 INVOICE NO 142309

SOLD TO  
 BIG010  
 BIG SANDY WATER  
 18200 KY. RT #3  
 CATLETTSBURG, KY 41129

SHIP TO  
 000001  
 BIG SANDY  
 18200 KY. RT #3  
 CATLETTSBURG, KY 41129

TOTAL DUE 190,000.00

SLS1	SLS2	DUE DATE	DISC DUE DATE	ORDER NO	ORDER DATE	SHIP NO
BH		3/12/2020	2/11/2020	00020571	1/31/2020	

TERMS DESCRIPTION	CUSTOMER PO NO	SHIP VIA	SHIP DATE
n/30	JBLANTON0120	XPO 2/6/20	2/11/2020

ITEM ID	TX CL	UNITS	ORDERED	SHIPPED	UNIT PRICE	EXTENSION
W5/8X3/4 GPROi PIT BIG S 5/8X3/4 T-10 PROCODER)R900i PIT GAL 39692483-3482 PLASTIC BOTTOM CAP 6' ANTENNA	0	EA	1,000.0000	1,000.0000	190.0000	190,000.00

1-1/2% CHARGE PER MONTH ADDED AFTER 30 DAYS!

TAXABLE	NONTAXABLE	FREIGHT	SALES TAX	MISC	TOTAL
0.00	190,000.00	0.00	0.00	0.00	190,000.00
<b>TOTAL DUE</b>					<b>190,000.00</b>

# **EXHIBIT N-4b**





United States Department of Agriculture

---

Rural Development

May 29, 2020

Morehead Area Office

220 West First Street  
Morehead, Kentucky  
40351

Voice 606.784.6447  
Fax 606.784.2076

Paul Thomas, Chairman  
Big Sandy Water District  
18800 State Route 3  
Catlettsburg, Kentucky 41129

RE: Authorization to Withdraw and Use Reserve Funds  
Big Sandy Water District

Dear Mr. Thomas,

In response to your letter of May 27, 2020, this letter authorizes Big Sandy Water District to withdraw \$100,000.00 from the Districts depreciation reserve account to be utilized to purchase water meters needed throughout the system as outlined in the letter.

The District is advised to continue to make scheduled deposits into the depreciation reserve account as required by the Districts Bond Ordances until the required deposit levels are achieved, and as funds become available.

Should you have any questions, contact Douglas Hoff of this office at 606-784-6447 ext 116.

Sincerely,

**DOUGLAS  
HOFF**

Digitally signed by  
DOUGLAS HOFF  
Date: 2020.05.29 10:42:36  
-04'00'

Elwood Howe  
Area Director.

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, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](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](mailto:program.intake@usda.gov).

# **EXHIBIT N-4c**

**BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING**

**MINUTES OF JANUARY 21, 2020**

**REGULAR MEETING**

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on Monday, January 21, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

**PRESENT COMMISSIONERS:**

- Paul Thomas
- Charles Shockey
- Bill Hardin
- Larry Shockey
- Darrell Bowling

**OTHERS:**

- Teresa Brown-BSWD
- Randy McDaniels-BSWD
- Doug Hoff-USDA/RD
- Roger Hall-Attorney
- Joe Sisler-Sisler-Maggard Engineering
- Kevin Sisler-Sisler-Maggard Engineering
- Tony Palarie-BP Pipeline
- Joe Palarie-BP Pipeline
- Tim Biliter-BP Pipeline
- Isaac Allen-Allen Construction

Motion made by Larry Shockey, seconded by Charlie Shockey to adjourn November 19, 2019. Motion carried.

**PROGRESS MEETING PHASE V**

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Nothing to report.

Kevin & Joe Sisler reported on Contract G-1-Pump Stations. Pump station on Highway 707, Quarry Branch, the slabs have been poured. Waiting on weather to clear up. Fullers Ridge Pump Station the existing line is not where it shows on the blue prints. Going to require the move of pump station some. This will require relocations of waterline by BSWD and C.O. of BP Pipeline.

Kevin & Joe Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has 2-4 crews working. They changed out 35 service lines the 1<sup>st</sup> month, 67 the 2<sup>nd</sup> month and 95 the 3<sup>rd</sup> month. Needmore Hollow –had to put in blow-off and valve.

Highway 581 bridge is closed. Highway Department will be replacing what we have in bid. KDOT said they would relocate the line at their expense within 2 years. Joe Sisler recommended therefore that this relocation be removed from project and save District money. Motion made by Darrell Bowling, seconded by Charlie Shockey to deduct change order #3 in the amount of \$47,857.09 and take out of project. There is a restocking fee for materials already ordered, he believes BSWD can keep and use some of the material. Motion carried.

Kevin & Joe Sisler reported on Contract I-1-Building. Received sewer permit from State with new specifications. Motion made by Charlie Shockey, seconded by Larry Shockey to approve quote from Harry Friley for sewer installation at \$7,310.00. Health Department required 2 septic tanks and pump. Motion carried. Allen Construction will be pouring concrete on Thursday or Friday. Allen Construction said they may request more time on contract due to different items coming up. Joe Sisler said this would be considered with change order.

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve pay request for Contract G-1 from BP Pipeline for \$51,712.45, Contract H-1 from BP Pipeline for \$37,440.45, Contract I-1 from Allen Construction for \$53,661.39 and Sisler-Maggard Engineering for \$9,756.71. Motion carried. Motion made by Darrell Bowling, seconded by Larry Shockey giving Paul Thomas authority to sign requisition from RD #4 for \$170,961.00 for interim financing from KRWFC. Motion carried.

#### **PUBLIC PARTICIPATION**

Linda & Steven Williams from Savage Branch stated they called the water company on 01/27/20 because of low pressure problem which meant they were not able to shower or do laundry. BSWD went over there and told her she had a leak. Ms. Williams had a plumber come and he informed her that it was Big Sandy's leak. Randy McDaniels confirmed there was a problem on BSWD side. They would like to be reimbursed the plumber's cost. Motion made by Darrell Bowling, seconded by Charlie Shockey to give her a credit of \$176.00 on her account. Motion carried.

#### **MINUTES APPROVED**

The minutes of the December 17, 2019 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Larry Shockey. Motion carried.

#### **BILLS**

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### **REPORTS**

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Motion made by Darrell Bowling, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

## OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that building is completed but ground needs to be leveled. BSWD needs to get pumps put in so Service Pump can put in VFD.

PSC-Case No. 2019-00041—changed out 30 meters on ten year list. Motion made by Charlie Shockey, seconded by Larry Shockey to purchase 100 meters to work on 10 year meter list. Motion carried.

PSC-Case No. 2019-00187—haven't heard anything

Discussed CDP-MAPSYNC quote. We need to get another quote for GPS system.

## NEW BUSINESS

Motion made by Bill Hardin, seconded by Larry Shockey to leave commissioner office positions as they are:

- Paul Thomas—Chairman
- Bill Hardin—Vice-Chairman
- Darrell Bowling—Secretary
- Charlie Shockey—Treasurer
- Larry Shockey—Asst. Secretary & Asst. Treasurer

Motion carried.

Teresa informed commissioners that Kenova Water is able to supply us an additional 10 to 13 million gallons a month. We will valve water different direction in order to purchase more water from Kenova Water instead of City of Ashland. Our 5 year special rate (rate went from \$2.19 to 2.94 per thousand) with City of Ashland has expired and now is billed off their regular "out of town" bulk rate.

Rattlesnake Ridge Water is raising our rate from \$3.82 to \$4.30 per thousand gallon (12.57%). Motion made by Darrell Bowling, seconded by Charlie Shockey to do pass thru increase. Motion carried. Joe Sisler stated that SME was still designing and soliciting costs to install pump station and drop service from RRWD.

Charlie Shockey, Bill Hardin, Larry Shockey and Darrell Bowling will be attending training (PSC) on April 22<sup>nd</sup> at Jenny Wiley. Paul Thomas will be attending training (PSC) on June 16<sup>th</sup> at Carter Caves.

Motion made by Bill Hardin, seconded by Charlie Shockey to go into executive session for personnel. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to make Teresa Brown, General Manager, with a salary of \$75,000.00 a year. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to recess meeting at 12:25 p.m. until January 28<sup>th</sup> at 9:00 a.m.. Motion carried.

After recess, meeting was resumed on January 28<sup>th</sup> at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

#### PRESENT

Paul Thomas, Charlie Shockey, Bill Hardin, Larry Shockey and Darrell Bowling.

Motion made by Darrell Bowling, seconded by Larry Shockey to go into executive session. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to change Randy McDaniels to laborer at \$17.00 an hour and Rusty Austin to Maintenance Supervisor at \$19.00 an hour this will be effective February 3<sup>rd</sup>, 2020. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to recess meeting at 1:30 p.m. until January 30<sup>th</sup> at 8:00 a.m. Motion carried.

After recess, meeting was resumed on January 30<sup>th</sup> at 8:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

#### PRESENT

Paul Thomas, Charlie Shockey, Bill Hardin, Larry Shockey, Darrell Bowling, Teresa Brown, Jeremy Rogers, Danny Houston, Bill Brooks, Tom Cornwell, Rusty Austin and Randy McDaniels.

Paul Thomas informed employees of following changes:

Teresa Brown-General Manager

Randy McDaniels-Laborer

Rusty Austin-Maintenance Supervisor

Motion made by Darrell Bowling, seconded by Larry Shockey to purchase 1,000 meters to work on our 10 year or older meters (approximately 2,200) that need to be changed out and extend meter test bench adding 8 stations. We will be taking money out of Depreciation Account (with approval from RD) and our general funds. We will be

testing meters as we take meters out to put back in the ground, if they test good. Commissioners said to check with PSC for surcharge (how to apply and time frame) to put money back in Depreciation Account.

Commissioners stated we need to be going out at night to find leaks-making list of valves and exercising valves, schedules can be changed to accomplish this.

Motion made by Darrell Bowling, seconded by Charlie Shockey to have Joe Sisler get a quote to repair exposed line on E US 60 in Carter County. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to recess meeting at 9:25 a.m. Motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 2-18-20

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

# **EXHIBIT N-4d**



Account: SAV COMM 3852 Current Time: 01/14/22 12:41:32 PM

Current Balance: \$29,340.93  
 Accessible Funds: \$29,340.93

Date ▾	Ref/Check No	Description	Debit	Credit	Balance
12/31/2021		Interest Deposit		\$1.97	\$29,340.93
11/17/2021		Trsf from SBINTCHK 0591 Confirmation number 1117210732		\$4,500.00	\$29,338.96
10/14/2021		Trsf from SBINTCHK 0591 Monthly Deposit Confirmation number 1014210178		\$6,665.00	\$24,838.96
09/30/2021		Interest Deposit		\$1.16	\$18,173.96
09/17/2021		Trsf from SBINTCHK 0591 Loan Payment Confirmation number 917210248		\$1,935.00	\$18,172.80
08/19/2021		Trsf from SBINTCHK 0591 Confirmation number 819210517		\$1,000.00	\$16,237.80
07/16/2021		Trsf from SBINTCHK 0591 Loan Payment Confirmation number 716210580		\$3,750.00	\$15,237.80
06/30/2021		Interest Deposit		\$0.81	\$11,487.80
06/09/2021		Trsf from SBINTCHK 0591 Loan Payment Confirmation number 609210517		\$500.00	\$11,486.99
05/11/2021		Trsf from SBINTCHK 0591 Loan Payment Confirmation number 511210648		\$500.00	\$10,986.99
04/19/2021		Trsf from SBINTCHK 0591 Confirmation number 419211130		\$500.00	\$10,486.99
03/31/2021		Interest Deposit		\$0.66	\$9,986.99
03/26/2021		Trsf from BF BUS 3758 payment for amount borrowed Confirmation number 326210523		\$1,000.00	\$9,986.33
01/28/2021		Trsf from SBINTCHK 0591 Confirmation number 128210234		\$500.00	\$8,986.33
12/31/2020		Interest Deposit		\$0.61	\$8,486.33
12/23/2020	View Image	DEPOSIT <i>(Bank Error)</i>		\$100.00	\$8,485.72
12/14/2020		Trsf from SBINTCHK 0591 Confirmation number 1214200364		\$500.00	\$8,385.72
12/08/2020	View Image	PAY <i>(Bank Correction)</i>	-\$100.00		\$7,885.72
12/07/2020	View Image	PAY <i>(Bank Correction)</i>	-\$100.00		\$7,985.72
12/04/2020	View Image	DEPOSIT <i>(Bank Error)</i>		\$100.00	\$8,085.72
09/30/2020		Interest Deposit		\$1.22	\$7,985.72
08/24/2020		Transf to SBINTCHK 0228 Loan payments Confirmation number 824201245	-\$3,015.00		\$7,984.50
06/30/2020		Interest Deposit		\$1.37	\$10,999.50
03/31/2020		Interest Deposit		\$10.87	\$10,998.13
03/11/2020		Transf to BF BUS 0101 Meters Confirmation number 311200296	-\$100,000.00		\$10,987.26
03/02/2020		Trsf from SBINTCHK 0591 Monthly Transfer Confirmation number 302203907		\$450.00	\$110,987.26
02/03/2020		Trsf from SBINTCHK 0591 Monthly Transfer Confirmation number 203203626		\$450.00	\$110,537.26
<b>Totals:</b>		Transactions: 27	Debits: -\$103,215.00	Credits: \$22,468.67	

[View Image \\$100.00](#)

[View Image \\$100.00](#)

INDICATE WITH

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S

SIGN HERE FOR RECEIPT OF CASH

Date 1-24-20

SUB TOTAL

Name William Austin

LESS CASH RECEIVED

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

ACCOUNT NUMBER

11053852

NET DEPOSIT \$

100.00

⑆500⑆⑆00⑆2⑆

LEE GRAPHICS PRINTING & OFFICE SUPPLIES  
501 PARK 314  
COLUMBIA, SC 29201  
PHONE: 803-733-1111 FAX: 803-733-1112  
WWW.LEEGRAPHICS.COM

US BANK BANK OF AMERICA  
1000 REPUBLIC ROAD  
COLUMBIA, SC 29201

PLEASE LIST EACH CHECK SEPARATELY

BANK NUMBER DOLLARS CENTS

1			
2			
3			
4			
5			
6			
7			
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10			
11			
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16			
17			
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19			
20			
TOTAL			

⑆051904524⑆ 20201204  
City National Bank of WV  
Drawer# Trans#: 1300410002  
BIN: 764838910000009  
⑆051904524⑆ ⑆00000000⑆

UNIVERSAL DEBIT

YOUR  CHECKING ACCOUNT  SAVINGS ACCOUNT  CERTIFICATE OF DEPOSIT

DATE 12/4/20

REASON FOR ADJUSTMENT  
Error in deposit \$ 100  
12/4/20

APPROVED *[Signature]* DRAWN BY \_\_\_\_\_

Account Number

Teller Code

11053852

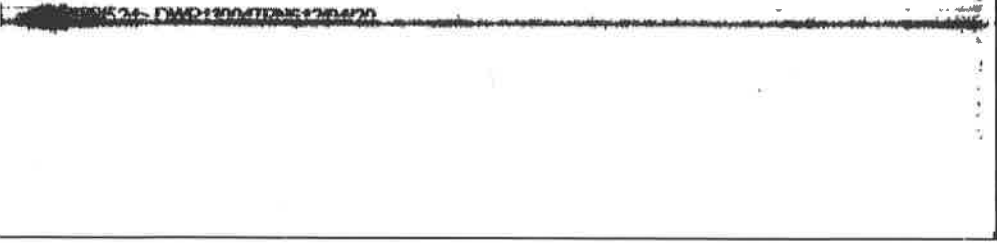
25

Amount

\$ 100

⑆50010095⑆

>051904524< 20201204  
City National Bank of WV  
Drawer/Trans#: 13004/0006  
HIN: 764358310000018



[View Image \\$100.00](#)

[View Image \\$100.00](#)

UNIVERSAL CREDIT

LEE BANKING PRINTING & OFFICE SUPPLIES

YOUR  CHECKING ACCOUNT  SAVINGS ACCOUNT  CERTIFICATE OF DEPOSIT

DATE 12-23-20

REASON FOR ADJUSTMENT

APPROVED \_\_\_\_\_ DRAWN BY \_\_\_\_\_

*Big Sandy Water*  
*Was already levied on 12/1/20*

Account Number 11053852      Term Code 3

Amount \$ 100.00

⑆5001⑆0099⑆

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City National Bank of WV  
Drawer#/Trans#: 13004/0030  
FIN: 766236910000072

<0051904524- DWB13004TRN20122320

UNIVERSAL DEBIT

YOUR  CHECKING ACCOUNT  SAVINGS ACCOUNT  CERTIFICATE OF DEPOSIT

DATE 12/5/20

REASON FOR ADJUSTMENT Deposit

APPROVED RD DRAWN BY

Wrong Acct #

Account Number

Tan Code

Amount

11053852

025

\$ 100.00

⑆5001⑆0095⑆

>051904524< 20201207  
City National Bank of WV  
Drawer#/Trans#: 13008/0003  
FIN: 76443889000006

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# **EXHIBIT N-4e**



Big Sandy Water  
18200 KY RT #3  
Catlettsburg, KY 41129

February 25, 2022

Jessica,

Per our conversation I am pleased to offer the discounted pricing on the 5/8x3/4" T-10 Neptune Pro-Coder)R900i Integrated Radio Meter for the meter exchange we discussed.

QTY	Complete Description and Specification	UNIT PRICE	TOTAL
1000	5/8x3/4" T-10 Neptune Meter, ProCoder)R900i Register, PIT, GAL, 6' Antenna	\$216.00	\$216,000.00

The meter as quoted comes complete with antenna for installation.

Thank you as always for your interest in our products and services. If you have any questions please do not hesitate to contact me.

Thanks,

Bill Howell  
NECO Water - KY  
502-424-5429  
[bhowell@necowater.com](mailto:bhowell@necowater.com)



# **EXHIBIT N-4f**





A PRODUCT SHEET OF NEPTUNE TECHNOLOGY GROUP

# T-10 Meter

SIZES  $\frac{5}{8}$ " ,  $\frac{3}{4}$ " , AND 1"

Every T-10® water meter meets or exceeds the latest AWWA C700 Standard. Its nutating disc, positive displacement principle has been time-proven for accuracy and dependability since 1892, ensuring maximum utility revenue.

## Construction

The T-10 water meter consists of three major assemblies: a register, a lead free, high-copper alloy maincase, and a nutating disc measuring chamber.

The T-10 meter is available with a variety of register types. For reading convenience, the register can be mounted in one of four positions on the meter.

The corrosion-resistant maincase will withstand most service conditions; internal water pressure, rough handling, and in-line piping stress.

The innovative floating chamber design of the nutating disc measuring element is unaffected by meter position or in-line piping stresses while the unique chamber seal extends the low-flow accuracy by sealing the chamber outlet port to the maincase outlet port. The nutating disc measuring element utilizes corrosion-resistant materials throughout and a thrust roller to minimize wear.

## Warranty

Neptune® provides a limited warranty for performance, materials, and workmanship. See warranty statement for details.

## Guaranteed Systems Compatibility

All T-10 water meters are guaranteed adaptable to our ProRead™, AutoDetect, ProCoder™, E-CODER®, E-CODER®)R900i™, E-CODER®)R450i™, ProCoder™)R900i™, TRICON®/S, TRICON/E®3, and Neptune meter reading systems without removing the meter from service.



## KEY FEATURES

### REGISTER

Magnetic-driven, low-torque registration ensures accuracy

Impact-resistant register

High-resolution, low-flow leak detection

Bayonet-style register mount allows in-line serviceability

Tamperproof seal pin deters theft

Date of manufacture, size, and model stamped on dial face

### LEAD FREE MAINCASE

NSF/ANSI 372, NSF/ANSI 61

Lifetime guarantee

Resists internal pressure stresses and external damage

Handles in-line piping variations and stresses

Provides residual value vs. plastic or composite

Electrical grounding continuity

### NUTATING DISC MEASURING CHAMBER

Positive displacement

Widest effective flow range for maximum revenue

Proprietary polymer materials maximize long-term accuracy

Floating chamber design is unaffected by meter position or in-line piping stresses

## Specifications

- NSF/ANSI 372, NSF/ANSI 61
- National Type Evaluation Program (NTEP) certification

### Application

- Cold water measurement of flow in one direction in residential service applications

### Maximum Operating Water Pressure

- 150 psi (1034 kPa)

### Maximum Operating Water Temperature

- 80°F

### Measuring Chamber

- Nutating disc technology design made from proprietary synthetic polymer

## Options

### Sizes

- $\frac{5}{8}$ " ,  $\frac{5}{8}$ " x  $\frac{3}{4}$ "
- $\frac{3}{4}$ " ,  $\frac{3}{4}$ " SL,  $\frac{3}{4}$ " x 1"
- 1" , 1" x 1 $\frac{1}{4}$ "

### Units of Measure:

- U.S. gallons, imperial gallons, cubic feet, cubic metres

### Register Types

- Direct reading: bronze box and cover (standard)

### Remote Reading:

- ProRead, ProCoder, E-CODER, E-CODER)R900i, E-CODER)R450i, ProCoder™)R900i™, TRICON/S, TRICON/E3

- Reclaim

### Bottom Caps

- Synthetic polymer ( $\frac{5}{8}$ " only)
- Cast iron
- Lead free, high-copper alloy

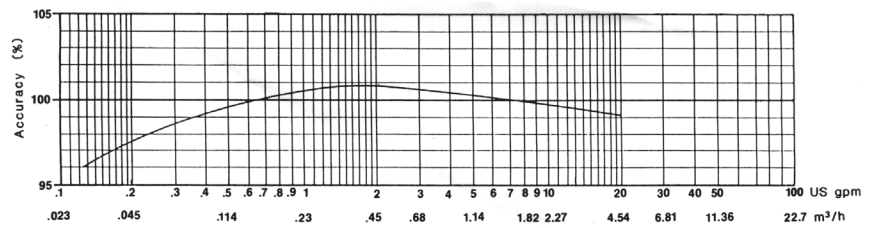
### Connections

- Lead free, high-copper alloy, straight or bent

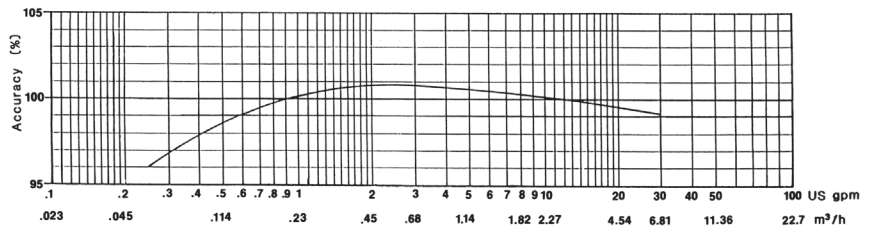
### Environmental Conditions

- Operating temperature:  
+33° F to +149° F (0° C to +65° C)
- Storage temperature:  
+33° F to +158° F (0° C to +70° C)

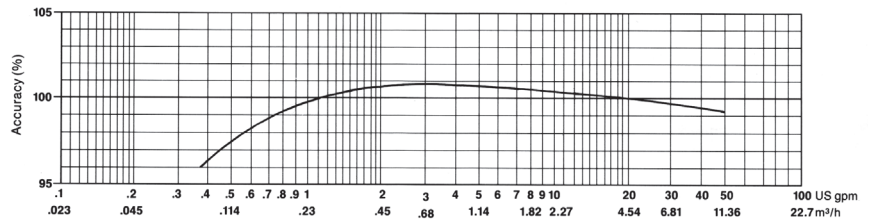
## $\frac{5}{8}$ " ACCURACY



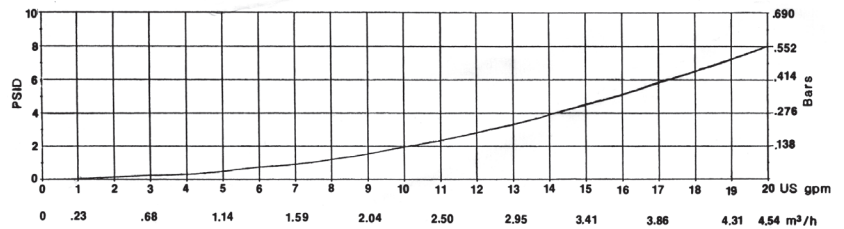
## $\frac{3}{4}$ " ACCURACY



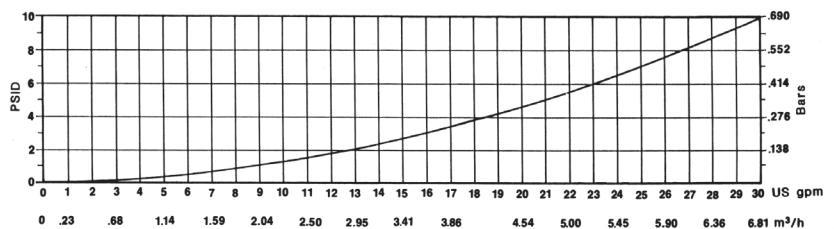
## 1" ACCURACY



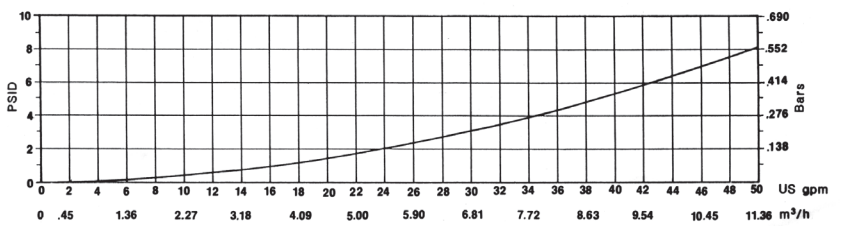
## $\frac{5}{8}$ " PRESSURE LOSS



## $\frac{3}{4}$ " PRESSURE LOSS



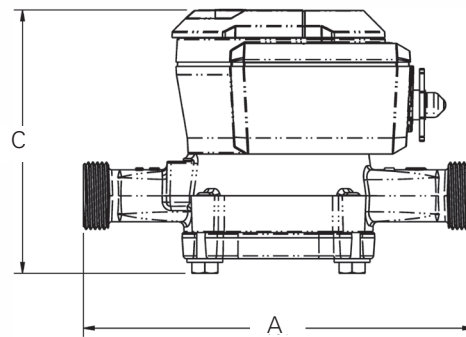
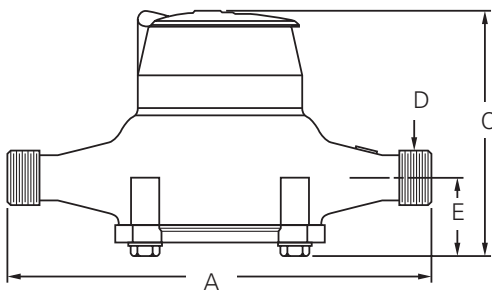
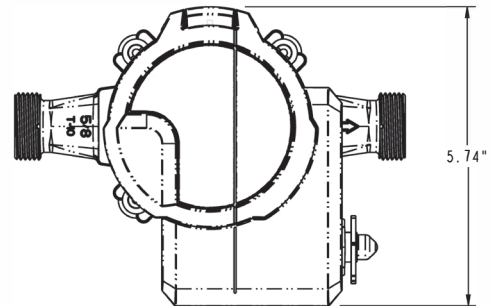
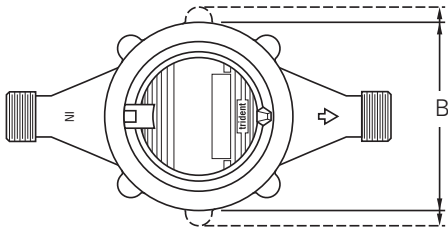
## 1" PRESSURE LOSS



These charts show typical meter performance. Individual results may vary.

## Dimensions

Meter Size	A	B	C					D-	E-	Weight lbs/kg
	in/mm	in/mm	Std. in/mm	ARB in/mm	ProCoder™ or E-CODER®	ProCoder™) R900i™ or ProCoder™) R450i™	E-CODER®) R900i™ or E-CODER®) R450i™	NPSM Thread	in/mm	
5/8"	7 1/2 191	3 5/8 92	4 3/8 111	5 1/4 133	5 1/4 133	5 1/4 133	5 1/4 133	3/4" - 14"	1 1/2 38	3 1/4 1.4
5/8" x 3/4"	7 1/2 191	3 5/8 92	4 3/8 111	5 1/4 133	5 1/4 133	5 1/4 133	5 1/4 133	1" - 11 1/2"	1 1/2 38	3 3/8 1.5
Pre 2011 5/8"	7 1/2 191	3 5/8 92	4 7/8 124	5 1/2 146	5 1/2 139	5 1/2 139	5 1/2 139	3/4" - 14"	1 5/8 41	3 3/4 1.7
Pre 2011 5/8" x 3/4"	7 1/2 191	3 5/8 92	4 7/8 124	5 1/2 146	5 1/2 139	5 1/2 139	5 1/2 139	1" - 11 1/2"	1 5/8 41	4 1.8
3/4"	9 229	4 3/8 111	5 1/2 140	6 1/4 159	6 1/4 159	6 1/4 159	6 1/4 159	1" - 11 1/2"	1 7/8 48	6 2.7
3/4" SL	7 1/2 191	4 3/8 111	5 1/2 140	6 1/4 159	6 1/4 159	6 1/4 159	6 1/4 159	1" - 11 1/2"	1 7/8 48	5 1/2 2.5
3/4" x 1"	9 229	4 3/8 111	5 1/2 140	6 1/4 159	6 1/4 159	6 1/4 159	6 1/4 159	1 1/4" - 11 1/2"	1 7/8 48	6 1/2 2.9
1"	10 3/4 273	6 1/2 165	6 3/8 162	7 178	7 178	7 178	7 178	1 1/4" - 11 1/2"	2 1/8 54	9 3/4 4.4
1" x 1 1/4"	10 3/4 273	6 1/2 165	6 3/8 162	7 178	7 178	7 178	7 178	1 1/2" - 11 1/2"	2 1/8 54	10 1/4 4.6



## Operating Characteristics

Meter Size	Normal Operating Range @ 100% Accuracy (+/- 1.5%)	AWWA Standard	Low Flow @ 95% Accuracy
5/8"	1/2 to 20 US gpm 0.11 to 4.55 m <sup>3</sup> /h	1 to 20 US gpm 0.23 to 4.5 m <sup>3</sup> /h	1/8 US gpm 0.03 m <sup>3</sup> /h
3/4"	3/4 to 30 US gpm 0.17 to 6.82 m <sup>3</sup> /h	2 to 30 US gpm 0.45 to 6.8 m <sup>3</sup> /h	1/4 US gpm 0.06 m <sup>3</sup> /h
1"	1 to 50 US gpm 0.23 to 11.36 m <sup>3</sup> /h	3 to 50 US gpm 0.68 to 11.4 m <sup>3</sup> /h	3/8 US gpm 0.09 m <sup>3</sup> /h

## Registration

ProRead Registration (per sweep hand revolution)		5/8"	3/4" & 1"
10	US Gallons	√	√
10	Imperial Gallons	√	√
1	Cubic Foot	√	√
0.1	Cubic Metre	√	√
Register Capacity ProRead, ProCoder, and E-CODER		5/8"	3/4" & 1"
10,000,000	US Gallons	√	√
10,000,000	Imperial Gallons	√	√
1,000,000	Cubic Feet	√	√
100,000	Cubic Metres	√	√
ProCoder and E-CODER High Resolution (8-digit reading)		5/8"	3/4" & 1"
0.1	US Gallons	√	√
0.1	Imperial Gallons	√	√
0.01	Cubic Feet	√	√
0.001	Cubic Metres	√	√



#winyourday  
neptunetg.com

Neptune Technology Group  
1600 Alabama Highway 229  
Tallahassee, AL 36078  
800-633-8754 f 334-283-7293

# **EXHIBIT N-4g**

# Easy Installation, Seamless Integration

Neptune® E-CODER®)R900i™



The Neptune® E-CODER®)R900i™ is designed as an all-in-one package – pairing absolute encoder technology with the reliable connectivity of any Neptune R900® System endpoint. The E-CODER register provides an easy-to-read LCD display combined with flexible AMR/AMI connectivity and is compatible with any Neptune mechanical meter. Integrated endpoints eliminate the hassle of wiring while reliably delivering accurate data to optimize system performance, improve customer service, and support water conservation initiatives.

- Eliminate the hassle of endpoint programming and wiring
- Flexible meter reading options with simultaneous AMR/AMI capabilities
- Peace of mind with access to 96 days of stored history
- Prevent tampering and environmental damage with no external wires
- Improve quality of service and billing accuracy with detailed consumption data
- Reduce inventory with an all-in-one register and endpoint package
- Pinpoint trouble areas quickly with flags that identify leaks, reverse flow, and tampering
- Streamline testing and onsite troubleshooting with on-screen flow rate and flags

## Endpoint Specifications

### Electrical Specifications

- Endpoint power: Lithium battery with capacitor

### Transmitter Specifications:

- Two-way endpoint
- Transmissions
  - Standard mobile message
  - Standard fixed network message
  - LoRa fixed network message (only on LoRaWAN model)
- Transmitter Channels:
  - 50 (R900 mobile and fixed network messages)
  - 64 (LoRa fixed network message)
- FCC Verification: Part 15.247
  - Channel Frequency: 902 to 928 MHz
  - Frequency hopping, spread-spectrum
- Meter Reading & Flag Interval:
  - Every 15 minutes
  - Leak, Backflow, Tamper
- Data Logging Interval:
  - 96 days of hourly data

### Environmental Conditions

- Operating Temperature: -22°F to +149°F (-30°C to +65°C)
- Storage Temperature: -40°F to +158°F (-40°C to +70°C)
- Operating Humidity: 100% condensing, fully submersible (Pit Set version only)

### Materials

- Register Housing:
  - Engineer polymer
  - Roll-sealed copper (Pit Set version only)
- Lens: Tempered Glass

## Resolution & Capacity

### High Resolution (8-digit reading)

	Size	G	ft <sup>3</sup>	m <sup>3</sup>
T-10 (Includes disc side of TRU/FLO)	5/8", 3/4", 1"	0.1	0.01	0.001
T-10 (Includes disc side of HPPIII)	1 1/2", 2"	1	0.1	0.01
HP Turbine (Includes FS Turbine, HPPIII, Turbine Side of TRU/FLO)	1 1/2", 2", 3", 4"	1	0.1	0.01
HP Turbine (Includes FS Turbine, HPPIII, Turbine Side of TRU/FLO)	6", 8", 10"	10	1	0.1

### Register Capacity

	Size	G	ft <sup>3</sup>	m <sup>3</sup>
T-10®(Includes disc side of TRU/FLO®)	5/8", 3/4", 1"	10,000,000	1,000,000	100,000
T-10 (Includes disc side of HPPIII)	1 1/2", 2"	100,000,000	10,000,000	1,000,000
HP Turbine (Includes FS Turbine, HPPIII, Turbine Side of TRU/FLO)	1 1/2", 2", 3", 4"	100,000,000	10,000,000	1,000,000
HP Turbine (Includes FS Turbine, HPPIII, Turbine Side of TRU/FLO)	6", 8", 10"	1,000,000,000	100,000,000	10,000,000

## Options

### Compatibility

- Available for every size Neptune mechanical meter
- Handhelds with belt clip transceiver – mobile RF
- Mobile data collector RF
- Gateway – fixed network RF
- LoRaWAN gateway – fixed network

### Units of Measure

- U.S. Gallons, Cubic Feet, Imperial Gallons, Cubic Metres

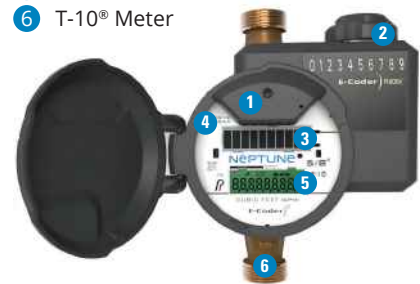
### Antennas

- Internal antenna (not available on LoRaWAN)
- Optional through-the-lid antenna
- 18" coax
- 6' coax
- 20' coax

## LCD Display

- 9-digit display for extra resolution on manual reads.

- 1 Internal Antenna
- 2 Optional Antenna Port
- 3 Solar Panel
- 4 Date of Manufacture
- 5 LCD Display
- 6 T-10® Meter



## Warranty

- Neptune provides a limited warranty for performance, materials, and workmanship. See warranty statement for details.



neptunetg.com  
#winyourday

Neptune Technology Group  
1600 Alabama Highway 229  
Tallahassee, AL 36078  
800-633-8754 f 334-283-7293

<b>FLOW INDICATOR</b> Shows the direction of flow through the meter: ON Water in use. OFF Water not in use. Flashing Water is running slowly. (-) Reverse flow. (+) Forward flow.	
<b>LEAK INDICATOR</b> Displays a possible leak: OFF No leak indicated. Flashing Intermittent leak indicates that water has been used for at least 50 of the 96 15-minute intervals during a 24-hour period. On Continuously Indicates water use for all 96 15-minute intervals during a 24-hour period.	
<b>RATE OF FLOW</b> Average flow rate is displayed every twelve seconds on LCD display.	RATE
<b>LCD DISPLAY</b> Nine-digit LCD displays the meter reading in billing units of measure: U.S. gallons, cubic feet, Imperial gallons, or cubic metres. 1 E-CODER basic reading/customary 6-digit remote reading 2 Customary sweep hand digits 3 E-CoderPLUS reading (8-digit remote reading) 4 Testing units used for diagnostics 5 Extended reading units 6 Customary billing units	

# **EXHIBIT N-4h**





CITCO Water  
 4034 ALTIZER AVE  
 HUNTINGTON, WV 25705  
 Phone 304-523-3484  
 Fax 304-523-0510



# Quotation

EXPIRATION DATE	QUOTE NUMBER
05/17/2022	S100179152
CITCO Water 4034 ALTIZER AVE HUNTINGTON, WV 25705 Phone 304-523-3484 Fax 304-523-0510	PAGE NO.
	1 of 1

QUOTE TO:

SHIP TO:

BIG SANDY WATER DISTRICT  
 18200 KENTUCKY RT 3  
 CATLETTSBURG, KY 41129

BIG SANDY WATER DISTRICT  
 18200 KENTUCKY RT 3  
 CATLETTSBURG, KY 41129

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
689	ACUSTIC LEAK DEVICES		Mark Underwood	
WRITER	SHIP VIA	TERMS	SHIP DATE	FREIGHT ALLOWED
Richie Porter	ASHLAND IRONTON	NET 30 DAYS	01/01/2023	No
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
1ea	^**DESIGNED FOR PVC** GUTERMANN AQUASCOPE 550 COMBO W/ GEOPHONE LISTENING STICK & TRIPOD FOOT		5156.000/ea	5156.00
<b>IMPORTANT NOTICE: DUE TO UNPRECEDENTED SUPPLY CHAIN DISRUPTIONS WE            ARE UNABLE TO PROVIDE FIRM PRICING FOR ANY LENGTH OF TIME. ALL PRICES            ARE SUBJECT TO CHANGE BASED ON AVAILABILITY AND MARKET PRICING AT            TIME OF SHIPMENT. THIS NOTICE SUPERCEDES ALL PREVIOUS TERMS.</b>			Subtotal	5156.00
			S&H Charges	0.00
			Amount Due	5156.00

# **EXHIBIT N-4i**



# AQUASCOPE 550<sup>®</sup>

Digital Acoustic Water Leak Locator

*The world's only acoustic listening device with 'Frequency Shifting' designed to locate hard to find leaks on plastic pipes.*



# AQUASCOPE 550®

Digital Acoustic Water Leak Locator



## Powerful and intelligent – hear the inaudible noise

The unique feature “Frequency Shifting” makes audible what was once not audible: It lifts otherwise inaudible low frequency noise (below 30 Hz) that is common for leaks in plastic pipes or large diameter pipes to a higher, readily audible frequency band.

Manual filters are user-programmable in blocks of 40Hz. A large graphical display transforms the crystal digital sound into a visual frequency spectrum showing a clear peak of the leak and aiding the advanced technician to pinpoint the most difficult leaks with ease.

## Simple operation and versatile for all situations

With only 2 buttons/dials on the control unit and 3 pre-set filter ranges, the operation of the AQUASCOPE 550 is very quick and easy. The amplifier can also be activated and de-activated with a trigger button directly on the microphone, leaving the other hand free to carry other tools. A twin headphone socket enables a second operator to listen in.

The “Minimum Level Profiling” function enables the operator to record leak values that are independent of passing traffic and other ambient noises. The AQUASCOPE 550 latches to the lowest noise recorded at each sounding. The last eight readings are displayed as bar chart showing the operator whether he is moving away from or closer to the leak.

## Built for frequent use and a long life

The AQUASCOPE 550 has an ergonomic design and a very solid, yet light-weight body that was designed specifically for utilities that are faced with the everyday challenge of finding leaks on plastic and large diameter pipes. The microphones are constructed of robust high-grade stainless steel and rubber for comfort and stability.

The AQUASCOPE 550 is highly reliable and virtually maintenance-free which makes it an extremely cost-effective product over its expected lifetime. GUTERMANN provides a 2-year factory warranty like on all other products from GUTERMANN.

## With ground microphone or electronic listening stick

The AQUASCOPE 550 comes with the choice of either a ground microphone or an electronic listening stick (hand probe), or as combined kit. The ground microphone ‘foot’ is robust, weather proof and acoustically shielded against non-leak interference. It is particularly suitable for leak surveys on flat grounds and roads. The versatile hand probe incorporates a handle and the same high-performance sensor as the ground microphone. It allows direct listening on fittings or – with a tripod foot magnetically attached to it – on soft grounds and on walls.

### System Configuration

#### Basic Configuration:

- 1 Amplifier with waist belt
- 1 Stereo headphones
- 1 Connecting cable
- 1 Operating manual
- 2 Year warranty

#### With Ground Microphone:

- 1 Ground microphone
- 1 Ground microphone rod

#### With Hand Probe:

- 1 Hand probe microphone
- 3 400mm probe rods
- 1 Tripod foot

#### Optional Accessory

- 1 Carry case
- 1 Aviation quality headphones
- 1 Pocket ground microphone kit

### Technical Specifications

Display mode

Amplification

Signal processing

Frequency shifting

Filters

Memory

Display

Operation

Power

Battery life

Operating temperature

Ingress protection

Dimensions

Weight

Simultaneously showing real time spectrum, signal and minimum noise

Greater than 100 dB

Very low noise preamplifiers with automatic gain

4 scales of frequency shifting

Three pre-set filters and manual filter for custom setting

Last 8 measurements

Transflective LCD with backlight

Waterproof rotary switch and on/off button

2 standard “C” or “LR14” alkaline batteries

25 hours with backlight off, 12.5 hours with backlight on

-20°C to +50°C (-4°F to +122°F)

Ground and hand probe microphones: IP67

Amplifier: 230 mm x 80 mm x 85 mm (9.1” x 3.1” x 3.3”)

Ground microphone: Ø 150 mm x 150 mm (Ø 5.9” x 5.9”)

Hand probe: Ø 35 mm x 200 mm (Ø 1.4” x 7.9”)

Amplifier: 1 kg (2.2 lbs) including batteries and carrying strap

Ground microphone: 1.6 kg (3.5 lbs)

Hand probe: 0.4 kg (0.9 lbs)



Gutermann AG  
Sihlbruggstrasse 140  
CH-6340 Baar, Switzerland  
T. +41 41 7606033  
F. +41 41 7606034  
E. info@gutermann-water.com  
W. gutermann-water.com

### Your Nearest Distributor

AUSTRALIA · CANADA · FRANCE · GERMANY · MALAYSIA · MEXICO · PERU · SWITZERLAND · UK · USA

# **EXHIBIT N-4j**



CITCO Water  
 4034 ALTIZER AVE  
 HUNTINGTON, WV 25705  
 Phone 304-523-3484  
 Fax 304-523-0510



# Quotation

EXPIRATION DATE	QUOTE NUMBER
02/28/2023	S100178542
CITCO Water 4034 ALTIZER AVE HUNTINGTON, WV 25705 Phone 304-523-3484 Fax 304-523-0510	PAGE NO.
	1 of 1

QUOTE TO:

SHIP TO:

BIG SANDY WATER DISTRICT  
 18200 KENTUCKY RT 3  
 CATLETTSBURG, KY 41129

BIG SANDY WATER DISTRICT  
 18200 KENTUCKY RT 3  
 CATLETTSBURG, KY 41129

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
689	ZONE PROJECT		Mark Underwood	
WRITER	SHIP VIA	TERMS	SHIP DATE	FREIGHT ALLOWED
Mark Underwood	ASHLAND IRONTON	NET 30 DAYS	03/13/2022	No
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
1ea	GUTERMAN ZS 820 ZONESCAN COMMUNICATION PACKAGE W/ COMMLINK, SOFTWARE, VEHICLE ANTENNA, TABLET & CASE		6800.000/ea	6800.00
30ea	GUTERMAN ZS 820 ZONESCAN CORRELATING RADIO LOGGERS INCLUDES HOSTINGFREE ZONESCAN ALL UPDATES PER MEASUREMENT POINT AND YEAR		850.000/ea	<del>25500.00</del> 5,100.00
1ea	GUTERMANN ONSITE TRAINING PER DAY		1250.000/ea	1250.00
432ea	GUTERMANN ZONESCAN.NET SUBSCRIPTION FEE (PER LOGGER PER MONTH) **3 YEARS OF SERVICE**		1.000/ea	432.00

IMPORTANT NOTICE: DUE TO UNPRECEDENTED SUPPLY CHAIN DISRUPTIONS WE ARE UNABLE TO PROVIDE FIRM PRICING FOR ANY LENGTH OF TIME. ALL PRICES ARE SUBJECT TO CHANGE BASED ON AVAILABILITY AND MARKET PRICING AT TIME OF SHIPMENT. THIS NOTICE SUPERCEDES ALL PREVIOUS TERMS.

Subtotal	33982.00
S&H Charges	0.00
Amount Due	<del>33982.00</del>

13,582.00

# **EXHIBIT N-4k**

# ZONESCAN 820

Correlating Radio Loggers

*Use correlating radio loggers to identify and pinpoint leaks with ease, display the loggers and the leaks on your smartphone or tablet and store the data on ZONESCAN Net.*





*GUTERMANN is pushing the boundaries of acoustic leak detection and bridges the gap between mobile and fixed approaches. The unique modularity of ZONESCAN works in your favour!*



**The global success story of ZONESCAN 820**

The ZONESCAN logger was the first correlating logger in the world, launched in 2001, and has been sold tens of thousands of times. Since then it has been re-engineered to perfection: it's become smaller, more sensitive and more robust. The interior does entirely without any cables and the degree of industrial miniaturisation is unmatched.

The ZONESCAN 820 logger is the only logger on the market with a proprietary radio module, designed in-house to perfectly fulfil the very high requirements of frequent outdoor use. At GUTERMANN we have a zero-tolerance policy for hardware failures. Needless to say, the loggers are IP68 protected.

**The ZONESCAN family is entirely modular**

Whether you use your ZONESCAN 820 loggers in a lift & shift, drive-by or fixed network (remote access) mode, you only ever buy one type of logger that can be used for all purposes. This allows you to change your work mode along the way or to add more loggers to your collection in the future.

The bi-directional radio connection allows us to help you upgrade your loggers' firmware at any time in order for you to be fully up to date with the latest technology.

The brand new ZONESCAN Smart management tool lets you export all your project data into ZONESCAN Net should you ever choose to manage your network and store all data "in the cloud" (see next page).

**30 times more sensitive thanks to correlation**

GUTERMANN invented the correlating logger in 2001. Today we know that pure noise logging produces too many false positives (false alarms) and false negatives (unidentified leaks). In busy cities there is just too much noise and electrical interference that renders noise level logging ineffective.

ZONESCAN 820 loggers can filter out ambient noises around the loggers (thanks to correlation) and electrical and mechanical sounds on the pipe (with advanced spectrum analysis) and identify real leaks.

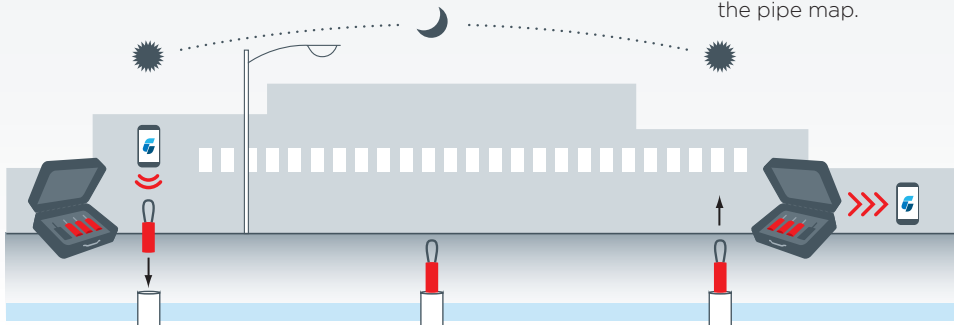
Another crucial benefit of correlation is the ability to automatically and accurately pinpoint the location of the identified leak. With your pipe data imported, the leak will be placed on the correct spot on the pipe map.

**ZONESCAN - the logger of worldwide reference**

The ZONESCAN 820 logger has become the leak noise logger of choice for many of the large European, Asian and US technology companies seeking to establish themselves as solution providers in leak detection. They have all chosen to align their own solutions with the ZONESCAN family of products.

The ZONESCAN product family is available in more radio frequencies than any other logger: fixed 868 MHz frequency in Europe and the Middle East, 916 MHz frequency in Australia and Israel, 925 MHz frequency in Japan or 915 MHz frequency with frequency hopping (spread spectrum) in North America, to name just the most important ones.

**Lift & Shift mode**



Scan & Deploy

Log Data Overnight

Collect, Read Out & Re-deploy

Download & Send (Optional)



### Lift & Shift mode (see illustration bottom left)

When the term "Lift & Shift" was first introduced by GUTERMANN engineers, this method of performing periodic leakage surveys in confined areas and collecting the data for subsequent analysis on the transport of the loggers from area A to area B was the most common way of using loggers. To this date, it is still a popular method for utilities that like to assign leakage teams to periodically check all areas of the pipe network for new leaks.

In Lift & Shift, the operator programmes the loggers before deploying them overnight and collecting them on the next day in order to download and review the collected data.

### Drive-by mode (see illustration bottom right)

In "Drive-by" mode the loggers remain permanently at their assigned locations in the pipe network. In periodic intervals at the utility's discretion the operator drives by the logger locations and the ZONESCAN Commlink automatically picks up the recorded data from the loggers. Up to 30 days' worth of logging can be stored, as well as one night's correlation data.

The Drive-by method is preferred by utilities who want to minimise the frequency of surveying specific areas and therefore reduce any leak runtime. They also want the option of drawing on longer historical data for each logger in order to analyse specific leak situations.



### ZONESCAN Smart for smart operators

ZONESCAN smart is revolutionising mobile leak detection as you know it. Java-based and available for all Android-run smartphones and tablets, it is the most advanced and user-friendly operating software for any mobile noise logger system. The convenient auto filter greatly improves your leak hit rate.

All relevant data (logger positions, leak positions, imported pipe data) and even your own current position are displayed on OpenStreetmap or Google Maps in the same clear and neat fashion as we know it from ZONESCAN net.

ZONESCAN smart can be used for both Drive-by and for Lift & Shift operation. And all data can be exported to your ZONESCAN Net project.

### Upgrade to Fixed Network Monitoring

If you already own ZONESCAN 820 loggers, you can upgrade them to fixed network monitoring ZONESCAN Alpha. Simply deploy them permanently on your pipe network and connect them via ZONESCAN repeaters and Alpha units to your cloud-based ZONESCAN Net account. And you won't ever have to leave your office again, except for leak repairs.

Our ZONESCAN smart and ZONESCAN net platforms are compatible. You can exchange data easily between them. Use ZONESCAN smart for maximum convenience in the field, and use ZONESCAN net for unlimited data storage, long-term correlation and data analysis and for sharing your network data within your organisation as well as extended reporting tools.

### Drive-by mode



Read Out & Re-programme



Download & Send (Optional)

# ZONESCAN 820

Correlating Radio Loggers

## Legend

1. Android-based tablet or smartphone (optional)
2. Car roof antenna
3. System Communication Link
4. ZONESCAN 820 Correlating Radio Loggers
5. Robust carrying case



*ZONESCAN 820 is the leading leak detecting and pinpointing logger system on the market. Can you afford to use anything else?*

## System configuration

- ZONESCAN 820 loggers
- 1 System Communication Link
  - 1 Software (ZONESCAN smart for Android tablets/phones or PC software)
  - 1 Car roof antenna
  - 1 User manual
  - 2 years factory warranty

## Accessories

- 1 robust carrying case for up to 40 loggers, the Commlink and accessories

## Technical specifications of the ZONESCAN 820 loggers

- |                     |   |
|---------------------|---|
| Casing:             | High-quality Aluminium casing (stainless steel casing upon request) |
| Ingress Protection: | IP68, submersible up to 2 meters                                    |
| Temperature range:  | -30°C to +70°C  |
| Battery life:       | Depending on user-specific usage, but optimised in firmware         |
| Dimensions:         | 100 mm x 41.5 mm (height x diameter)                                |
| Weight:             | 310 grams   |
| Data transmission:  | Proprietary radio, country-specific public frequency                |

## Software Features

### ZONESCAN smart:

- for smartphones or tablets with Android 2.3 or higher
- Visualisation of loggers and the current GPS position on the map
- Choice of Google Maps or OpenStreetMap Project map data
- no online data connectivity or SIM card required
- KML layers can be imported and displayed (e.g. pipe network or hydrants)
- Intelligent "Leak Score" facilitates the identification and distinction of real leak noises
- Data storage and backup on ZONESCAN net possible with an individual customer account
- Recorded sound signals can be replayed anytime
- Lifelong software updates

### ZONESCAN pc:

- Windows XP, Vista, 7, 8 (32 and 64 bit)
- Detailed visualisation and analysis of noise histograms, sound spectra and correlations
- automatic correlation of all ZONESCAN loggers in the specific project
- Export of measurement data as KML file for subsequent visualisation of the results in Google Earth
- Project import and export for a simple exchange and backup of measurements



Gutermann AG  
Sihlbruggstrasse 140  
CH-6340 Baar, Switzerland  
T. +41 41 7606033  
F. +41 41 7606034  
E. info@gutermann-water.com  
W. gutermann-water.com

## Your Nearest Distributor

# **EXHIBIT N-4I**

---

attention Jimmy Blanton

---

**From :** Ron Keesee <ronkeesee@servicepump.com>

Mon, Feb 21, 2022 07:01 PM

**Subject :** attention Jimmy Blanton

**To :** Big Sandy Water District <bdistrict@windstream.net>

**Cc :** Leslie Knipp <leslieknipp@servicepump.com>, Charlie McKenzie <charliemckenzie@servicepump.com>

- frank drive pump & motor \$7k
- frank drive vfd \$5k
- ced gap pump & motor \$10k
- ced gap drive \$5k
- raven rock pump & motor \$7k
- raven rock vfd \$7k
- point section pump & motor \$10k
- point section vfd \$5k
- fuller ridge pump & motor \$7k
- fuller ridge vfd \$7k
- whites creek pump & motor \$26k
- whites creek vfd \$13k
- burnaugh pump & motor \$10k
- burnaugh vfd \$5k
- deep hole pump & motor \$7k
- deep hole vfd \$7k
- coalton pump & motor \$10k
- coalton vfd \$5k
- rt-707 pump & motor \$10k
- rt-707 vfd \$5k

Jimmy

Here are the estimates.

Again, these are not solid numbers as we discussed.

Call me if you need anything else. Thanks

--

Regards,

Ron Keesee  
Service Pump & Supply  
1111 Vernon Street  
Huntington WV 25704

**P** 304-429-6731

**C** 304-638-6735

**F** 304-429-3005

**E** [ronkeesee@servicepump.com](mailto:ronkeesee@servicepump.com)

**W** [www.servicepump.com](http://www.servicepump.com)

# **EXHIBIT N-4m**



2/18/2022

Attn: Jim Blanton  
606-831-1223 bdistrict@windstream.net

Quote: 31032732

**Re: Big Sandy Water**

Boyd Cat is pleased to present you with the following quotation for the portable generator project:

Model: XQ125BM  
Quantity: 1  
Rating: 100 KW  
Frequency: 60 Hz

**The following features will be included:**

Generator Description
PRIME POWER
EPA/CARB TIER 4F EMISSION CERT
60 Hz, 100 kW
480V 60 HZ (XQ125)
125C TEMP RISE OVER 40C AMB
STANDARD ALTERNATOR
EMCP4.2B CONTROL PANEL
STANDARD GOVERNOR
DFA CONTRACT NUMBER
3POLE CB
STANDARD BASE
TRAILER ELECTRIC BRAKES
HITCH PINTLE
STANDARD ENCLOSURE
STANDARD RADIATOR
STANDARD MUFFLER
INTEGRATED VOLTAGE REGULATOR
IVR12 PERMANENT MAGNET
ALT SPACE HEATER
WET BATTERY (B1W)
BATTERY CHARGER UL10A 120VAC
3 PHASE NEMA LOCK RECEPTACLE
STD Connection Group
JACKET WATER HTR XQ35/60/125BM
STANDARD TEST REPORT

**Dealer provided components and services:**

Description
Start-up and Training by a Boyd Cat Technician

**BOYD CAT**

12251 US 60  
Ashland, Kentucky 41102  
606-928-3444

**BOYD****CAT**

**Total Price: USD 89,668.** Boyd Cat Terms and Conditions Apply. Net 30 with approved credit, 1.5% per month to the unpaid balance. This proposal is valid for 30 days. Federal, State and Local taxes are not included. Unloading and installation is not included unless specifically described.

**Availability & Lead Times:**

Drawings/submittals are typically available 2 to 4 weeks after receipt of purchase order. The current factory lead time is 60 to 63 weeks after approval and release of order. Lead times are set using factory forecasts, supplier lead times, and production time. Lead times are subject to change and should be used as a guide only. If you have specific concerns regarding equipment lead times please contact me to discuss.

The Covid-19 pandemic has created a sudden shortage of many raw materials, parts, and labor for industry all around the world. The prices and delivery times stated in this offer are based upon best information available at the time. During this period of shortages, Boyd Cat will do all that it reasonably can to maintain the prices and delivery times contained in this offer. The global supply chain shortages are outside of our control and the control of our suppliers, vendors, and partners.

Please be advised that the services of a Boyd Cat product support representative will be available for technical assistance if needed during the installation of this equipment. We will also arrange to provide start-up of the unit and instruct personnel at the job site in its operation and maintenance. We appreciate the opportunity to work with you on this project and look forward to receipt of your valuable order.

Thank you,

Kenneth Combs  
Electric Product Representative  
606-233-4040  
KennethCombs@BoydCat.com

**Clarifications:**

Any NETA or other third-party testing, and/or infrared site testing and/or electrical coordination study specified is NOT included and is to be provided by others. Site start-up, testing and training are provided during normal working hours, Monday-Friday. Premium hours to include weekends, holidays, and/or overtime, are NOT included unless otherwise specified in our proposal. Fuel is not included. Boyd Cat reserves the right to correct errors or omissions in the offered scope.

**BOYD CAT**

12251 US 60  
Ashland, Kentucky 41102  
606-928-3444



# **EXHIBIT N-4n**



**PROJECT COST ESTIMATE**  
**Big Sandy Water District**  
**METER BUILDING**

Item No.	DESCRIPTION	UNIT QUANTITY	UNIT	UNIT PRICE	EXTENDED PRICE
1)	Concrete Block / Metal Roof Building 24' x 32' = 768 S.F.	768	SF	\$175	\$134,400.00
<b>Subtotal</b>					<b>\$134,400.00</b>

**CONSTRUCTION COST ESTIMATE = \$134,400.00**  
 CONTINGENCY +/- 10% = \$11,700.00  
**TOTAL CONSTRUCTION COST ESTIMATE = \$146,100.00**  
  
 SME Design (R.D. \$18,144 - Use) = \$9,400.00  
 Resident Inspection (R.D. \$16,800 Part Time - Use) = \$8,000.00  
 Architect = \$7,650.00  
 Mechanical / Electrical / Plumbing Engineer = \$8,850.00  
  
**Total Project Cost = \$180,000.00**

# **EXHIBIT N-4o**

C O N S O L I D A T E D P I P E A N D S U P P L Y C O . , I N C .  
C U S T O M E R Q U O T E

907 Honeybranch Ind Park  
DEBORD KY 41214

Quote Nbr: 309349 000  
Quote Date: 2/22/2022

Page 1

Job: 12 BAY TEST BENCH

Phone: 606-298-0333  
Fax: 606-298-0299  
Toll Free: 866-350-4582

280252 - BIG SANDY WATER DIST  
18200 STATE ROUTE 3  
CATLETTSBURG KY 41129

Good Until: 6/30/2022  
To: JIM BLANTON  
Fax: 6069288454

Qty	Size/Wall/Description	Price	Extended Price
1.0	12 BAY INDIANAPOLIS STYLE METER TEST BENCH LEFT-RIGHT  PLEASE NOT THAT THIS BENCH DOES NOT INCLUDE THE 10 GAL  AND 100 GAL TEST TANKS. CUSTOMER USING EXISTING  TANKS	27,815.00 EA	27,815.00
Total:			27,815.00

# **EXHIBIT N-4p**



Prepared by: SHAWN CRACE  
01/25/2022

Ricart Ford | 4255 S Hamilton Rd Groveport Ohio | 43125

2022 F-150 4x4 Regular Cab 8' box 141" WB XL (F1E)

Price Level: 215 | Quote ID: 01272

## Pricing Summary - Single Vehicle

	<b>MSRP</b>
<i>Vehicle Pricing</i>	
Base Vehicle Price	\$34,585.00
Options	\$4,195.00
Colors	\$0.00
Upfitting	\$0.00
Fleet Discount	\$0.00
Fuel Charge	\$0.00
Destination Charge	\$1,695.00
<b>Subtotal</b>	<b>\$40,475.00</b>

### *Pre-Tax Adjustments*

<b>Code</b>	<b>Description</b>	<b>MSRP</b>
01	52X Auto Start Stop REMOVAL/DELETE-CREDIT	-\$50.00
02	Government Incentives	-\$7,225.00
<b>Total</b>		<b>\$33,200.00</b>

Customer Signature

Acceptance Date

# **EXHIBIT O**

# **EXHIBIT O-1**

**(SPREADSHEET FORMAT ONLY)**



# **EXHIBIT O-2**

**(SPREADSHEET FORMAT ONLY)**

# **EXHIBIT P**

# **EXHIBIT P-1**

## Big Sandy Water District Trial Balance Report - 2020

**Select Transactions By** Transaction Date  
**Fiscal Year:** N/A  
**Period:** N/A  
**Beginning Date:** 01/01/2020  
**Ending Date:** 12/31/2020

**Include Prior Period Balances For Revenue And Expense**

Account	Beginning Balance	Period Activity	Ending Balance
00101-0000 Utility Plant In Service	\$0.00	\$0.00	\$0.00
00105-0000 Construction in Progress-River Road	\$0.00	\$0.00	\$0.00
00105-0001 Construction in Progress-Horse Picture	\$0.00	\$0.00	\$0.00
00105-0002 Construction in Progress-BSWD-Ashland	\$0.00	\$0.00	\$0.00
00105-0003 Construction in Progress-Hydrants	\$0.00	\$0.00	\$0.00
00105-0004 Construction in Progress-Law Extension	\$0.00	\$0.00	\$0.00
00105-0005 Construction in Progress-Bentwood AML	\$0.00	\$0.00	\$0.00
00105-0006 Construction in Progress-River Crossing	\$0.00	\$0.00	\$0.00
00105-0007 Construction in Progress-Leak Detection	\$0.00	\$0.00	\$0.00
00105-0008 Construction in Progress-Road Bore US 23	\$0.00	\$0.00	\$0.00
00105-0009 Construction in Progress-Law Co Line Ext	\$0.00	\$0.00	\$0.00
00105-0010 Construction in Progress-Phase V	\$959,961.58	\$1,671,960.29	\$2,631,921.87
00105-0011 Construction in Progress-Cunningham Hill	\$8,714.00	(\$8,714.00)	\$0.00
00105-0012 Construction in Progress-Digitize BP	\$0.00	\$0.00	\$0.00
00105-0013 Construction in Progress-Mattie Rd	\$0.00	\$0.00	\$0.00
00105-0014 Construction in Progress-Highway 2565	\$0.00	\$0.00	\$0.00
00105-0015 Construction in Progress-Rt 1/Rt 3 Strea	\$0.00	\$0.00	\$0.00
00105-0016 Construction in Progress-River Xing 2021	\$0.00	\$0.00	\$0.00
00108-0000 Accu Depr/Util Plt in Service	(\$9,379,084.70)	(\$475,021.00)	(\$9,854,105.70)
00125-0000 Other Investments	\$0.00	\$0.00	\$0.00
00130-0000 Cash Investment Acct	(\$0.03)	\$0.03	\$0.00
00131-0001 Cash on Hand	\$0.00	\$0.00	\$0.00
00131-0002 Community Trust Bank O & M	\$0.00	\$0.00	\$0.00
00131-0003 City National Bank Deposit	\$56,849.85	\$4,407.16	\$61,257.01
00131-0004 PNC/Customer Payments	\$0.00	\$0.00	\$0.00
00131-0005 1st National Bank Grayson/Customer Pay	\$6,148.00	\$19.94	\$6,167.94
00131-0006 National City Bank Int Bond & Sink Fund	\$0.00	\$0.00	\$0.00
00131-0007 City National Bank Revenue	\$290,762.22	(\$103,003.80)	\$187,758.42
00131-0008 City National Bank Equipment	\$0.00	\$0.00	\$0.00
00131-0010 CNB BSWD-Interest Bond & Sinking Fund	\$178,333.48	(\$178,066.04)	\$267.44
00131-0011 CNB BSWD-Depreciation	\$110,087.26	(\$101,600.93)	\$8,486.33
00131-0012 CNB/Customer Payments	\$4,764.82	\$7,463.47	\$12,228.29
00131-0013 CNB Debit/Credit Payments	\$38,130.44	\$15,869.96	\$54,000.40
00131-0014 City National Bank O & M	\$3,127.50	\$11,399.56	\$14,527.06
00131-0091 Community Trust Bank/Customer Pay	\$0.00	\$0.00	\$0.00
00131-0093 Catlettsburg Post Office-Permit #4	(\$161.37)	\$36.67	(\$124.70)
00131-0094 City National Bank Construction	\$0.01	\$76.90	\$76.91
00131-0096 City National Bank AML	\$0.00	\$0.00	\$0.00
00131-0097 Peoples Security Bank/Customer Pay	\$0.00	\$0.00	\$0.00
00131-0098 Kentucky Farmers Bank/Customer Pay	\$10,337.17	(\$10,337.17)	\$0.00
00132-0000 CD-City National Bank	\$106,881.74	\$411.67	\$107,293.41
00132-0001 CD- City National Bank	\$0.00	\$0.00	\$0.00
00133-0001 2004D Escrow Funds	\$0.00	\$0.00	\$0.00
00133-0002 2001A Escrow Funds	\$0.00	\$0.00	\$0.00
00133-0003 KIA Sinking	\$0.00	\$0.00	\$0.00
00133-0004 2007A Escrow Funds	\$55,412.51	(\$50,581.04)	\$4,831.47
00133-0005 2013C Escrow Funds	\$87,863.38	(\$1,354.86)	\$86,508.52
00133-0006 Other Special Deposits	\$0.00	\$0.00	\$0.00
00133-0007 2019 Escrow Funds	\$1,148,853.29	(\$1,015,939.00)	\$132,914.29
00141-0000 Customer Accounts Receivable	\$257,382.24	\$100,906.62	\$358,288.86
00142-0000 Other Accounts Receivable	\$176.74	(\$176.74)	\$0.00

Account	Beginning Balance	Period Activity	Ending Balance
00143-0001 Allowance for doubtful accounts	\$0.00	(\$10,747.00)	(\$10,747.00)
00151-0000 Plant Materials and Supplies	\$87,618.07	\$107,736.77	\$195,354.84
00162-0000 Prepayments	\$11,819.25	\$0.00	\$11,819.25
00163-0000 Deferred Outflows	\$165,105.00	\$86,460.00	\$251,565.00
00163-0001 Deferred Outflows-OPEB	\$67,235.00	\$102,929.00	\$170,164.00
00164-0000 Other Current Asset	\$1,007.44	(\$1,007.44)	\$0.00
00303-0000 Land and Land Rights	\$99,529.17	\$0.00	\$99,529.17
00304-0000 Structures and Improvements	\$64,512.35	\$0.00	\$64,512.35
00304-0002 Office Building	\$57,018.46	\$0.00	\$57,018.46
00311-0000 Pumping Equipment	\$310,807.74	\$0.00	\$310,807.74
00330-0000 Distribution Reservoirs and Standpipes	\$1,223,301.54	\$0.00	\$1,223,301.54
00331-0000 Transmission and Distribution Mains	\$11,186,368.05	\$124,728.00	\$11,311,096.05
00333-0000 Service Pipes	\$5,101,923.52	\$0.00	\$5,101,923.52
00334-0000 Meters and Meter Installations	\$1,218,844.30	\$0.00	\$1,218,844.30
00335-0000 Hydrants	\$227,401.80	\$0.00	\$227,401.80
00340-0000 Office Furniture	\$36,078.64	\$0.38	\$36,079.02
00340-0001 Office Equipment- Computer	\$89,474.45	\$1,213.00	\$90,687.45
00341-0000 Transportation Equipment	\$235,287.80	\$0.00	\$235,287.80
00343-0000 Tools, Shop, and Garage Equipment	\$46,120.96	\$0.00	\$46,120.96
00345-0000 Backhoe & Kubota Equipment	\$207,408.51	\$0.00	\$207,408.51
00345-0001 Trencher Equipment	\$0.00	\$0.00	\$0.00
00346-0000 Communication Equipment	\$6,013.84	\$0.00	\$6,013.84
00347-0000 Misc Equipment	\$11,483.84	(\$0.06)	\$11,483.78
00348-0000 Telemetry Equipment	\$154,543.11	\$0.00	\$154,543.11
00349-0000 Digital Mapping	\$14,582.78	\$0.00	\$14,582.78
00350-0000 Utility Plant In Service	\$124,728.00	(\$124,728.00)	\$0.00
00350-0001 Utility Plant Acquisition Adjustment	\$24,805.00	\$0.00	\$24,805.00
<b>TOTAL ASSETS</b>	<b>\$14,717,558.75</b>	<b>\$154,342.34</b>	<b>\$14,871,901.09</b>
00221-0000 Notes Payable-KIA	\$0.00	\$0.00	\$0.00
00221-0001 Notes Payable-Town Square Bank	\$0.00	\$0.00	\$0.00
00224-0000 Other Long-Term Debt	\$0.00	\$0.00	\$0.00
00230-0000 Accrued Interest	(\$66,104.31)	(\$6,741.00)	(\$72,845.31)
00231-0000 Accounts Payable	(\$217,309.16)	\$110,962.14	(\$106,347.02)
00232-0001 Note Payable-USDA	(\$338,000.00)	\$338,000.00	\$0.00
00232-0002 Note Payable USDA	(\$712,500.00)	\$712,500.00	\$0.00
00232-0003 USDA-LCWD	(\$403,000.00)	\$403,000.00	\$0.00
00232-0004 KRWFC Loan/23 Tank	\$0.00	\$0.00	\$0.00
00232-0005 RUS Loan/ Law Co Phase II	\$0.00	\$0.00	\$0.00
00232-0007 KRWFC Loan/Phase III	\$0.00	\$0.00	\$0.00
00232-0008 KRWFC Loan/316,000	\$0.00	\$0.00	\$0.00
00232-0009 KRWFC Loan/931,000	(\$463,000.00)	\$463,000.00	\$0.00
00232-0010 TSB Loan/Tank Maintenance	\$0.00	\$0.00	\$0.00
00232-0011 Caterpillar/Backhoe Payment	\$0.00	\$0.00	\$0.00
00232-0012 TSB Loan/River Crossing	\$0.00	\$0.00	\$0.00
00232-0013 TSB Loan/Leak Detection	\$0.00	\$0.00	\$0.00
00232-0014 RD Loan/Ashland Interconnection	\$0.00	\$0.00	\$0.00
00232-0015 KRWFC Loan/Refinancing	(\$470,000.00)	\$75,000.00	(\$395,000.00)
00232-0016 Bond Premium	(\$47,362.00)	\$5,263.00	(\$42,099.00)
00232-0017 2014 KRWFC Loan	(\$1,095,000.00)	\$126,000.00	(\$969,000.00)
00232-0018 RD Loan/Ashland	\$0.00	\$0.00	\$0.00
00232-0019 Overland Development	\$0.00	(\$107,500.00)	(\$107,500.00)
00232-0020 Net Pension Liability	(\$660,543.00)	(\$255,552.00)	(\$916,095.00)
00232-0021 Kubota Excavator Payment	(\$18,740.79)	\$14,992.44	(\$3,748.35)
00232-0022 Deferred Inflows	(\$131,576.00)	\$82,780.00	(\$48,796.00)
00232-0023 Deferred Inflows-OPEB	(\$113,579.00)	\$15,038.00	(\$98,541.00)
00232-0024 OPEB Liability	(\$157,935.00)	(\$130,200.00)	(\$288,135.00)

Account	Beginning Balance	Period Activity	Ending Balance
00232-0025 KRWFC Interium Loan	(\$2,065,000.00)	\$335,000.00	(\$1,730,000.00)
00232-0026 Phase V Loan 20	\$0.00	(\$1,670,000.00)	(\$1,670,000.00)
00232-0027 Phase V Loan 22	\$0.00	(\$395,000.00)	(\$395,000.00)
00235-0000 Customer Deposits	(\$58,265.42)	(\$2,592.78)	(\$60,858.20)
00236-0000 Accrued Taxes	\$0.00	(\$10,599.49)	(\$10,599.49)
00236-0001 Retirement Payable	(\$10,370.99)	\$870.69	(\$9,500.30)
00236-0002 Christmas Club	\$0.00	(\$500.00)	(\$500.00)
00236-0003 Aflac	(\$53.28)	(\$13.32)	(\$66.60)
00236-0004 State Tax Withholding	(\$1,794.43)	\$442.24	(\$1,352.19)
00236-0005 Local Tax Withholding	(\$1,190.56)	\$193.33	(\$997.23)
00236-0006 Wages Payable	\$0.00	\$0.00	\$0.00
00236-0007 State Sales Tax Payable	(\$1,198.59)	(\$817.19)	(\$2,015.78)
00236-0008 Retirement/Health Insurance	\$0.00	(\$1,040.91)	(\$1,040.91)
00236-0009 Wage Garnishment	\$0.00	\$0.00	\$0.00
00236-0010 Child Support	\$0.00	\$0.00	\$0.00
00236-0011 Ohio State Tax Withholding	\$0.00	\$0.00	\$0.00
00237-0000 School Utilities Taxes Payable	(\$5,828.86)	\$828.56	(\$5,000.30)
<b>TOTAL LIABILITIES</b>	<b>(\$7,038,351.39)</b>	<b>\$103,313.71</b>	<b>(\$6,935,037.68)</b>
00215-0000 Unappropriated Retained Earnings	\$0.00	\$0.00	\$0.00
00215-0001 Retained Earnings Balance	\$3,323,070.20	\$36,653.72	\$3,359,723.92
00215-0002 Donated Capital	(\$10,738,723.00)	\$0.00	(\$10,738,723.00)
00216-0000 Escrow Funds	\$0.00	\$0.00	\$0.00
00253-0000 General Fund	\$0.00	\$0.00	\$0.00
00271-0000 Cont. In Aid of Construction	\$0.00	\$0.00	\$0.00
<b>TOTAL EQUITY</b>	<b>(\$7,415,652.80)</b>	<b>\$36,653.72</b>	<b>(\$7,378,999.08)</b>
00419-0000 Community Trust Bank- O&M Int	\$0.00	\$0.00	\$0.00
00419-0001 TSB-Interest Bond & Sinking Fund	\$0.00	(\$22.95)	(\$22.95)
00419-0002 Town Square Bank- Rev Acc Int	\$0.00	(\$237.81)	(\$237.81)
00419-0003 Town Square Bank- Dep Acc Int	\$0.00	(\$64.42)	(\$64.42)
00419-0004 Town Square Bank- CD Int	\$0.00	(\$411.67)	(\$411.67)
00419-0005 Town Square Bank-Depreciation Acct	\$0.00	(\$14.07)	(\$14.07)
00421-0000 Grant 20/20 Phase III	\$0.00	\$0.00	\$0.00
00421-0001 Grant-Law Co Coal Sever-Amber & Autumn	\$0.00	\$0.00	\$0.00
00421-0002 Grant- Boyd Co Coal Severance	\$0.00	\$0.00	\$0.00
00421-0003 Abandoned Mine Money	\$0.00	\$0.00	\$0.00
00421-0004 400,000 State Grant-KIA-IEDF Coal Co	\$0.00	\$0.00	\$0.00
00421-0005 Insurance Money	\$0.00	\$0.00	\$0.00
00421-0006 FEMA Money	\$0.00	\$0.00	\$0.00
00421-0007 200,000 State Grant-KIA-IEDF Coal Co	\$0.00	\$0.00	\$0.00
00421-0008 1,000,000 State Grant-KIA-IEDF Coal Co	\$0.00	\$0.00	\$0.00
00421-0009 Law Co Coal-State-Raven Rock	\$0.00	\$0.00	\$0.00
00421-0010 Law Co Coal-State-Slone Farm Rd	\$0.00	\$0.00	\$0.00
00421-0011 State Money-Highway 2565	\$0.00	\$0.00	\$0.00
00421-0012 State Money-Mattie Rd	\$0.00	\$0.00	\$0.00
00421-0013 Loan Money-Phase V	\$0.00	(\$0.47)	(\$0.47)
00421-0014 Phase V Grant 21	\$0.00	(\$653,682.68)	(\$653,682.68)
00432-0000 Proceeds from Capital Contributions	\$0.00	\$0.00	\$0.00
00432-0001 Grant Money	\$0.00	\$0.00	\$0.00
00432-0002 Tap Fee	\$0.00	\$0.00	\$0.00
00433-0000 Extraordinary Income	\$0.00	(\$13,485.96)	(\$13,485.96)
00433-0001 Non-operating revenues	\$0.00	\$0.00	\$0.00
00433-0002 Donated Assets	\$0.00	\$0.00	\$0.00
00434-0000 Extraordinary Deductions	\$0.00	\$0.00	\$0.00
00435-0000 Balance Transferred from Income	(\$263,554.56)	\$0.00	(\$263,554.56)
00436-0000 Appropriations of Retained Earnings	\$0.00	\$0.00	\$0.00

Account	Beginning Balance	Period Activity	Ending Balance
00439-0000 Adjust to Retained Earnings	\$0.00	\$0.00	\$0.00
00460-0002 Water Tap Fee Revenue	\$0.00	(\$49,280.00)	(\$49,280.00)
00461-0001 Metered Sales to Residential	\$0.00	(\$2,348,933.03)	(\$2,348,933.03)
00461-0002 Metered Sales to Commercial	\$0.00	(\$50,007.57)	(\$50,007.57)
00461-0003 Metered Sales to Industrial	\$0.00	(\$204,975.02)	(\$204,975.02)
00461-0005 Metered Sales to Schools-Churches-Other	\$0.00	(\$51,156.48)	(\$51,156.48)
00462-0000 Fire Protection Rev	\$0.00	\$0.00	\$0.00
00466-0000 Sales for Resale	\$0.00	\$0.00	\$0.00
00470-0000 Forfeited Discounts	\$0.00	(\$12,172.33)	(\$12,172.33)
00474-0000 Other Water Rev	\$0.00	(\$1,558.27)	(\$1,558.27)
00474-0001 Meter Testing Rev	\$0.00	(\$18.00)	(\$18.00)
00474-0002 Misc-Materials & Supplies Rev	\$0.00	(\$318.07)	(\$318.07)
00474-0003 Unmetered Water Rev	\$0.00	(\$4,651.68)	(\$4,651.68)
00474-0004 Overtime Hours Rev	\$0.00	(\$150.00)	(\$150.00)
00474-0005 Field Collection Rev	\$0.00	(\$75.00)	(\$75.00)
00474-0006 Hydrant Rev	\$0.00	\$0.00	\$0.00
00474-0007 Meter Reread Rev	\$0.00	\$0.00	\$0.00
00474-0008 Connect Fee	\$0.00	(\$5,565.00)	(\$5,565.00)
00474-0009 Reconnect Fee Rev	\$0.00	(\$4,899.82)	(\$4,899.82)
00474-0010 Meter Relocation Rev	\$0.00	\$0.00	\$0.00
00474-0011 Service Call After Hours Rev	\$0.00	(\$650.00)	(\$650.00)
00474-0012 Service Call Investigation Rev	\$0.00	(\$1,816.28)	(\$1,816.28)
00474-0013 Inspection Fee Rev	\$0.00	(\$675.00)	(\$675.00)
00474-0014 Meter Repairs	\$0.00	(\$1,459.16)	(\$1,459.16)
00474-0015 Water Sample Test	\$0.00	\$0.00	\$0.00
00474-0016 Liquiated Damages	\$0.00	(\$210.36)	(\$210.36)
00474-0017 Meter Test Cust	\$0.00	(\$40.00)	(\$40.00)
<b>TOTAL REVENUES</b>	<b>(\$263,554.56)</b>	<b>(\$3,406,531.10)</b>	<b>(\$3,670,085.66)</b>
00403-0000 Depreciation Expense	\$0.00	\$475,021.00	\$475,021.00
00408-0012 Payroll Taxes	\$0.00	\$42,715.94	\$42,715.94
00427-0001 Interest/USDA-91-07	\$0.00	\$16,031.25	\$16,031.25
00427-0002 Interest/KIA	\$0.00	\$0.00	\$0.00
00427-0003 Interest on Long-Term Debt	\$0.00	\$0.00	\$0.00
00427-0004 Interest on Customer Deposits	\$0.00	\$1,330.80	\$1,330.80
00427-0005 Interest/USDA-91-10	\$0.00	\$7,605.00	\$7,605.00
00427-0007 Interest/RUS-Phase III-91-11	\$0.00	\$9,067.50	\$9,067.50
00427-0008 Interest/Town Square Bank	\$0.00	\$0.00	\$0.00
00427-0009 Interest Leak Detection/Town Square Bank	\$0.00	\$0.00	\$0.00
00427-0010 Interest/RD-91-16	\$0.00	\$53,096.25	\$53,096.25
00427-0011 Bond Expenses	\$0.00	\$0.00	\$0.00
00427-0012 Interest/USDA-91-18	\$0.00	\$3,518.12	\$3,518.12
00601-0001 Operation Wages	\$0.00	\$317,381.81	\$317,381.81
00601-0002 Office Wages	\$0.00	\$113,858.72	\$113,858.72
00603-0000 Salaries and Wages- Officer and Director	\$0.00	\$28,000.00	\$28,000.00
00603-0001 Commissioners Expense	\$0.00	\$375.00	\$375.00
00604-0000 Medical Insurance	\$0.00	\$74,459.36	\$74,459.36
00604-0001 Dental Insurance	\$0.00	\$4,241.11	\$4,241.11
00604-0002 Life Insurance	\$0.00	\$1,925.00	\$1,925.00
00604-0003 Retirement	\$0.00	\$161,183.19	\$161,183.19
00610-0000 Purchased Water	\$0.00	\$1,105,518.05	\$1,105,518.05
00615-0000 Purchased Power/ Operations	\$0.00	\$94,226.24	\$94,226.24
00615-0001 Purchased Power Ad & G	\$0.00	\$0.00	\$0.00
00620-0000 Materials and Supplies/ Oper	\$0.00	\$17,639.33	\$17,639.33
00620-0001 Materials and Supplies/ Maint	\$0.00	\$281,106.77	\$281,106.77
00620-0002 Materials and Supplies/ Ad & G	\$0.00	\$7,109.14	\$7,109.14
00631-0000 Contractual Services- Engineering	\$0.00	\$79,398.92	\$79,398.92

Account	Beginning Balance	Period Activity	Ending Balance
00632-0000 Contractual Services- Accounting	\$0.00	\$6,775.00	\$6,775.00
00633-0000 Contractual Services-Legal	\$0.00	\$11,141.50	\$11,141.50
00635-0000 Contractual Services- Water Testing	\$0.00	\$14,158.24	\$14,158.24
00636-0000 Contractual Services- Other	\$0.00	\$57,739.38	\$57,739.38
00636-0001 Contractual Services- Telemetry	\$0.00	\$0.00	\$0.00
00636-0002 Contractual Services- Cleaning	\$0.00	\$0.00	\$0.00
00636-0003 Contractual Services- Beep, Radio, Pager	\$0.00	\$1,375.00	\$1,375.00
00636-0004 Contractual Ser-Maintenance	\$0.00	\$0.00	\$0.00
00636-0005 Contractual Service-OD	\$0.00	\$9,999.96	\$9,999.96
00636-0006 Contractual Service-Neil Group	\$0.00	\$204.00	\$204.00
00636-0007 Contractual Services- Nexbillpay	\$0.00	\$0.00	\$0.00
00642-0000 Rental of Equipment	\$0.00	\$0.00	\$0.00
00650-0000 Transportation Expenses/ Oper	\$0.00	\$0.00	\$0.00
00650-0001 Transportation Expenses/ Maint	\$0.00	\$26,600.32	\$26,600.32
00650-0002 Transportation Expenses/ Ad & G	\$0.00	\$9,825.08	\$9,825.08
00651-0000 Equipment Fuel Expense	\$0.00	\$0.00	\$0.00
00652-0000 Air Compressor Expense	\$0.00	\$0.00	\$0.00
00653-0000 Backhoe & Kubota Expense	\$0.00	\$965.47	\$965.47
00654-0000 Vehicle Repair Expense	\$0.00	\$10,082.59	\$10,082.59
00656-0000 Insurance - Vehicle	\$0.00	(\$1,000.00)	(\$1,000.00)
00657-0000 Insurance- General Liability	\$0.00	\$21,509.96	\$21,509.96
00658-0000 Insurance -Workers Compensation	\$0.00	\$6,547.09	\$6,547.09
00659-0000 Insurance -Other	\$0.00	\$447.92	\$447.92
00660-0000 Advertising Expense	\$0.00	\$331.70	\$331.70
00661-0000 Postage Mailing Bills	\$0.00	\$15,353.43	\$15,353.43
00661-0001 Postage	\$0.00	\$1,612.44	\$1,612.44
00661-0002 Postage Permit Renewal	\$0.00	\$240.00	\$240.00
00670-0000 Bad Debt Exp	\$0.00	(\$3,456.07)	(\$3,456.07)
00671-0000 Misc/Expense/Suspense	\$0.00	(\$1,201.00)	(\$1,201.00)
00675-0000 Misc Exp- Oper	\$0.00	\$225.00	\$225.00
00675-0001 Misc Exp- Main	\$0.00	\$756.79	\$756.79
00675-0002 Misc Exp/ Ad & G	\$0.00	\$18,139.47	\$18,139.47
00675-0003 Telephones	\$0.00	\$9,039.56	\$9,039.56
00675-0004 Bond Issue Costs	\$0.00	\$0.00	\$0.00
00675-0005 Insurance Expense-Riffe Holw	\$0.00	\$0.00	\$0.00
00676-0000 New Const/ Law Co Water Line Expense	\$0.00	\$0.00	\$0.00
00677-0000 New Const/ Water Line Expense	\$0.00	\$0.00	\$0.00
<b>TOTAL EXPENSES</b>	\$0.00	\$3,112,221.33	\$3,112,221.33
<b>TOTAL ASSETS</b>	\$14,717,558.75	\$154,342.34	\$14,871,901.09
<b>TOTAL LIABILITIES</b>	(\$7,038,351.39)	\$103,313.71	(\$6,935,037.68)
<b>TOTAL EQUITY</b>	(\$7,415,652.80)	\$36,653.72	(\$7,378,999.08)
	\$263,554.56	\$294,309.77	\$557,864.33
<b>TOTAL REVENUES</b>	(\$263,554.56)	(\$3,406,531.10)	(\$3,670,085.66)
<b>TOTAL EXPENSES</b>	\$0.00	\$3,112,221.33	\$3,112,221.33
	(\$263,554.56)	(\$294,309.77)	(\$557,864.33)



# **EXHIBIT P-2**

## Big Sandy Water District Trial Balance Report - 2021

**Select Transactions By** Transaction Date  
**Fiscal Year:** N/A  
**Period:** N/A  
**Beginning Date:** 01/01/2021  
**Ending Date:** 12/31/2021

**Include Prior Period Balances For Revenue And Expense**

Account	Beginning Balance	Period Activity	Ending Balance
00101-0000 Utility Plant In Service	\$0.00	\$0.00	\$0.00
00105-0000 Construction in Progress-River Road	\$0.00	\$0.00	\$0.00
00105-0001 Construction in Progress-Horse Picture	\$0.00	\$0.00	\$0.00
00105-0002 Construction in Progress-BSWD-Ashland	\$0.00	\$0.00	\$0.00
00105-0003 Construction in Progress-Hydrants	\$0.00	\$0.00	\$0.00
00105-0004 Construction in Progress-Law Extension	\$0.00	\$0.00	\$0.00
00105-0005 Construction in Progress-Bentwood AML	\$0.00	\$0.00	\$0.00
00105-0006 Construction in Progress-River Crossing	\$0.00	\$0.00	\$0.00
00105-0007 Construction in Progress-Leak Detection	\$0.00	\$0.00	\$0.00
00105-0008 Construction in Progress-Road Bore US 23	\$0.00	\$0.00	\$0.00
00105-0009 Construction in Progress-Law Co Line Ext	\$0.00	\$0.00	\$0.00
00105-0010 Construction in Progress-Phase V	\$2,631,921.87	(\$2,631,921.87)	\$0.00
00105-0011 Construction in Progress-Cunningham Hill	\$0.00	\$0.00	\$0.00
00105-0012 Construction in Progress-Digitize BP	\$0.00	\$0.00	\$0.00
00105-0013 Construction in Progress-Mattie Rd	\$0.00	\$0.00	\$0.00
00105-0014 Construction in Progress-Highway 2565	\$0.00	\$0.00	\$0.00
00105-0015 Construction in Progress-Rt 1/Rt 3 Strea	\$0.00	\$0.00	\$0.00
00105-0016 Construction in Progress-River Xing 2021	\$0.00	\$60,092.14	\$60,092.14
00108-0000 Accu Depr/Util Plt in Service	(\$9,854,105.70)	\$0.00	(\$9,854,105.70)
00125-0000 Other Investments	\$0.00	\$0.00	\$0.00
00130-0000 Cash Investment Acct	\$0.00	\$0.00	\$0.00
00131-0001 Cash on Hand	\$0.00	\$0.00	\$0.00
00131-0002 Community Trust Bank O & M	\$0.00	\$0.00	\$0.00
00131-0003 City National Bank Deposit	\$61,257.01	(\$2,705.36)	\$58,551.65
00131-0004 PNC/Customer Payments	\$0.00	\$0.00	\$0.00
00131-0005 1st National Bank Grayson/Customer Pay	\$6,167.94	\$1,814.11	\$7,982.05
00131-0006 National City Bank Int Bond & Sink Fund	\$0.00	\$0.00	\$0.00
00131-0007 City National Bank Revenue	\$187,758.42	(\$82,864.89)	\$104,893.53
00131-0008 City National Bank Equipment	\$0.00	\$0.00	\$0.00
00131-0010 CNB BSWD-Interest Bond & Sinking Fund	\$267.44	\$11,875.36	\$12,142.80
00131-0011 CNB BSWD-Depreciation	\$8,486.33	\$20,854.60	\$29,340.93
00131-0012 CNB/Customer Payments	\$12,228.29	(\$7,557.30)	\$4,670.99
00131-0013 CNB Debit/Credit Payments	\$54,000.40	(\$16,194.88)	\$37,805.52
00131-0014 City National Bank O & M	\$14,527.06	\$18,604.33	\$33,131.39
00131-0091 Community Trust Bank/Customer Pay	\$0.00	\$0.00	\$0.00
00131-0093 Catlettsburg Post Office-Permit #4	(\$124.70)	\$124.70	\$0.00
00131-0094 City National Bank Construction	\$76.91	\$10,957.49	\$11,034.40
00131-0096 City National Bank AML	\$0.00	\$0.00	\$0.00
00131-0097 Peoples Security Bank/Customer Pay	\$0.00	\$0.00	\$0.00
00131-0098 Kentucky Farmers Bank/Customer Pay	\$0.00	\$0.00	\$0.00
00132-0000 CD-City National Bank	\$107,293.41	\$97.64	\$107,391.05
00132-0001 CD- City National Bank	\$0.00	\$0.00	\$0.00
00133-0001 2004D Escrow Funds	\$0.00	\$0.00	\$0.00
00133-0002 2001A Escrow Funds	\$0.00	\$0.00	\$0.00
00133-0003 KIA Sinking	\$0.00	\$0.00	\$0.00
00133-0004 2007A Escrow Funds	\$4,831.47	\$0.00	\$4,831.47
00133-0005 2013C Escrow Funds	\$86,508.52	(\$6,612.46)	\$79,896.06
00133-0006 Other Special Deposits	\$0.00	\$0.00	\$0.00
00133-0007 2019 Escrow Funds	\$132,914.29	\$4,632.79	\$137,547.08
00141-0000 Customer Accounts Receivable	\$358,288.86	(\$56,404.20)	\$301,884.66
00142-0000 Other Accounts Receivable	\$0.00	\$0.00	\$0.00

Account	Beginning Balance	Period Activity	Ending Balance
00143-0001 Allowance for doubtful accounts	(\$10,747.00)	\$0.00	(\$10,747.00)
00151-0000 Plant Materials and Supplies	\$195,354.84	(\$131,029.93)	\$64,324.91
00162-0000 Prepayments	\$11,819.25	\$0.00	\$11,819.25
00163-0000 Deferred Outflows	\$251,565.00	\$0.00	\$251,565.00
00163-0001 Deferred Outflows-OPEB	\$170,164.00	\$0.00	\$170,164.00
00164-0000 Other Current Asset	\$0.00	\$0.00	\$0.00
00303-0000 Land and Land Rights	\$99,529.17	\$0.00	\$99,529.17
00304-0000 Structures and Improvements	\$64,512.35	\$0.00	\$64,512.35
00304-0002 Office Building	\$57,018.46	\$573,082.68	\$630,101.14
00311-0000 Pumping Equipment	\$310,807.74	\$12,120.19	\$322,927.93
00330-0000 Distribution Reservoirs and Standpipes	\$1,223,301.54	\$0.00	\$1,223,301.54
00331-0000 Transmission and Distribution Mains	\$11,311,096.05	\$2,131,400.90	\$13,442,496.95
00333-0000 Service Pipes	\$5,101,923.52	\$0.00	\$5,101,923.52
00334-0000 Meters and Meter Installations	\$1,218,844.30	\$252,606.55	\$1,471,450.85
00335-0000 Hydrants	\$227,401.80	\$0.00	\$227,401.80
00340-0000 Office Furniture	\$36,079.02	\$0.00	\$36,079.02
00340-0001 Office Equipment- Computer	\$90,687.45	\$0.00	\$90,687.45
00341-0000 Transportation Equipment	\$235,287.80	\$0.00	\$235,287.80
00343-0000 Tools, Shop, and Garage Equipment	\$46,120.96	\$0.00	\$46,120.96
00345-0000 Backhoe & Kubota Equipment	\$207,408.51	\$0.00	\$207,408.51
00345-0001 Trencher Equipment	\$0.00	\$0.00	\$0.00
00346-0000 Communication Equipment	\$6,013.84	\$0.00	\$6,013.84
00347-0000 Misc Equipment	\$11,483.78	\$7,200.00	\$18,683.78
00348-0000 Telemetry Equipment	\$154,543.11	\$49,249.60	\$203,792.71
00349-0000 Digital Mapping	\$14,582.78	\$0.00	\$14,582.78
00350-0000 Utility Plant In Service	\$0.00	\$0.00	\$0.00
00350-0001 Utility Plant Acquisition Adjustment	\$24,805.00	\$0.00	\$24,805.00
<b>TOTAL ASSETS</b>	<b>\$14,871,901.09</b>	<b>\$219,422.19</b>	<b>\$15,091,323.28</b>
00221-0000 Notes Payable-KIA	\$0.00	\$0.00	\$0.00
00221-0001 Notes Payable-Town Square Bank	\$0.00	\$0.00	\$0.00
00224-0000 Other Long-Term Debt	\$0.00	\$0.00	\$0.00
00230-0000 Accrued Interest	(\$72,845.31)	\$0.00	(\$72,845.31)
00231-0000 Accounts Payable	(\$106,347.02)	(\$3,022.04)	(\$109,369.06)
00232-0001 Note Payable-USDA	\$0.00	\$0.00	\$0.00
00232-0002 Note Payable USDA	\$0.00	\$0.00	\$0.00
00232-0003 USDA-LCWD	\$0.00	\$0.00	\$0.00
00232-0004 KRWFC Loan/23 Tank	\$0.00	\$0.00	\$0.00
00232-0005 RUS Loan/ Law Co Phase II	\$0.00	\$0.00	\$0.00
00232-0007 KRWFC Loan/Phase III	\$0.00	\$0.00	\$0.00
00232-0008 KRWFC Loan/316,000	\$0.00	\$0.00	\$0.00
00232-0009 KRWFC Loan/931,000	\$0.00	\$0.00	\$0.00
00232-0010 TSB Loan/Tank Maintenance	\$0.00	\$0.00	\$0.00
00232-0011 Caterpillar/Backhoe Payment	\$0.00	\$0.00	\$0.00
00232-0012 TSB Loan/River Crossing	\$0.00	\$0.00	\$0.00
00232-0013 TSB Loan/Leak Detection	\$0.00	\$0.00	\$0.00
00232-0014 RD Loan/Ashland Interconnection	\$0.00	\$0.00	\$0.00
00232-0015 KRWFC Loan/Refinancing	(\$395,000.00)	\$75,000.00	(\$320,000.00)
00232-0016 Bond Premium	(\$42,099.00)	\$0.00	(\$42,099.00)
00232-0017 2014 KRWFC Loan	(\$969,000.00)	\$37,000.00	(\$932,000.00)
00232-0018 RD Loan/Ashland	\$0.00	\$0.00	\$0.00
00232-0019 Overland Development	(\$107,500.00)	\$1,500.00	(\$106,000.00)
00232-0020 Net Pension Liability	(\$916,095.00)	\$0.00	(\$916,095.00)
00232-0021 Kubota Excavator Payment	(\$3,748.35)	\$3,748.35	\$0.00
00232-0022 Deferred Inflows	(\$48,796.00)	\$0.00	(\$48,796.00)
00232-0023 Deferred Inflows-OPEB	(\$98,541.00)	\$0.00	(\$98,541.00)
00232-0024 OPEB Liability	(\$288,135.00)	\$0.00	(\$288,135.00)

Account	Beginning Balance	Period Activity	Ending Balance
00232-0025 KRWFC Interium Loan	(\$1,730,000.00)	\$110,000.00	(\$1,620,000.00)
00232-0026 Phase V Loan 20	(\$1,670,000.00)	\$43,000.00	(\$1,627,000.00)
00232-0027 Phase V Loan 22	(\$395,000.00)	\$11,000.00	(\$384,000.00)
00235-0000 Customer Deposits	(\$60,858.20)	\$1,628.59	(\$59,229.61)
00236-0000 Accrued Taxes	(\$10,599.49)	\$1,907.49	(\$8,692.00)
00236-0001 Retirement Payable	(\$9,500.30)	(\$4,763.26)	(\$14,263.56)
00236-0002 Christmas Club	(\$500.00)	\$0.00	(\$500.00)
00236-0003 Aflac	(\$66.60)	(\$53.28)	(\$119.88)
00236-0004 State Tax Withholding	(\$1,352.19)	(\$132.23)	(\$1,484.42)
00236-0005 Local Tax Withholding	(\$997.23)	(\$136.87)	(\$1,134.10)
00236-0006 Wages Payable	\$0.00	\$0.00	\$0.00
00236-0007 State Sales Tax Payable	(\$2,015.78)	(\$33.77)	(\$2,049.55)
00236-0008 Retirement/Health Insurance	(\$1,040.91)	(\$2,080.00)	(\$3,120.91)
00236-0009 Wage Garnishment	\$0.00	\$0.00	\$0.00
00236-0010 Child Support	\$0.00	\$0.00	\$0.00
00236-0011 Ohio State Tax Withholding	\$0.00	\$0.00	\$0.00
00237-0000 School Utilities Taxes Payable	(\$5,000.30)	\$158.72	(\$4,841.58)
<b>TOTAL LIABILITIES</b>	(\$6,935,037.68)	\$274,721.70	(\$6,660,315.98)
00215-0000 Unappropriated Retained Earnings	\$0.00	\$0.00	\$0.00
00215-0001 Retained Earnings Balance	\$3,065,414.15	\$0.00	\$3,065,414.15
00215-0002 Donated Capital	(\$10,738,723.00)	\$0.00	(\$10,738,723.00)
00216-0000 Escrow Funds	\$0.00	\$0.00	\$0.00
00253-0000 General Fund	\$0.00	\$0.00	\$0.00
00271-0000 Cont. In Aid of Construction	\$0.00	\$0.00	\$0.00
<b>TOTAL EQUITY</b>	(\$7,673,308.85)	\$0.00	(\$7,673,308.85)
00419-0000 Community Trust Bank- O&M Int	\$0.00	\$0.00	\$0.00
00419-0001 TSB-Interest Bond & Sinking Fund	\$0.00	(\$16.65)	(\$16.65)
00419-0002 Town Square Bank- Rev Acc Int	\$0.00	(\$62.46)	(\$62.46)
00419-0003 Town Square Bank- Dep Acc Int	\$0.00	(\$30.22)	(\$30.22)
00419-0004 Town Square Bank- CD Int	\$0.00	(\$97.64)	(\$97.64)
00419-0005 Town Square Bank-Depreciation Acct	\$0.00	(\$4.60)	(\$4.60)
00421-0000 Grant 20/20 Phase III	\$0.00	\$0.00	\$0.00
00421-0001 Grant-Law Co Coal Sever-Amber & Autumn	\$0.00	\$0.00	\$0.00
00421-0002 Grant- Boyd Co Coal Severance	\$0.00	\$0.00	\$0.00
00421-0003 Abandoned Mine Money	\$0.00	\$0.00	\$0.00
00421-0004 400,000 State Grant-KIA-IEDF Coal Co	\$0.00	\$0.00	\$0.00
00421-0005 Insurance Money	\$0.00	\$0.00	\$0.00
00421-0006 FEMA Money	\$0.00	\$0.00	\$0.00
00421-0007 200,000 State Grant-KIA-IEDF Coal Co	\$0.00	\$0.00	\$0.00
00421-0008 1,000,000 State Grant-KIA-IEDF Coal Co	\$0.00	\$0.00	\$0.00
00421-0009 Law Co Coal-State-Raven Rock	\$0.00	\$0.00	\$0.00
00421-0010 Law Co Coal-State-Slone Farm Rd	\$0.00	\$0.00	\$0.00
00421-0011 State Money-Highway 2565	\$0.00	\$0.00	\$0.00
00421-0012 State Money-Mattie Rd	\$0.00	\$0.00	\$0.00
00421-0013 Loan Money-Phase V	\$0.00	(\$191,316.90)	(\$191,316.90)
00421-0014 Phase V Grant 21	\$0.00	\$0.00	\$0.00
00432-0000 Proceeds from Capital Contributions	\$0.00	\$0.00	\$0.00
00432-0001 Grant Money	\$0.00	\$0.00	\$0.00
00432-0002 Tap Fee	\$0.00	\$0.00	\$0.00
00433-0000 Extraordinary Income	\$0.00	\$0.00	\$0.00
00433-0001 Non-operating revenues	\$0.00	\$0.00	\$0.00
00433-0002 Donated Assets	\$0.00	\$0.00	\$0.00
00434-0000 Extraordinary Deductions	\$0.00	\$0.00	\$0.00
00435-0000 Balance Transferred from Income	(\$263,554.56)	\$0.00	(\$263,554.56)
00436-0000 Appropriations of Retained Earnings	\$0.00	\$0.00	\$0.00

Account	Beginning Balance	Period Activity	Ending Balance
00439-0000 Adjust to Retained Earnings	\$0.00	\$0.00	\$0.00
00460-0002 Water Tap Fee Revenue	\$0.00	(\$47,944.03)	(\$47,944.03)
00461-0001 Metered Sales to Residential	\$0.00	(\$2,264,804.40)	(\$2,264,804.40)
00461-0002 Metered Sales to Commercial	\$0.00	(\$52,720.98)	(\$52,720.98)
00461-0003 Metered Sales to Industrial	\$0.00	(\$197,425.16)	(\$197,425.16)
00461-0005 Metered Sales to Schools-Churches-Other	\$0.00	(\$53,761.82)	(\$53,761.82)
00462-0000 Fire Protection Rev	\$0.00	\$0.00	\$0.00
00466-0000 Sales for Resale	\$0.00	\$0.00	\$0.00
00470-0000 Forfeited Discounts	\$0.00	(\$53,648.74)	(\$53,648.74)
00474-0000 Other Water Rev	\$0.00	(\$1,315.91)	(\$1,315.91)
00474-0001 Meter Testing Rev	\$0.00	(\$115.00)	(\$115.00)
00474-0002 Misc-Materials & Supplies Rev	\$0.00	(\$2,704.05)	(\$2,704.05)
00474-0003 Unmetered Water Rev	\$0.00	(\$377.49)	(\$377.49)
00474-0004 Overtime Hours Rev	\$0.00	(\$250.00)	(\$250.00)
00474-0005 Field Collection Rev	\$0.00	(\$15.00)	(\$15.00)
00474-0006 Hydrant Rev	\$0.00	\$0.00	\$0.00
00474-0007 Meter Reread Rev	\$0.00	\$0.00	\$0.00
00474-0008 Connect Fee	\$0.00	(\$5,205.00)	(\$5,205.00)
00474-0009 Reconnect Fee Rev	\$0.00	(\$13,052.21)	(\$13,052.21)
00474-0010 Meter Relocation Rev	\$0.00	\$0.00	\$0.00
00474-0011 Service Call After Hours Rev	\$0.00	(\$1,100.00)	(\$1,100.00)
00474-0012 Service Call Investigation Rev	\$0.00	(\$6,345.00)	(\$6,345.00)
00474-0013 Inspection Fee Rev	\$0.00	(\$675.00)	(\$675.00)
00474-0014 Meter Repairs	\$0.00	(\$986.98)	(\$986.98)
00474-0015 Water Sample Test	\$0.00	\$0.00	\$0.00
00474-0016 Liquiated Damages	\$0.00	\$0.00	\$0.00
00474-0017 Meter Test Cust	\$0.00	\$0.00	\$0.00
<b>TOTAL REVENUES</b>	<b>(\$263,554.56)</b>	<b>(\$2,893,975.24)</b>	<b>(\$3,157,529.80)</b>
00403-0000 Depreciation Expense	\$0.00	\$0.00	\$0.00
00408-0012 Payroll Taxes	\$0.00	\$38,001.55	\$38,001.55
00427-0001 Interest/USDA-91-07	\$0.00	\$77,609.62	\$77,609.62
00427-0002 Interest/KIA	\$0.00	\$0.00	\$0.00
00427-0003 Interest on Long-Term Debt	\$0.00	\$29,630.60	\$29,630.60
00427-0004 Interest on Customer Deposits	\$0.00	\$730.02	\$730.02
00427-0005 Interest/USDA-91-10	\$0.00	\$0.00	\$0.00
00427-0007 Interest/RUS-Phase III-91-11	\$0.00	\$0.00	\$0.00
00427-0008 Interest/Town Square Bank	\$0.00	\$0.00	\$0.00
00427-0009 Interest Leak Detection/Town Square Bank	\$0.00	\$0.00	\$0.00
00427-0010 Interest/RD-91-16	\$0.00	\$31,598.74	\$31,598.74
00427-0011 Bond Expenses	\$0.00	\$0.00	\$0.00
00427-0012 Interest/USDA-91-18	\$0.00	\$0.00	\$0.00
00601-0001 Operation Wages	\$0.00	\$317,038.87	\$317,038.87
00601-0002 Office Wages	\$0.00	\$114,043.97	\$114,043.97
00603-0000 Salaries and Wages- Officer and Director	\$0.00	\$30,000.00	\$30,000.00
00603-0001 Commissioners Expense	\$0.00	\$142.28	\$142.28
00604-0000 Medical Insurance	\$0.00	\$94,104.58	\$94,104.58
00604-0001 Dental Insurance	\$0.00	\$4,509.60	\$4,509.60
00604-0002 Life Insurance	\$0.00	\$1,932.50	\$1,932.50
00604-0003 Retirement	\$0.00	\$107,130.66	\$107,130.66
00610-0000 Purchased Water	\$0.00	\$1,069,754.21	\$1,069,754.21
00615-0000 Purchased Power/ Operations	\$0.00	\$108,342.01	\$108,342.01
00615-0001 Purchased Power Ad & G	\$0.00	\$0.00	\$0.00
00620-0000 Materials and Supplies/ Oper	\$0.00	\$21,351.02	\$21,351.02
00620-0001 Materials and Supplies/ Maint	\$0.00	\$75,671.79	\$75,671.79
00620-0002 Materials and Supplies/ Ad & G	\$0.00	\$4,940.64	\$4,940.64
00631-0000 Contractual Services- Engineering	\$0.00	\$34,817.42	\$34,817.42

Account	Beginning Balance	Period Activity	Ending Balance
00632-0000 Contractual Services- Accounting	\$0.00	\$8,550.00	\$8,550.00
00633-0000 Contractual Services-Legal	\$0.00	\$9,047.20	\$9,047.20
00635-0000 Contractual Services- Water Testing	\$0.00	\$6,255.00	\$6,255.00
00636-0000 Contractual Services- Other	\$0.00	\$37,687.15	\$37,687.15
00636-0001 Contractual Services- Telemetry	\$0.00	\$370.99	\$370.99
00636-0002 Contractual Servics- Cleaning	\$0.00	\$0.00	\$0.00
00636-0003 Contractual Services- Beep, Radio, Pager	\$0.00	\$1,500.00	\$1,500.00
00636-0004 Contractual Ser-Maintenance	\$0.00	\$0.00	\$0.00
00636-0005 Contractual Service-OD	\$0.00	\$833.33	\$833.33
00636-0006 Contractual Service-Neil Group	\$0.00	\$216.00	\$216.00
00636-0007 Contractual Services- Nexbillpay	\$0.00	\$399.99	\$399.99
00642-0000 Rental of Equipment	\$0.00	\$6,781.12	\$6,781.12
00650-0000 Transportation Expenses/ Oper	\$0.00	\$0.00	\$0.00
00650-0001 Transportation Expenses/ Maint	\$0.00	\$38,199.27	\$38,199.27
00650-0002 Transportation Expenses/ Ad & G	\$0.00	\$0.00	\$0.00
00651-0000 Equipment Fuel Expense	\$0.00	\$0.00	\$0.00
00652-0000 Air Compressor Expense	\$0.00	\$0.00	\$0.00
00653-0000 Backhoe & Kubota Expense	\$0.00	\$2,595.72	\$2,595.72
00654-0000 Vehicle Repair Expense	\$0.00	\$17,990.77	\$17,990.77
00656-0000 Insurance - Vehicle	\$0.00	\$0.00	\$0.00
00657-0000 Insurance- General Liability	\$0.00	\$24,477.05	\$24,477.05
00658-0000 Insurance -Workers Compensation	\$0.00	\$8,747.81	\$8,747.81
00659-0000 Insurance -Other	\$0.00	\$203.60	\$203.60
00660-0000 Advertising Expense	\$0.00	\$0.00	\$0.00
00661-0000 Postage Mailing Bills	\$0.00	\$17,195.00	\$17,195.00
00661-0001 Postage	\$0.00	\$3,397.96	\$3,397.96
00661-0002 Postage Permit Renewal	\$0.00	\$245.00	\$245.00
00670-0000 Bad Debt Exp	\$0.00	\$32,083.15	\$32,083.15
00671-0000 Misc/Expense/Suspense	\$0.00	\$973.75	\$973.75
00675-0000 Misc Exp- Oper	\$0.00	\$1,012.79	\$1,012.79
00675-0001 Misc Exp- Main	\$0.00	\$202.71	\$202.71
00675-0002 Misc Exp/ Ad & G	\$0.00	\$11,236.64	\$11,236.64
00675-0003 Telephones	\$0.00	\$8,279.27	\$8,279.27
00675-0004 Bond Issue Costs	\$0.00	\$0.00	\$0.00
00675-0005 Insurance Expense-Riffe Holw	\$0.00	\$0.00	\$0.00
00676-0000 New Const/ Law Co Water Line Expense	\$0.00	\$0.00	\$0.00
00677-0000 New Const/ Water Line Expense	\$0.00	\$0.00	\$0.00
<b>TOTAL EXPENSES</b>	\$0.00	\$2,399,831.35	\$2,399,831.35
<b>TOTAL ASSETS</b>	\$14,871,901.09	\$219,422.19	\$15,091,323.28
<b>TOTAL LIABILITIES</b>	(\$6,935,037.68)	\$274,721.70	(\$6,660,315.98)
<b>TOTAL EQUITY</b>	(\$7,673,308.85)	\$0.00	(\$7,673,308.85)
	\$263,554.56	\$494,143.89	\$757,698.45
<b>TOTAL REVENUES</b>	(\$263,554.56)	(\$2,893,975.24)	(\$3,157,529.80)
<b>TOTAL EXPENSES</b>	\$0.00	\$2,399,831.35	\$2,399,831.35
	(\$263,554.56)	(\$494,143.89)	(\$757,698.45)

# **EXHIBIT Q**

**Big Sandy Water District  
Adjusting Entries  
12/31/2020**

JDL

\$ 3,724,548.00    \$ 3,724,548.00

**\$0.00**  
Workpaper  
Reference

	Account Number	DR	CR	
<b>1</b>				
Deferred Outflows	163-0000	\$ 86,460.00		VI J1
Deferred Outflows - OPEB	163-0001	\$ 102,929.00		
Deferred Inflows	232-0022	\$ 82,780.00		
Deferred Inflows - OPEB	232-0023	\$ 15,038.00		
Net Pension Liability	232-0020		\$ 255,552.00	
OPEB liability	232-0024		\$ 130,200.00	
Retirement	604-0003	\$ 46,275.00		
Retirement	604-0003	\$ 15,615.00		
Retained earnings balance to adjust to actual per analysis	215-0001	\$ 36,655.00		
<b>2</b>				
Customer Accounts Receivable	141-00000	\$ 48,007.00		XIV A
Metered sales to residential	461-0001		\$ 47,830.00	
Other accounts receivable to adjust to actual per analysis	142-0000		\$ 177.00	
<b>3</b>				
Allowance for doubtful accounts	new account: 143-0001		\$ 10,747.00	XIV A
Metered sales to residential to adjust to actual per analysis	461-0001	\$ 10,747.00		
<b>4</b>				
Purchased water	610-0000		\$ 108,351.00	
Accounts payable to adjust to actual per analysis	231-0000	\$ 108,351.00		
<b>5</b>				
Retirement payable	236-0001	\$ 5,429.00		XV B
Retirement	604-0003		\$ 5,429.00	
School utilities taxes payable	237-0000	\$ 3,421.00		
Metered sales to residential to adjust to actual per analysis	461-0001		\$ 3,421.00	
<b>6</b>				
Utility in Service	350-000		\$ 124,728.00	XIV A1
Construction in Progress - Cunningham Hill	105-0011		\$ 8,714.00	
Transmission and Distribution Mains	331-0000	\$ 124,728.00		
Construction in Progress - Phase V to reclassify	105-0010	\$ 8,714.00		
<b>7</b>				
Office furniture	340-0000		\$ 28.00	ledger review
Misc equipment	347-0000		\$ 3,031.00	
Materials & supplies/Maintenance to reclassify	620-0001	\$ 3,059.00		



**Big Sandy Water District  
Adjusting Entries  
12/31/2020**

JDL

\$ 3,724,548.00    \$ 3,724,548.00

**\$0.00**  
Workpaper  
Reference

	Account Number	DR	CR	
8				
Depreciation expense	403-0000	\$ 474,524.00		XVI A3
Amortization expense	403-0000	\$ 497.00		
Accumulated Depr/Util Plt in Service	108-0000		\$ 472,540.00	
Accumulated amortization - util plant acq adj to record depreciation			\$ 2,481.00	
9				
Plant Materials & Supplies	151-0000	\$ 105,276.00		XVII A
Materials & supplies/Maintenance to adjust to actual per analysis	620-0001		\$ 105,276.00	
10				
RUS Loan / Law CO Phase II	232-0005		\$ 10,941.00	V A
Other income	474-0000		\$ 59.00	
KRWFC Interium Loan	232-0025	\$ 335,000.00		
Note Payable - USDA	232-0001	\$ 338,000.00		
Note Payable USDA	232-0002	\$ 676,119.00		
USDA - LCWD	232-0003	\$ 390,552.00		
KRWFC Loan/Refinancing	232-0015	\$ 75,000.00		
Bond Premium	232-0016	\$ 5,263.00		
KRWFC Loan/931,000	232-0009	\$ 463,000.00		
RD Loan/Ashland	232-0018		\$ 17,000.00	
Overland development	232-0019		\$ 109,000.00	
2014 KRWFC Loan	232-0017	\$ 126,000.00		
2007A Escrow Funds	133-0004		\$ 141,566.00	
2013C Escrow Funds	133-0005		\$ 150,893.00	
Other Special Deposits	133-0006		\$ 30,368.00	
2019 Escrow Funds	133-0007		\$ 1,015,939.00	
Loan money Phase V	421-0013		\$ 334,459.00	
Interest exp	427-0010	\$ 30,368.00	\$ 10,894.00	
Other current asset	164-0000		\$ 1,007.00	
Phase V Grant 21 to reclassify and correct balances			\$ 617,176.00	
11				
Accrued interest	230-0000		\$ 6,741.00	V A
Interest exp to adjust to actual per analysis	427-0010	\$ 6,741.00		

**Big Sandy Water District  
General Journal Posting Audit**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b>	00163-0000	Deferred Outflows				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$86,460.00	
<b>Account</b>	00163-0001	Deferred Outflows-OPEB				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$102,929.00	
<b>Account</b>	00215-0001	Retained Earnings Balance				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$36,655.00	
<b>Account</b>	00232-0020	Net Pension Liability				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica		\$255,552.00
<b>Account</b>	00232-0022	Deferred Inflows				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$82,780.00	
<b>Account</b>	00232-0023	Deferred Inflows-OPEB				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$15,038.00	
<b>Account</b>	00232-0024	OPEB Liability				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica		\$130,200.00
<b>Account</b>	00604-0003	Retirement				
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$46,275.00	
12/31/2020	Adjusting Enteries 12/31/2020		08/04/21	Jessica	\$15,615.00	
	<b>Number of Transactions</b>		2	<b>Account Totals</b>	\$61,890.00	\$0.00
	<b>Total Number of Transactions</b>		9	<b>Report Totals</b>	\$385,752.00	\$385,752.00

**Big Sandy Water District  
Posting Register**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b>	00163-0000	Deferred Outflows				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$86,460.00	
<b>Account</b>	00163-0001	Deferred Outflows-OPEB				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$102,929.00	
<b>Account</b>	00215-0001	Retained Earnings Balance				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$36,655.00	
<b>Account</b>	00232-0020	Net Pension Liability				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica		\$255,552.00
<b>Account</b>	00232-0022	Deferred Inflows				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$82,780.00	
<b>Account</b>	00232-0023	Deferred Inflows-OPEB				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$15,038.00	
<b>Account</b>	00232-0024	OPEB Liability				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica		\$130,200.00
<b>Account</b>	00604-0003	Retirement				
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$46,275.00	
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$15,615.00	
	<b>Number of Transactions</b>		2	<b>Account Totals</b>	\$61,890.00	\$0.00
	<b>Total Number of Transactions</b>		9	<b>Report Totals</b>	\$385,752.00	\$385,752.00

**Big Sandy Water District  
General Journal Posting Audit**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b>	00141-0000 Customer Accounts Receivable					
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$48,007.00	
<b>Account</b>	00142-0000 Other Accounts Receivable					
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica		\$177.00
<b>Account</b>	00461-0001 Metered Sales to Residential					
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica		\$47,830.00
<b>Total Number of Transactions</b>			<b>3</b>	<b>Report Totals</b>	<u>\$48,007.00</u>	<u>\$48,007.00</u>

**Big Sandy Water District  
Posting Register**

<b>Trans. Date</b>	<b>Transaction Description</b>	<b>Reference Number</b>	<b>Entry Date</b>	<b>Entered By</b>	<b>Debit Amount</b>	<b>Credit Amount</b>
<b>Account</b>	00141-0000 Customer Accounts Receivable					
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica	\$48,007.00	
<b>Account</b>	00142-0000 Other Accounts Receivable					
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica		\$177.00
<b>Account</b>	00461-0001 Metered Sales to Residential					
12/31/2020	Adjusting Entries 12/31/2020		08/04/21	Jessica		\$47,830.00
<b>Total Number of Transactions</b>			<b>3</b>	<b>Report Totals</b>	<u>\$48,007.00</u>	<u>\$48,007.00</u>

**Big Sandy Water District**  
**General Journal Posting Audit**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b> 12/31/2020	00105-0010 Construction in Progress-Phase V Adjusting Enteries		08/04/21	Jessica	\$8,714.00	
<b>Account</b> 12/31/2020	00105-0011 Construction in Progress-Cunningham Hill Adjusting Enteries		08/04/21	Jessica		\$8,714.00
<b>Account</b> 12/31/2020	00108-0000 Accu Depr/Util Plt in Service Adjusting Enteries		08/04/21	Jessica		\$472,540.00
<b>Account</b> 12/31/2020	00133-0004 2007A Escrow Funds Adjusting Enteries		08/04/21	Jessica		\$141,566.00
<b>Account</b> 12/31/2020	00133-0005 2013C Escrow Funds Adjusting Enteries		08/04/21	Jessica		\$150,893.00
<b>Account</b> 12/31/2020	00133-0006 Other Special Deposits Adjusting Enteries		08/04/21	Jessica		\$30,368.00
<b>Account</b> 12/31/2020	00133-0007 2019 Escrow Funds Adjustment enteries		08/04/21	Jessica		\$1,015,939.00
<b>Account</b> 12/31/2020	00143-0001 Allowance for doubtful accounts Adjusting Enteries		08/04/21	Jessica		\$10,747.00
<b>Account</b> 12/31/2020	00151-0000 Plant Materials and Supplies Adjusting Enteries		08/04/21	Jessica		\$105,276.00
<b>Account</b> 12/31/2020	00164-0000 Other Current Asset Adjustment enteries		08/04/21	Jessica		\$1,007.00
<b>Account</b> 12/31/2020	00230-0000 Accrued Interest Adjustment enteries		08/04/21	Jessica		\$6,741.00
<b>Account</b> 12/31/2020	00231-0000 Accounts Payable Adjusting Enteries		08/04/21	Jessica	\$108,351.00	
<b>Account</b> 12/31/2020	00232-0001 Note Payable-USDA Adjusting Enteries		08/04/21	Jessica	\$338,000.00	
<b>Account</b> 12/31/2020	00232-0002 Note Payable USDA Adjusting Enteries		08/04/21	Jessica	\$676,119.00	
<b>Account</b> 12/31/2020	00232-0003 USDA-LCWD Adjusting Enteries		08/04/21	Jessica	\$390,552.00	
<b>Account</b> 12/31/2020	00232-0005 RUS Loan/ Law Co Phase II Adjusting Enteries		08/04/21	Jessica		\$10,941.00
<b>Account</b> 12/31/2020	00232-0009 KRWFC Loan/931,000 Adjusting Enteries		08/04/21	Jessica	\$463,000.00	
<b>Account</b> 12/31/2020	00232-0015 KRWFC Loan/Refinancing Adjusting Enteries		08/04/21	Jessica	\$75,000.00	
<b>Account</b> 12/31/2020	00232-0016 Bond Premium Adjusting Enteries		08/04/21	Jessica	\$5,263.00	
<b>Account</b> 12/31/2020	00232-0017 2014 KRWFC Loan Adjusting Enteries		08/04/21	Jessica	\$126,000.00	
<b>Account</b> 12/31/2020	00232-0018 RD Loan/Ashland Adjusting Enteries		08/04/21	Jessica		\$17,000.00
<b>Account</b> 12/31/2020	00232-0019 Overland Development Adjusting Enteries		08/04/21	Jessica		\$109,000.00
<b>Account</b> 12/31/2020	00232-0025 KRWFC Interium Loan Adjusting Enteries		08/04/21	Jessica	\$335,000.00	
<b>Account</b> 12/31/2020	00236-0001 Retirement Payable Adjusting Enteries		08/04/21	Jessica	\$5,429.00	

**Big Sandy Water District  
Posting Register**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b> 12/31/2020	00105-0010 Construction in Progress-Phase V Adjusting Entries		08/04/21	Jessica	\$8,714.00	
<b>Account</b> 12/31/2020	00105-0011 Construction in Progress-Cunningham Hill Adjusting Entries		08/04/21	Jessica		\$8,714.00
<b>Account</b> 12/31/2020	00108-0000 Accu Depr/Util Plt in Service Adjusting Entries		08/04/21	Jessica		\$472,540.00
<b>Account</b> 12/31/2020	00133-0004 2007A Escrow Funds Adjusting Entries		08/04/21	Jessica		\$141,566.00
<b>Account</b> 12/31/2020	00133-0005 2013C Escrow Funds Adjusting Entries		08/04/21	Jessica		\$150,893.00
<b>Account</b> 12/31/2020	00133-0006 Other Special Deposits Adjusting Entries		08/04/21	Jessica		\$30,368.00
<b>Account</b> 12/31/2020	00133-0007 2019 Escrow Funds Adjustment entries		08/04/21	Jessica		\$1,015,939.00
<b>Account</b> 12/31/2020	00143-0001 Allowance for doubtful accounts Adjusting Entries		08/04/21	Jessica		\$10,747.00
<b>Account</b> 12/31/2020	00151-0000 Plant Materials and Supplies Adjusting Entries		08/04/21	Jessica		\$105,276.00
<b>Account</b> 12/31/2020	00164-0000 Other Current Asset Adjustment entries		08/04/21	Jessica		\$1,007.00
<b>Account</b> 12/31/2020	00230-0000 Accrued Interest Adjustment entries		08/04/21	Jessica		\$6,741.00
<b>Account</b> 12/31/2020	00231-0000 Accounts Payable Adjusting Entries		08/04/21	Jessica	\$108,351.00	
<b>Account</b> 12/31/2020	00232-0001 Note Payable-USDA Adjusting Entries		08/04/21	Jessica	\$338,000.00	
<b>Account</b> 12/31/2020	00232-0002 Note Payable USDA Adjusting Entries		08/04/21	Jessica	\$676,119.00	
<b>Account</b> 12/31/2020	00232-0003 USDA-LCWD Adjusting Entries		08/04/21	Jessica	\$390,552.00	
<b>Account</b> 12/31/2020	00232-0005 RUS Loan/ Law Co Phase II Adjusting Entries		08/04/21	Jessica		\$10,941.00
<b>Account</b> 12/31/2020	00232-0009 KRWFC Loan/931,000 Adjusting Entries		08/04/21	Jessica	\$463,000.00	
<b>Account</b> 12/31/2020	00232-0015 KRWFC Loan/Refinancing Adjusting Entries		08/04/21	Jessica	\$75,000.00	
<b>Account</b> 12/31/2020	00232-0016 Bond Premium Adjusting Entries		08/04/21	Jessica	\$5,263.00	
<b>Account</b> 12/31/2020	00232-0017 2014 KRWFC Loan Adjusting Entries		08/04/21	Jessica	\$126,000.00	
<b>Account</b> 12/31/2020	00232-0018 RD Loan/Ashland Adjusting Entries		08/04/21	Jessica		\$17,000.00
<b>Account</b> 12/31/2020	00232-0019 Overland Development Adjusting Entries		08/04/21	Jessica		\$109,000.00
<b>Account</b> 12/31/2020	00232-0025 KRWFC Interium Loan Adjusting Entries		08/04/21	Jessica	\$335,000.00	
<b>Account</b> 12/31/2020	00236-0001 Retirement Payable Adjusting Entries		08/04/21	Jessica	\$5,429.00	

**Big Sandy Water District  
General Journal Posting Audit**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b>	00151-0000 Plant Materials and Supplies					
12/31/2020	Adjustment Entries 12/31/2020		08/04/21	Jessica	\$105,276.00	
12/31/2020	Correction to adjustment		08/04/21	Jessica	\$105,276.00	
	<b>Number of Transactions</b>		2	<b>Account Totals</b>	\$210,552.00	\$0.00
<b>Account</b>	00620-0001 Materials and Supplies/ Maint					
12/31/2020	Adjustment Entries 12/31/2020		08/04/21	Jessica		\$105,276.00
12/31/2020	Correction to adjustment		08/04/21	Jessica		\$105,276.00
	<b>Number of Transactions</b>		2	<b>Account Totals</b>	\$0.00	\$210,552.00
	<b>Total Number of Transactions</b>		4	<b>Report Totals</b>	\$210,552.00	\$210,552.00



**Big Sandy Water District  
Posting Register**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b>	00151-0000 Plant Materials and Supplies					
12/31/2020	Adjustment Entries 12/31/2020		08/04/21	Jessica	\$105,276.00	
12/31/2020	Correction to adjustment		08/04/21	Jessica	\$105,276.00	
	<b>Number of Transactions</b>		2	<b>Account Totals</b>	\$210,552.00	\$0.00
<b>Account</b>	00620-0001 Materials and Supplies/ Maint					
12/31/2020	Adjustment Entries 12/31/2020		08/04/21	Jessica		\$105,276.00
12/31/2020	Correction to adjustment		08/04/21	Jessica		\$105,276.00
	<b>Number of Transactions</b>		2	<b>Account Totals</b>	\$0.00	\$210,552.00
	<b>Total Number of Transactions</b>		4	<b>Report Totals</b>	\$210,552.00	\$210,552.00

\*Corrections Made after Phone Conference on Aug. 19, 21.

Joel agreed to the corrections. Big Sandy Water District

*JJ*

Posting Register

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b> 00108-0000	Accu Depr/Util Plt in Service					
12/31/2020	Correction to Adjustment		08/12/21	Jessica		\$2,481.00
<b>Account</b> 00350-0001	Utility Plant Acquisition Adjustment					
12/31/2020	Correction to Adjustment		08/12/21	Jessica	\$2,481.00	
<b>Total Number of Transactions</b>			<b>2</b>	<b>Report Totals</b>	<b>\$2,481.00</b>	<b>\$2,481.00</b>

**Big Sandy Water District  
Posting Register**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b> 12/31/2020	00130-0000 Cash Investment Acct adjustment		08/12/21	Jessica	\$0.03	
<b>Account</b> 12/31/2020	00133-0006 Other Special Deposits adjustment		08/12/21	Jessica	\$0.44	
<b>Account</b> 12/31/2020	00142-0000 Other Accounts Receivable adjustment		08/12/21	Jessica	\$0.26	
<b>Account</b> 12/31/2020	00164-0000 Other Current Asset adjustment		08/12/21	Jessica		\$0.44
<b>Account</b> 12/31/2020	00215-0001 Retained Earnings Balance Adjustment		08/12/21	Jessica		\$1.28
<b>Account</b> 12/31/2020	00232-0002 Note Payable USDA adjustment		08/12/21	Jessica	\$0.35	
<b>Account</b> 12/31/2020	00232-0003 USDA-LCWD adjustment		08/12/21	Jessica	\$0.46	
<b>Account</b> 12/31/2020	00232-0005 RUS Loan/ Law Co Phase II adjustment		08/12/21	Jessica	\$0.18	
<b>Total Number of Transactions</b>			<b>8</b>	<b>Report Totals</b>	<b>\$1.72</b>	<b>\$1.72</b>

**Big Sandy Water District**  
**General Journal Posting Audit**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b>	00131-0014 City National Bank O & M					
12/31/2020	voided check adjustment		08/12/21	Jessica		\$226.29
<b>Account</b>	00141-0000 Customer Accounts Receivable					
12/31/2020	voided check adjustment		08/12/21	Jessica	\$36.21	
<b>Account</b>	00235-0000 Customer Deposits					
12/31/2020	voided check adjustment		08/12/21	Jessica	\$190.08	
<b>Account</b>	00131-0014 City National Bank O & M					
01/01/2021	corrected voided check adjustment		08/12/21	Jessica	\$226.29	
<b>Account</b>	00141-0000 Customer Accounts Receivable					
01/01/2021	corrected voided check adjustment		08/12/21	Jessica		\$36.21
<b>Account</b>	00235-0000 Customer Deposits					
01/01/2021	corrected voided check adjustment		08/12/21	Jessica		\$190.08
<b>Total Number of Transactions</b>			<b>6</b>	<b>Report Totals</b>	<b>\$452.58</b>	<b>\$452.58</b>

**Big Sandy Water District  
Posting Register**

Trans. Date	Transaction Description	Reference Number	Entry Date	Entered By	Debit Amount	Credit Amount
<b>Account</b> 12/31/2020	00131-0014 City National Bank O & M voided check adjustment		08/12/21	Jessica		\$226.29
<b>Account</b> 12/31/2020	00141-0000 Customer Accounts Receivable voided check adjustment		08/12/21	Jessica	\$36.21	
<b>Account</b> 12/31/2020	00235-0000 Customer Deposits voided check adjustment		08/12/21	Jessica	\$190.08	
<b>Account</b> 01/01/2021	00131-0014 City National Bank O & M corrected voided check adjustment		08/12/21	Jessica	\$226.29	
<b>Account</b> 01/01/2021	00141-0000 Customer Accounts Receivable corrected voided check adjustment		08/12/21	Jessica		\$36.21
<b>Account</b> 01/01/2021	00235-0000 Customer Deposits corrected voided check adjustment		08/12/21	Jessica		\$190.08
<b>Total Number of Transactions</b>			<b>6</b>	<b>Report Totals</b>	<b>\$452.58</b>	<b>\$452.58</b>

# **EXHIBIT R**

**TEST PERIOD NONRECURRING CHARGE REVENUE**

<b>Charge or Fee</b>	<b>Number Assessed</b>	<b>Revenue Collected</b>
Connection/Turn-On Charge	371	\$ 5,565.00
Connection/Turn-on Charge (After Hours)	0	\$ 0.00
Field Collection Charge	5	\$ 75.00
Late Payment Fee	---	\$12,172.33
Meter Relocation Charge	0	\$ 0.00
Meter Reread Charge	0	\$ 0.00
Meter Test Charge	2	\$ 58.00
Reconnection Charge	163	\$ 4,890.00
Reconnection Charge (After Hours)	3	\$ 150.00
Returned Check Charge	61	\$ 1,220.00
Service Call/Investigation	121	\$ 1,815.00
Service Call/Investigation (After Hours)	13	\$ 650.00
Service Line Inspection	27	\$ 675.00
Damage to Lid or Meter Equipment	22	\$ 1,777.23

# **EXHIBIT S**



# **EXHIBIT S-1**

Big Sandy Water District

BOARD Meeting

May 20, 2021

Regular Meeting

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on May 20, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:03 a.m. in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

**Present Commissioners:**

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

**Others:**

Joseph Sisler- Sisler Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney

**PHASE V PROGRESS**

Joseph Sisler stated Contract H-1 is complete. A retainage of \$10,000 is being held until the crew is finished with clean up. The pay request for this project is \$91,525.50. Charles Shockey made the motion to pay the requested pay amount to BP Pipeline. Darrell Bowling seconded. All agreed, motion carried.

Change Order # 5 is null and void for the amount of \$19,700.00. This project is covered under change order #6 which totals \$33,410.00. This is the total amount for the stream crossing. Darrell Bowling made the motion to approve the change order. Charles Shockey seconded. All agree, motion carried.

Change order #7 final quantities decreased in the amount of \$44,320.50. This will add close to \$37,000 in contingency money. Darrell Bowling made the motion to approve the decrease. Charles Shockey seconded. All agreed, motion carried.

Mr. Sisler didn't have a current SME invoice for the Board Meeting due to awaiting approvals from RD. Charlie Shockey made the motion to pay up to but not exceeding \$20,000 for SME services rendered on the next invoice. Darrell Bowling seconded. All agreed, motion carried.

Revised 9/2021

The Board approves the engineering Amendment #3 pay request from SME not exceeding \$20,000.

BP Pipeline addressed the invoice prepared by James Blanton for all the damages made during the construction process. The total amount of the invoice is \$7,538.90. The contractor proposed they would pay half of this invoice as they felt like some on the charges were unavoidable and should not be expensed out to the company. Darrell Bowling made the motion to approve this proposal. Charles Shockey seconded. All agreed, motion carried.

Contract I-1 is still in the process of being complete. This contract may stay open, if the Board decides to build a new meter room next to the existing building and if the contingency funds are available. The black top around the office building is underway today.

The tank repair at by Currens Construction at Arland Delong is complete and is being refilled today by BSWD. Darrell Bowling made the motion to pay \$31,200 to Currens Construction for the completed project. Charles Shockey seconded. All agreed, motion carried.

Mr. Sisler suggested that the Board leave the meeting open and not adjourn due to changes that may need to take place before the next board meeting.

### **Approval of Minutes**

Charles Shockey made the motion to approve the minutes.  
Darrell Bowling seconded. All agreed, motion carried.

### **Monthly Bills**

Darrell Bowling made the motion to approve the monthly bills. Charles Shockey seconded. All agreed, motion carried.

### **Treasurers Report**

Chairman, Paul Thomas would like for the Board to reevaluate how much money is being put back into the sinking fund from money borrowed last year.  
James Blanton needs new meter boxes to be ordered as the District does not have any extra in stock. Darrell Bowling made the motion for Mr. Blanton to order 100 new meter boxes. Charles Shockey seconded. All in favor, motion carried.

Darrell Bowling made the motion to approve the treasurer's report.

Charles Shockey seconded, all agreed. Motion carried.

### **Water Loss**

March's water loss has shown a slow decline. The laborers continue to look for water leaks and repair them as fast as possible. Route 32 and Point Section are being targeted to find leaks. The guys will continue to walk the lines, and check meters to help decrease water loss. Unused meters will also be checked as they have found an increase in water theft. Bill Hardin made the motion to approve the water loss. Darrell Bowling seconded. All agreed, motion carried.

### **BILLING, COLLECTIONS AND ADJUSTMENTS**

Jessica Sexton suggested to the Board using a collection agency for bad debts accrued. She pulled a report showing \$11,896.28 in bad debt for 2020 and \$9,328.72 so far for 2021. The Board discussed the pros and cons of using a debt collection agency and decided it may not be worth all the hassle. Using a collection agency at this time will not be utilized.

Bill Hardin made the motion to approve billing, collections and adjustments. Darrell Bowling seconded. All agreed, motion carried.

### **OLD BUSINESS**

James Blanton has been working as the interim General Manager. He proposed to the Board that he would take this position full time for \$27.00 an hour starting in June 2021. Bill Hardin made the motion to approve Mr. Blanton's proposal. Charles Shockey seconded. All agreed, motion carried.

### **NEW BUSINESS**

Bill Hardin mentioned the need of a pay increase for Office Manager, Jessica Sexton as it was promised to her after her working 6 months. Mr. Hardin made a motion to increase Mrs. Sexton's pay by \$.50 an hour. Charles Shockey Seconded. All agreed, motion carried.

Darrell Bowling addressed the need of pay increases for all full-time employees, since the cost of living has increased in past months. Their hard work and dedication to the job has not gone unnoticed. Randy Lowe agreed and would like to give substantial raises but realizes the District cannot afford much. He suggested giving anywhere from \$.25 to \$.50 to each full-time employee to help with cost of living and show Board appreciation. Darrell Bowling made the

motion to give a \$.50 raise to all full-time employees. Randy Lowe seconded. Charles Shockey in favor, Bill Hardin apposed due to the fear of not having the funds to cover the cost. The vote was three to one therefore Chairman, Paul Thomas didn't vote. The motion is carried.

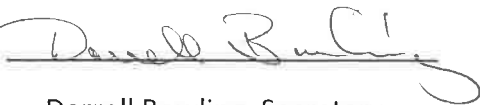
The Board members are concerned with old piping that will need to be replaced within the next couple of years. With limited funds, these types of projects need better financial planning. They would like for Mrs. Sexton to start working on a rate increase proposal to send to the PSC so that these projects will be more sustainable. Mrs. Sexton and attorney Ken Williams will also write a letter to the county judges for help on infrastructure projects. The Board will continue to work on asset management as these maintenance projects are always needed.

Mr. Blanton informed the Board that the meter room roof is leaking. In hopes to build a new meter room, Darrell suggested patching the leak for the least amount of money possible. If a new meter room cannot be built, then a more permanent fix will take place.

Chairman, Paul Thomas also wants more employees to be licensed to take samples and test meters. Mr. Blanton will look into the cost and procedure for doing this.

Darrell Bowling made the motion to recess the meeting.

Charles Shockey seconded. All agreed, motion carried at 10:45 am.

BY: 

Darrell Bowling, Secretary

Big Sandy Water District

Date Approved: 6/17/21

BY: \_\_\_\_\_

William Hardin, Vice Chairman

Big Sandy Water District

# **EXHIBIT S-2**

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF BIG SANDY WATER DISTRICT TO INCREASE THE HOURLY WAGE RATE OF ITS EMPLOYEES**

**WHEREAS**, Big Sandy Water District is a water district created pursuant to the provisions of KRS Chapter 74;

**WHEREAS**, pursuant to KRS 278.015, the Kentucky General Assembly has declared water districts to be public utilities and subject to the jurisdiction of the Kentucky Public Service Commission in the same manner and to the same extent as any other utility as defined in KRS 278.010;

**WHEREAS**, KRS 278.030(2) requires a utility to furnish “adequate, efficient and reasonable service;”

**WHEREAS**, the most recently issued Bureau of Labor Statistics report on the Consumer Price Index shows that consumer prices have increased 7.5 percent in the last twelve months;

**WHEREAS**, wage rates for persons with the skills necessary for Big Sandy Water District to provide adequate and reliable water service have generally increased; and,

**WHEREAS**, for Big Sandy Water District to attract and retain persons with the skills, training, and experience necessary to continue to provide adequate and reliable water service, employee wage rates should be increased by one dollar (\$1.00) per hour effective July 1, 2022;

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF BIG SANDY WATER DISTRICT AS FOLLOWS:**

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

**Section 2.** Effective July 1, 2022, the hourly wage rate of each current employee of Big Sandy Water District shall be increased by one dollar (\$1.00).

**ADOPTED BY THE BOARD OF COMMISSIONERS OF BIG SANDY WATER DISTRICT at a meeting held on February 17, 2022, signed by the Chairman, and attested by the Secretary.**

  
\_\_\_\_\_  
Paul Thomas, Chairman



ATTEST:

  
Darrell Bowling, Secretary

**CERTIFICATION**

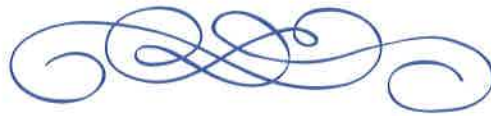
I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Big Sandy Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Commissioners of the Big Sandy Water District at a meeting duly held on February 21, 2022; that said official action appears as a matter of public record in Big Sandy Water District's official records or journal; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

WITNESS my hand this 17th day of February 2022.

  
\_\_\_\_\_  
**Darrell Bowling, Secretary**

# **EXHIBIT T**

# **EXHIBIT T-1**



CHRIS JOBE  
Lawrence County Clerk  
122 S. MAIN CROSS ST.  
LOUISA, KENTUCKY 41230  
(606) 638-4108

Big Sandy Water District  
18200 State Route 3  
Catlettsburg, Ky. 41129

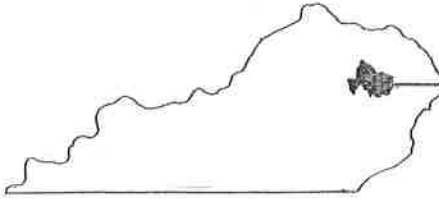
January 18, 2007

To Whom It May Concern:

I certify that this copy of the November 29, 2006 Lawrence County Fiscal Court meeting reflects the approval of the salaries for Commissioners of the Big Sandy Water District.

Sincerely,

Chris Jobe  
Lawrence County Clerk



**ALICE J. BINION**, *Carter County Judge/Executive*

Room 227 - Courthouse • Grayson, Kentucky 41143  
Phone (606) 474-5366 • Fax (606) 474-6991

April 17, 2000

Big Sandy Water District  
18200 State Route 3  
Catlettsburg, KY 41129

Attention: Bob McGlothin

Reference your letter dated 4-4-2000. This is to advise approval for increase in compensation for Big Sandy Water District Commissioners from \$ 300.00 to \$ 500.00 per meeting.

Very truly yours,

Alice J. Binion  
Carter County Judge/Executive

# BOYD COUNTY FISCAL COURT

P.O. BOX 423  
CATLETTSBURG, KENTUCKY 41129

BILL F. SCOTT, County Judge - Executive

C. PHILLIP HEDRICK  
County Attorney

BARBARA RODWAY  
County Treasurer



CLARENCE JACKSON  
County Commissioner

MARVIN "COACH" MEREDITH  
County Commissioner

CARL TOLLIVER  
County Commissioner

November 21, 2006

Big Sandy Water District  
18200 State Rt 3  
Catlettsburg, Kentucky 41129

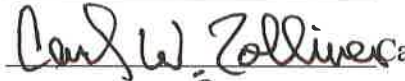
## RE: Commissioners Salary

To Whom It May Concern:

At a regular meeting of the Fiscal Court on June 16, 2000, the Fiscal Court approved increasing the pay of the Big Sandy Water District Commissioners from \$300.00 per month to \$500.00 if they had received their approved hours per KRS 74.020.



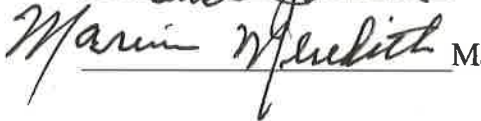
Bill Scott, County Judge Executive



Carl Tolliver, Commissioner



Clarence Jackson, Commissioner



Marvin Meredith, Commissioner

Attest:



Angie Durhan, Fiscal Court Clerk

# **EXHIBIT T-2**



**COMMISSIONER COMPENSATION (2016 – 2021)**

<b>Year</b>	<b>Commissioner</b>	<b>Position</b>	<b>Salary</b>	<b>FICA Taxes</b>	<b>Dental Insurance*</b>	<b>Total**</b>
<b>2016</b>	Paul Thomas	Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Bill Hardin	Vice Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	David Salisbury	Secretary	\$6,000.00	\$459.00	N/A	\$6,459.00
	Charles Shockey	Treasurer	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Larry Shockey	Commissioner	\$6,000.00	\$459.00	N/A	\$6,459.00
<b>2017</b>	Paul Thomas	Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Bill Hardin	Vice Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	David Salisbury	Secretary	\$6,000.00	\$459.00	N/A	\$6,459.00
	Charles Shockey	Treasurer	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Larry Shockey	Commissioner	\$6,000.00	\$459.00	N/A	\$6,459.00
	Paul Thomas	Chair	\$6,000.00	\$459.00	N/A	\$6,459.00
<b>2018</b>	Paul Thomas	Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Bill Hardin	Vice Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	David Salisbury	Secretary	\$6,000.00	\$459.00	N/A	\$6,459.00
	Charles Shockey	Treasurer	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Larry Shockey	Commissioner	\$6,000.00	\$459.00	N/A	\$6,459.00
<b>2019</b>	Paul Thomas	Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Bill Hardin	Vice Chair	\$6,000.00	\$459.00	N/A***	\$6,459.00
	David Salisbury	Secretary	\$4,000.00	\$306.00	N/A	\$4,306.00
	Charles Shockey	Treasurer	\$6,000.00	\$459.00	N/A***	\$6,459.00
	Larry Shockey	Commissioner	\$6,000.00	\$459.00	N/A	\$6,459.00
	Darnell Bowling	Secretary	\$1,400.00	\$107.10	N/A	\$1,507.10
<b>2020</b>	Paul Thomas	Chair	\$6,000.00	\$459.00	\$494.88	\$6,953.88
	Bill Hardin	Vice Chair	\$6,000.00	\$459.00	\$494.88	\$6,953.88
	Darnell Bowling	Secretary	\$6,000.00	\$459.00	\$0	\$6,459.00
	Charles Shockey	Treasurer	\$6,000.00	\$459.00	\$494.88	\$6,953.88
	Larry Shockey	Commissioner	\$ 500.00	\$ 38.25	\$0	\$ 538.25
	Randy Lowe	Commissioner	\$3,500.00	\$267.75	\$0	\$3,767.75
<b>2021</b>	Paul Thomas	Chair	\$6,000.00	\$459.00	\$482.88	\$6,941.88
	Bill Hardin	Vice Chair	\$6,000.00	\$459.00	\$482.88	\$6,941.88
	Darnell Bowling	Secretary	\$6,000.00	\$459.00	\$0	\$6,459.00
	Charles Shockey	Treasurer	\$6,000.00	\$459.00	\$482.88	\$6,941.88
	Randy Lowe	Commissioner	\$6,000.00	\$459.00	\$0	\$6,459.00

**Notes:** Each Commissioner receives an annual salary of \$6,000. Big Sandy Water District pays federal payroll taxes on each commissioner’s salary Commissioners are also provided dental

insurance coverage at no expense. Two commissioners have declined coverage for the period from 2020 to 2022. No other compensation or benefits are provided to commissioners.

\* District records regarding the cost of health insurance for 2016 through 2019 were not readily accessible when the application was prepared.

\*\* Represents the total value of salary, payroll taxes and health insurance premiums paid to or on behalf of commissioners. Note that provision of health insurance premiums is not considered salary as term is used in KRS 74.020. *See Caldwell County Fiscal Court v. Paris*, 945 A.Q.2d 952, 954 (Ky. PP. 1997) (“‘compensation’ and ‘salary’ . . . mean the actual salary or fees paid to an officer”). *See also* PSC Staff Opinion 2013-012 (Sept. 25, 2013).

\*\*\*Although cost of dental insurance premiums is not available, individual was provided coverage.

# **EXHIBIT T-3**

AFFIDAVIT OF PAUL THOMAS

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF BOYD )

The undersigned, Paul Thomas, being duly sworn, deposes and states:

1. I am a commissioner of Big Sandy Water District and have served on its Board of Commissioners since on or before January 1, 2017.
2. On October 20, 2020, I attended by videoconference the 2020 Water District Commissioner Training Webinar conducted by the Public Service Commission Staff and am entitled to claim a total of 6 hours of water management training for my attendance. Each hour of water management training claimed represents one hour I viewed the Webinar’s proceedings.
3. While I attended that program, I did not fully understand the need to submit to the Public Service Commission certain information necessary to confirm my attendance, failed to submit that information, and therefore lack a certificate of attendance to otherwise prove my attendance.

AFFIANT SAITH NOTHING FURTHER.

  
\_\_\_\_\_

Paul Thomas

Subscribed and sworn to before me, a Notary Public in and before said County and State,  
this 22 day of March 2022.



  
\_\_\_\_\_

Notary Public

My Commission Expires: 10/14/2023

Notary ID: 633516



**AFFIDAVIT OF CHARLES SHOCKEY**

COMMONWEALTH OF KENTUCKY    )  
  ) SS:  
COUNTY OF BOYD                            )

The undersigned, Charles Shockey, being duly sworn, deposes and states:

1. I am a commissioner of Big Sandy Water District and have served on its Board of Commissioners since on or before January 1, 2017.
  
2. On October 20, 2020, I attended by videoconference the 2020 Water District Commissioner Training Webinar conducted by the Public Service Commission Staff and am entitled to claim a total of 6 hours of water management training for my attendance. Each hour of water management training claimed represents one hour I viewed the Webinar's proceedings.
  
3. While I attended that program, I did not fully understand the need to submit to the Public Service Commission certain information necessary to confirm my attendance, failed to submit that information, and therefore lack a certificate of attendance to otherwise prove my attendance.

AFFIANT SAITH NOTHING FURTHER.

Charles Shockey  
Charles Shockey

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 22 day of March 2022.



Bobbi Burton  
Notary Public

My Commission Expires: 10/14/2023

Notary ID: 633516

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

**In the Matter of:**

**ELECTRONIC APPLICATION OF )**  
**KENTUCKY RURAL WATER ASSOCIATION, )**  
**STOLL KEENON OGDEN PLLC AND )**  
**NORTHERN KENTUCKY WATER DISTRICT ) CASE NO. 2020-00212**  
**FOR ACCREDITATION AND APPROVAL OF )**  
**A PROPOSED WATER DISTRICT )**  
**MANAGEMENT TRAINING PROGRAM )**

**NOTICE OF FILING**

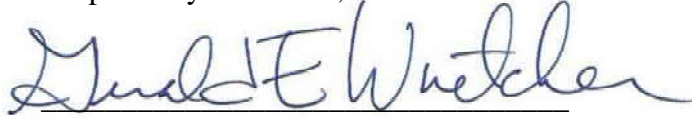
Kentucky Rural Water Association, Stoll Keenon Ogden PLLC and Northern Kentucky Water District give notice of the filing of the following documents in compliance with the Commission’s Order of July 22, 2020:

1. A sworn statement attesting that the proposed course of instruction entitled “2020 Water District Commissioner Training Webinar” was conducted on August 27, 2020 by videoconference and that the materials regarding each session were made available to all program attendees by electronic mail prior to the seminar (**Exhibit 1**);
2. A description of any changes in the presenters or the proposed curriculum that occurred after the submission of the application for accreditation (**Exhibit 2**);
3. The name of each attending water district commissioner, his or her water district, and the number of hours that he or she attended (**Exhibit 3**);
4. The affidavit of attendance of each water district commissioner who attended the program (**Exhibit 4**);
5. Approval of the program for continuing legal education accreditation by the Kentucky Bar Association (**Exhibit 5**); and

6. Approval of the program for accreditation by the Division of Compliance Assistance for Continuing Education for Drinking Water Treatment and Distribution System Operators (**Exhibit 6**).

Dated: September 21, 2020

Respectfully submitted,

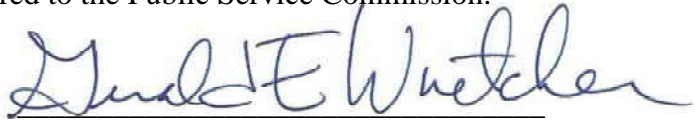


Gerald E. Wuetcher  
Stoll Keenon Ogden PLLC  
300 West Vine Street, Suite 2100  
Lexington, Kentucky 40507-1801  
gerald.wuetcher@skofirm.com  
Telephone: (859) 231-3017  
Fax: (859) 259-3517

*Counsel for Kentucky Rural Water Association,  
Stoll Keenon Ogden PLLC and Northern Kentucky  
Water District*

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the Joint Applicants' September 21, 2020 electronic filing of this Application is a true and accurate copy of the document being filed in paper medium; that the electronic filing has been transmitted to the Commission on September 21, 2020; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that within 30 days following the end of the state of emergency announced in Executive Order 2020-215 this Application in paper medium will be delivered to the Public Service Commission.



Gerald E. Wuetcher



# **EXHIBIT 3**

**WATER COMMISSIONER ATTENDEES AND HOURS OF ATTENDANCE  
(BY LAST NAME)**

<b>Last Name</b>	<b>First Name</b>	<b>Water District</b>	<b>Hours Earned</b>	<b>Affidavit Page No.</b>
Adams	Ronald	Christian County Water District	6	8
Alexander	Tim	Boone County Water District	6	3
Anderson	Doug	Muhlenberg County Water District #3	6	35
Applegate	Robert	Western Lewis-Rectorville Water District	6	61
Barr	Tim	North Logan Water District	6	38
Bentley Jr	Luke	Garrison-Quincy-O-Ky-Heights Water District	6	19
Best	Tony	North Mercer Water District	6	45
Bowling	Darrell	Big Sandy Water District	6	2
Brunson	Ashbel	Christian County Water District	6	9
Cain	Charlie	Boone County Water District	6	4
Carpenter	Pam	Western Mason County Water District	6	65
Collier	Karin	Garrison-Quincy-O-Ky-Heights Water District	6	17
Cunningham	Clyde	Northern Kentucky Water District	6	48
Curry	Jody	Oldham County Water District	6	53
Daugherty	James	Boone County Water District	6	5
Detre	John	Larue County Water District #1	6	22
Draffen	Larry Joe	North Marshall Water District	6	41
Driskill	Billy	North Marshall Water District	6	42
Duncan	Deborah	South Hopkins Water District	6	56
Esham	Gary	Garrison-Quincy-O-Ky-Heights Water District	6	18
Fiefhaus	Harry	East Clark County Water District	6	13
Field	Dan	Corinth Water District	6	11
Finley	Kenneth	Laurel County Water District #2	6	23
Gantley	Joe Dan	Western Lewis-Rectorville Water District	6	62
Garrett	Donald	Muhlenberg County Water District #3	6	36
Giordano	Mike	Boone County Water District	6	6
Greer	Jason	Oldham County Water District	6	54
Harper	Wallace	North Logan Water District	6	39
Helton	Timothy	Hyden-Leslie Water District	6	21
Hockman	Ron	Hardin County Water District No. 1	6	20
Jenkins	Wayne	Laurel County Water District #2	6	24
Johnson	Gerald (Jerry)	Western Lewis-Rectorville Water District	6	63
Johnston	Harvey	Warren County Water District	6	58
Knock	Richard	Boone County Water District	6	7

<b>Last Name</b>	<b>First Name</b>	<b>Water District</b>	<b>Hours Earned</b>	<b>Affidavit Page No.</b>
Koester	Joe	Northern Kentucky Water District	6	49
Lange	Jody	Northern Kentucky Water District	6	50
Leonard	James	North Marshall Water District	6	43
Macke	Fred	Northern Kentucky Water District	6	51
May	Barbara	Marion County Water District	3	29
Moore	Dave	Laurel County Water District #2	6	25
Morris	Barbara	Christian County Water District	6	10
Murphy	Charles	Lyon County Water District	6	26
Neat	Ollie	South Anderson Water District	6	55
New	Maynard	McCreary Co. Water District	6	30
Powell	Jeff	Allen Co Water District	6	1
Quinn	Ben	West Shelby Water District	6	59
Redden	Larry	Western Mason County Water District	6	66
Riggs	Michael M.	West Shelby Water District	6	60
Robertson	Don	Lyon County Water District	6	27
Sexton	Doug	McCreary Co. Water District	6	31
Shadowen	Kenneth	North Marshall Water District	6	44
Sheperson	Gerald	North Mercer Water District	6	46
Short	Roy	North Mercer Water District	6	47
Smotherman	S.C.	North Logan Water District	6	40
Sutton	Chris	Lyon County Water District	6	28
Tanner	Richard	Farmdale Water District	6	14
Taylor	Coy	McCreary Co. Water District	6	33
Taylor	Joe Dan	Dexter-Almo Heights Water District	6	12
Taylor	Raymond	McCreary Co. Water District	6	32
Thomas	Terry	Western Lewis-Rectorville Water District	6	64
Toles	Clifford	Farmdale Water District	6	15
Tucker	Robert	South Hopkins Water District	6	57
Varney	Kevin	Mountain Water District	6	34
Wagner	Doug	Northern Kentucky Water District	6	52
Wilson	Jimmy	Gallatin County Water District	6	16
Woodburn	Robert	Muhlenberg County Water District #3	6	37

**WATER COMMISSIONER ATTENDEES AND HOURS OF ATTENDANCE  
(BY WATER DISTRICT)**

<b>Water District</b>	<b>Last Name</b>	<b>First Name</b>	<b>Hours Earned</b>	<b>Affidavit Page No.</b>
Allen Co Water District	Powell	Jeff	6	1
Big Sandy Water District	Bowling	Darrell	6	2
Boone County Water District	Alexander	Tim	6	3
Boone County Water District	Cain	Charlie	6	4
Boone County Water District	Daugherty	James	6	5
Boone County Water District	Giordano	Mike	6	6
Boone County Water District	Knock	Richard	6	7
Christian County Water District	Adams	Ronald	6	8
Christian County Water District	Brunson	Ashbel	6	9
Christian County Water District	Morris	Barbara	6	10
Corinth Water District	Field	Dan	6	11
Dexter-Almo Heights Water District	Taylor	Joe Dan	6	12
East Clark County Water District	Fiefhaus	Harry	6	13
Farmdale Water District	Tanner	Richard	6	14
Farmdale Water District	Toles	Clifford	6	15
Gallatin County Water District	Wilson	Jimmy	6	16
Garrison-Quincy-O-Ky-Heights Water District	Collier	Karin	6	17
Garrison-Quincy-O-Ky-Heights Water District	Esham	Gary	6	18
Garrison-Quincy-O-Ky-Heights Water District	Bentley Jr	Luke	6	19
Hardin County Water District No. 1	Hockman	Ron	6	20
Hyden-Leslie Water District	Helton	Timothy	6	21
Larue County Water District #1	Detre	John	6	22
Laurel County Water District #2	Finley	Kenneth	6	23
Laurel County Water District #2	Jenkins	Wayne	6	24
Laurel County Water District #2	Moore	Dave	6	25
Lyon County Water District	Murphy	Charles	6	26
Lyon County Water District	Robertson	Don	6	27
Lyon County Water District	Sutton	Chris	6	28
Marion County Water District	May	Barbara	3	29
McCreary Co. Water District	New	Maynard	6	30
McCreary Co. Water District	Sexton	Doug	6	31
McCreary Co. Water District	Taylor	Raymond	6	32
McCreary Co. Water District	Taylor	Coy	6	33
Mountain Water District	Varney	Kevin	6	34

<b>Water District</b>	<b>Last Name</b>	<b>First Name</b>	<b>Hours Earned</b>	<b>Affidavit Page No.</b>
Muhlenberg County Water District #3	Anderson	Doug	6	35
Muhlenberg County Water District #3	Garrett	Donald	6	36
Muhlenberg County Water District #3	Woodburn	Robert	6	37
North Logan Water District	Barr	Tim	6	38
North Logan Water District	Harper	Wallace	6	39
North Logan Water District	Smotherman	S.C.	6	40
North Marshall Water District	Draffen	Larry Joe	6	41
North Marshall Water District	Driskill	Billy	6	42
North Marshall Water District	Leonard	James	6	43
North Marshall Water District	Shadowen	Kenneth	6	44
North Mercer Water District	Best	Tony	6	45
North Mercer Water District	Sheperson	Gerald	6	46
North Mercer Water District	Short	Roy	6	47
Northern Kentucky Water District	Cunningham	Clyde	6	48
Northern Kentucky Water District	Koester	Joe	6	49
Northern Kentucky Water District	Lange	Jody	6	50
Northern Kentucky Water District	Macke	Fred	6	51
Northern Kentucky Water District	Wagner	Doug	6	52
Oldham County Water District	Curry	Jody	6	53
Oldham County Water District	Greer	Jason	6	54
South Anderson Water District	Neat	Ollie	6	55
South Hopkins Water District	Duncan	Deborah	6	56
South Hopkins Water District	Tucker	Robert	6	57
Warren County Water District	Johnston	Harvey	6	58
West Shelby Water District	Quinn	Ben	6	59
West Shelby Water District	Riggs	Michael M.	6	60
Western Lewis-Rectorville Water District	Applegate	Robert	6	61
Western Lewis-Rectorville Water District	Gantley	Joe Dan	6	62
Western Lewis-Rectorville Water District	Johnson	Gerald (Jerry)	6	63
Western Lewis-Rectorville Water District	Thomas	Terry	6	64
Western Mason County Water District	Carpenter	Pam	6	65
Western Mason County Water District	Redden	Larry	6	66



**Andy Beshear**  
Governor

**Rebecca W. Goodman**  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460

**Michael J. Schmitt**  
Chairman

**Kent A. Chandler**  
Vice Chairman

**Talina R. Mathews**  
Commissioner

January 14, 2021

Re: Case No. 2020-00414  
Accreditation and Approval of a Public Service Commission Water Personnel Training Seminar as a Water District Commissioner Training Program

Attached is a list of the persons who attended the 2020 Water Personnel Training Seminar held on the video conference platform Bluejeans, on December 8-9, 2020, which includes his/her title, utility or agency, and the number of hours he/she attended.

If you have any questions, please contact Travis Leach, Commission Staff, at 502-782-2570.

Sincerely,

A handwritten signature in blue ink that reads "Linda C. Bridwell".

Linda Bridwell  
Executive Director

Attachment

2020 Public Service Commission Virtual Water Training December 8-9, 2020			
PSC Attendance List - Case No. 2020-00414			
Name	Title	Utility	Hours Earned
Lloyd Lowe	Commissioner	Big Sandy Water District	12
David Ingram	Commissioner	Breathitt County Water District	12
Cherish Kennedy	Commissioner	Corinth Water District	12
Shannon Long	Commissioner	Corinth Water District	12
Everett D. Angel	Commissioner	Cumberland Falls Highway Water District	12
Johnny Collette	Commissioner	Cumberland Falls Highway Water District	12
Marshall Lovitt	Commissioner	Cumberland Falls Highway Water District	6
RL McCullah	Commissioner	Cumberland Falls Highway Water District	12
Charles Boren	Commissioner	Dexter-Almo Heights Water District	6
Kathryn Wyatt	Commissioner	Dexter-Almo Heights Water District	12
James Riddle	Commissioner	East 60 Water District	6
Earnest Pasley	Commissioner	East Clark County Water District	12
Brad Gregory	Commissioner	Elkhorn Water District	12
Steve Mika	Commissioner	Elkhorn Water District	6
Don Morse	Commissioner	Farmdale Water District	12
Dwight Lewis	Commissioner	Hyden-Leslie County Water District	12
Carl Waits	Commissioner	Jessamine County Water District #1	6
Eddie Cox	Commissioner	Jessamine County Water District #1	6
George Dean	Commissioner	Jessamine County Water District #1	6
Howard Downing	Commissioner	Jessamine County Water District #1	6
Ron Davis	Commissioner	Jonathan Creek Water District	12
Dion Slone	Commissioner	Knott County Water & Sewer District	12
Don Gibson	Commissioner	Knott County Water & Sewer District	12
Freddie Williams	Commissioner	Knott County Water & Sewer District	12
Jeremy Goodson	Commissioner	Knott County Water & Sewer District	12
Grover Roark	Commissioner	Magoffin County Water District	6
Cody Rakes	Commissioner	Marion County Water District	6
Cody Rakes	Commissioner	Marion County Water District	6
Michael Carrier	Commissioner	McKinney Water District	12
Randy Tackett	Commissioner	Mountain Water District	6
Ben Tooley	Commissioner	Muhlenberg County Water District #3	12
Cindy Darr	Commissioner	Muhlenberg County Water District #3	12
Jody Lange	Commissioner	Northern Kentucky Water District	6
Ron Lovan	Commissioner	Northern Kentucky Water District	6
Jody Lange, CPA	Commissioner	Northern Kentucky Water District Water	6
Allen Legrand	Commissioner	North Hopkins Water District	12
James Dossett	Commissioner	North Marshall Water District	12
Pat Hargadon	Commissioner	North Shelby Water District	6
Raven Turner	Commissioner	Peaks Mill Water District	12
Ross Thompson	Commissioner	Peaks Mill Water District	12

2020 Public Service Commission Virtual Water Training December 8-9, 2020			
PSC Attendance List - Case No. 2020-00414			
Name	Title	Utility	Hours Earned
LR Faulkner	Commissioner	Pendleton County Water District	12
Jason Carroll	Commissioner	Rattlesnake Ridge Water District	12
Randy Steagall	Commissioner	Rattlesnake Ridge Water District	6
Eddie Stevens	Commissioner	South Anderson Water District	12
Patrick Cook	Operator	South Anderson Water District	6
Shannon Yeast	Operator	South Anderson Water District	6
Tim Baker	Commissioner	South Anderson Water District	6
William Fox	Commissioner	Todd County Water District	12
Darra Smith	Commissioner	Trimble County Water District #1	6
Grover Roark	Commissioner	Trimble County Water District #1	6
Kristie Chatham	Commissioner	Trimble County Water District #1	6
Larry Brown	Commissioner	Trimble County Water District #1	12
Darra Smith	Commissioner	Trimble County Water District #1	6
Kristie Chatham	Commissioner	Trimble County Water District #1	6
Robin Hill	Commissioner	US 60 Water District	6
Stephen Millier	Commissioner	US 60 Water District	6
Wayne Morris	Commissioner	US 60 Water District	6
Tim Kanaly	Commissioner	Warren County Water District	12
Raymond Williams	Commissioner	West Shelby Water District	6
Grover Money	Commissioner	Western Fleming County Water District	6
Jeff Donovan	Commissioner	Western Fleming County Water District	12
Vernon Barton	Commissioner	Western Fleming County Water District	6
Larry T. Ingram	Commissioner	Western Fleming County Water District	6



# **EXHIBIT T-4**

*This Certificate of Attendance  
is Being Presented to  
**Darrell Bowling**  
Upon Completion of*

*6 Hours*

*of Water Training Instruction at the  
**Kentucky Public Service Commission**  
**2021 Water Training Seminar***

*September 7, 2021*

*Kentucky Public Service Commission*

*Signed this 10<sup>th</sup> day of February, 2022*



*Kent Chandler, Chairman*

*Kentucky Public Service Commission*

*This Certificate of Attendance  
is Being Presented to  
William Hardin  
Upon Completion of*

*6 Hours*

*of Water Training Instruction at the  
Kentucky Public Service Commission  
2021 Water Training Seminar*

*September 7, 2021*

*Kentucky Public Service Commission*

*Signed this 10<sup>th</sup> day of February, 2022*



*Kent Chandler, Chairman*

*Kentucky Public Service Commission*

*This Certificate of Attendance  
is Being Presented to*

*Lloyd Lowe*

*Upon Completion of*

*6 Hours*

*of Water Training Instruction at the*

*Kentucky Public Service Commission  
2021 Water Training Seminar*

*September 7, 2021*

*Kentucky Public Service Commission*

*Signed this 10<sup>th</sup> day of February, 2022*



*Kent Chandler, Chairman*

*Kentucky Public Service Commission*

*This Certificate of Attendance  
is Being Presented to  
**Charles Shockey**  
Upon Completion of*

*6 Hours*

*of Water Training Instruction at the  
**Kentucky Public Service Commission**  
2021 Water Training Seminar*

*September 7, 2021*

*Kentucky Public Service Commission*

*Signed this 10<sup>th</sup> day of February, 2022*



*Kent Chandler, Chairman*

*Kentucky Public Service Commission*

*This Certificate of Attendance  
is Being Presented to  
**Paul Thomas**  
Upon Completion of*

*6 Hours*

*of Water Training Instruction at the  
**Kentucky Public Service Commission**  
2021 Water Training Seminar*

*September 7, 2021*

*Kentucky Public Service Commission*

*Signed this 10<sup>th</sup> day of February, 2022*



*Kent Chandler, Chairman*

*Kentucky Public Service Commission*

# **EXHIBIT U**

# **EXHIBIT U-1**



**Nelson Insurance Agency, Inc.**  
 2000 Envoy Circle  
 Louisville, KY 40299  
 Phone: 502-736-7000 Fax: 502-736-7001

+  
**Big Sandy Water District**  
 18200 KY Route 3  
 Catlettsburg, KY 41129  
 +

<b>INVOICE NO. 23647</b>		<b>Page 1</b>
ACCOUNT NO.	OP	DATE
BIGSA-2	GT	06/20/2019
<b>Commercial Package</b>		
POLICY #		
5700-0065		
COMPANY		
Allied World Assurance Co. LTD		
PRODUCER		
D. Bradley Stewart		
EFFECTIVE	EXPIRATION	BALANCE DUE ON
07/01/2018	07/01/2019	

Itm #	Eff Date	Trn	Type	Policy #	Description	Producer	Amount
639847	07/01/19	MEM	PCKG	5700-0065	19-20 Package Renewal	D. Bradley Stewart	\$14,473.00
639848	07/01/19	MEM	PCKG	5700-0065	19-20 Professional	D. Bradley Stewart	\$1,531.00
639849	07/01/19	MEM	PCKG	5700-0065	19-20 Umbrella	D. Bradley Stewart	\$4,000.00
639850	07/01/19	MEM	PCKG	5700-0065	Tax	D. Bradley Stewart	\$556.10

Please make your check payable to Nelson Insurance and remit your payment to our office. Thank you!

**Invoice Balance:** \$20,560.10  
**Account Balance:** \$0.00

1.5% Serv Chg will be applied to invoice not paid in 30 days

**Nelson Insurance Agency, Inc.**  
 2000 Envoy Circle  
 Louisville, KY 40299  
 Phone: 502-736-7000 Fax: 502-736-7001

+ **Big Sandy Water District** +  
 18200 KY Route 3  
 Catlettsburg, KY 41129  
 + +

<b>INVOICE NO. 23985</b>		Page 1
ACCOUNT NO.	OP	DATE
BIGSA-2	GT	10/23/2019
Crime		
POLICY #		
CPO-0632579-00		
COMPANY		
Zurich American Insurance Co		
PRODUCER		
D. Bradley Stewart		
EFFECTIVE	EXPIRATION	BALANCE DUE ON
07/01/2019	07/01/2020	

itm #	Eff Date	Trn	Type	Policy #	Description	Producer	Amount
654864	07/01/19	+EN	CR-S	CPO-0632579-00	Increase Employee Dishones	D. Bradley Stewart	\$38.00

Please make your check payable to Nelson Insurance Agency and remit your payment to office. Thank you.

**Invoice Balance:** \$38.00  
**Account Balance:** \$38.00

1.5% Serv Chg will be applied to invoice not paid in 30 days

**Nelson Insurance Agency, Inc.**  
 2000 Envoy Circle  
 Louisville, KY 40299  
 Phone: 502-736-7000 Fax: 502-736-7001

<b>INVOICE NO. 24323</b>		<b>Page 1</b>
<b>ACCOUNT NO.</b>	<b>OP</b>	<b>DATE</b>
<b>BROWN21</b>	<b>GT</b>	<b>03/10/2020</b>
<b>BOND</b>		
<b>POLICY #</b>		
<b>65010054N</b>		
<b>COMPANY</b>		
<b>CNA Surety</b>		
<b>PRODUCER</b>		
<b>D. Bradley Stewart</b>		
<b>EFFECTIVE</b>	<b>EXPIRATION</b>	<b>BALANCE DUE ON</b>
<b>03/10/2020</b>	<b>03/10/2024</b>	

+  
**Teresa J Brown** +  
 Big Sandy Water District  
 18200 State Route 3  
 Catlettsburg, KY 41129  
 + +

itm #	Eff Date	Trn	Type	Policy #	Description	Producer	Amount
670826	03/10/20	NEW	BOND	65010054N	Notary Bond	D. Bradley Stewart	\$40.00
670827	03/10/20	CFE	BOND	65010054N	KY Surcharge	D. Bradley Stewart	\$0.72

Please make your check payable to Nelson Insurance Agency & remit your payment to our office. Thank you.

**Invoice Balance:** \$40.72  
**Account Balance:** \$40.72

1.5% Serv Chg will be applied to invoice not paid in 30 days

**Nelson Insurance Agency, Inc.**  
 2000 Envoy Circle  
 Louisville, KY 40299  
 Phone: 502-736-7000 Fax: 502-736-7001

+ **Big Sandy Water District** +  
 18200 KY Route 3  
 Catlettsburg, KY 41129  
 +

<b>INVOICE NO. 24626</b>		<b>Page 1</b>
ACCOUNT NO.	OP	DATE
BIGSA-2	GT	06/18/2020
Commercial Package		
POLICY #		
CPO-0632579-00		
COMPANY		
Zurich American Insurance Co		
PRODUCER		
D. Bradley Stewart		
EFFECTIVE	EXPIRATION	BALANCE DUE ON
07/01/2019	07/01/2020	

itm #	Eff Date	Trn Type	Policy #	Description	Producer	Amount
682298	07/01/20	MEM PCKG	CPO-0632579-00	2020-21 Zurich Package Ren	D. Bradley Stewart	\$21,509.96

Please make your check payable to Nelson Insurance Agency and remit your payment to our office. Thank you.

**Invoice Balance:** \$21,509.96  
**Account Balance:** \$0.00

**Nelson Insurance Agency, Inc.**  
 2000 Envoy Circle  
 Louisville, KY 40299  
 Phone: 502-736-7000 Fax: 502-736-7001

+  
**Big Sandy Water District** +  
 Jessica Sexton  
 18200 KY Route 3  
 Catlettsburg, KY 41129  
 +

<b>INVOICE NO. 25214</b>		Page 1
ACCOUNT NO.	OP	DATE
BIGSA-2	GT	04/13/2021
Commercial Package		
POLICY #		
CPO-0632579-01		
COMPANY		
Zurich - Allied Public Risk		
PRODUCER		
D. Bradley Stewart		
EFFECTIVE	EXPIRATION	BALANCE DUE ON
07/01/2020	07/01/2021	

Itm #	Eff Date	Trn	Type	Policy #	Description	Producer	Amount
716327	04/22/21	+EN	PCKG	CPO-0632579-01	ADD LOC 1, BLDG #4	D. Bradley Stewart	\$275.00
716328	04/22/21	CFE	PCKG	CPO-0632579-01	TAX	D. Bradley Stewart	\$4.95

PLEASE MAKE YOUR CHECK PAYABLE TO NELSON INSURANCE AGENCY &  
 REMIT YOUR PAYMENT TO OUR OFFICE. THANK YOU!

Invoice Balance: \$279.95  
 Account Balance: \$29.73

1.5% Serv Chg will be applied to invoice not paid in 30 days

**Nelson Insurance Agency, Inc.**  
 2000 Envoy Circle  
 Louisville, KY 40299  
 Phone: 502-736-7000 Fax: 502-736-7001

<b>INVOICE NO. 25400</b>		Page 1
ACCOUNT NO.	OP	DATE
BIGSA-2	JU	06/18/2021
PRODUCER		
D. Bradley Stewart		

+ Big Sandy Water District +  
 Jessica Sexton  
 18200 KY Route 3  
 Catlettsburg, KY 41129  
 + +

Itm #	Eff Date	Trn Type	Policy #	Description	Producer	Amount
724176	07/01/21	MEM PCKG	CPO-0632579-02	21-22 Package incl Professio	D. Bradley Stewart	\$24,447.02
724177	07/01/21	MEM WC-S	376169	21-22 WC Deposit Premium	D. Bradley Stewart	\$2,861.35
Invoice Balance:						\$27,308.37
Account Balance:						\$0.00

*paid Kern* \$2,861.35

1.5% Serv Chg will be applied to invoice not paid in 30 days

# **EXHIBIT U-2**

# INVOICE

00078



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>May 28, 2019</b>
<b>Invoice Number</b>
<b>2455013</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>Due Date</b>
<b>\$1,927.64</b>
<b>06/26/2019</b>

<b>Current Balance</b>
<b>\$1,927.64</b>

**AGENT: NELSON INSURANCE AGENCY INC (502)736-7000**

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#1	07/01/2019	07/01/2020	\$1,811.52
Special Fund Assessment Installment	#1	07/01/2019	07/01/2020	\$116.12
<b>Current Charges</b>				<b>\$1,927.64</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$0.00</b>		<b>\$0.00</b>		<b>\$1,927.64</b>		<b>\$1,927.64</b>



# INVOICE

00040



**Big Sandy Water District**  
 18200 KY Route 3  
 Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>August 1, 2019</b>
<b>Invoice Number</b>
<b>2475647</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>\$2,231.18</b>
<b>Due Date</b>
<b>08/26/2019</b>

<b>Current Balance</b>
<b>\$2,231.18</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation	Policy Period		Amount
	From	To	
Audit Premium Adjustment	07/01/2018	07/01/2019	\$1,191.00
Audit Special Fund Assessment Adjustment	07/01/2018	07/01/2019	\$74.91
Premium Installment #2	07/01/2019	07/01/2020	\$907.12
Special Fund Assessment Installment #2	07/01/2019	07/01/2020	\$58.15
<b>Current Charges</b>			<b>\$2,231.18</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,231.18</b>		<b>\$2,231.18</b>



July 23, 2019



00387  
Big Sandy Water District  
18200 KY Route 3  
Catlettsburg, KY 41129

## Final Audit Summary

Policy:	376169	Audit Date:	07/23/2019
Policy Name:	Big Sandy Water District	Audit Type:	Online Audit
Agent:	Nelson Insurance Agency Inc		
Policy Period:	07/01/2018 – 07/01/2019		
Days in Force:	365		

Code	Description	Payroll	Rate/ \$100	Premium
7520	Waterworks Operation & Drivers 1-Big Sandy Water District	\$317,552.00	\$2.25	\$7,145.00
8810	Clerical Office Employees NOC 1-Big Sandy Water District	\$98,767.00	\$0.16	\$158.00

<b>Total Manual Premium</b>		<b>\$7,303.00</b>
Employers Liability Limits	1.1%	\$80.00
Employers Liability Increased Limits Balance to Minimum Premium		\$40.00
Experience Modification Premium 07/01/2018-07/01/2019	.85	-\$1,113.00
Premium Discount		-\$143.00
Expense Constant		\$260.00
Terrorism Charge	.01	\$42.00
<b>Total Premium</b>		<b>\$6,469.00</b>
Kentucky Special Fund Assessment	6.29%	\$406.90
<b>Grand Total</b>		<b>\$6,875.90</b>

**Additional Premium/Return Premium: \$1,265.91**

### NOTICE

Any premium adjustment will be invoiced on your next statement.

# INVOICE

00103



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>	<b>September 3, 2019</b>
<b>Invoice Number</b>	<b>2484928</b>
<b>Policy Number</b>	<b>376169</b>
<b>Current Balance</b>	<b>Due Date</b>
<b>\$965.27</b>	<b>09/28/2019</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#3	07/01/2019	07/01/2020	\$907.12
Special Fund Assessment Installment	#3	07/01/2019	07/01/2020	\$58.15
<b>Current Charges</b>				<b>\$965.27</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$2,231.18</b>		<b>\$2,231.18</b>		<b>\$965.27</b>		<b>\$965.27</b>



# INVOICE

00035



**Big Sandy Water District**  
 18200 KY Route 3  
 Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>October 1, 2019</b>
<b>Invoice Number</b>
<b>2493715</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>Due Date</b>
<b>10/26/2019</b>

<b>Current Balance</b>
<b>\$965.27</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#4	07/01/2019	07/01/2020	\$907.12
Special Fund Assessment Installment	#4	07/01/2019	07/01/2020	\$58.15
<b>Current Charges</b>				<b>\$965.27</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
\$965.27		\$965.27		\$965.27		\$965.27

# INVOICE

00037



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>	<b>November 1, 2019</b>
<b>Invoice Number</b>	<b>2502176</b>
<b>Policy Number</b>	<b>376169</b>
<b>Current Balance</b>	<b>Due Date</b>
<b>\$965.25</b>	<b>11/26/2019</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#5	07/01/2019	07/01/2020	\$907.12
Special Fund Assessment Installment	#5	07/01/2019	07/01/2020	\$58.13
<b>Current Charges</b>				<b>\$965.25</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
\$965.27		\$965.27		\$965.25		\$965.25

# INVOICE



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>May 27, 2020</b>
<b>Invoice Number</b>
<b>2562269</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>Due Date</b>
<b>\$1,932.96</b>
<b>06/26/2020</b>

<b>Current Balance</b>
<b>\$1,932.96</b>

**AGENT: NELSON INSURANCE AGENCY INC (502)736-7000**

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#1	07/01/2020	07/01/2021	\$1,816.52
Special Fund Assessment Installment	#1	07/01/2020	07/01/2021	\$116.44
<b>Current Charges</b>				<b>\$1,932.96</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$0.00</b>		<b>\$0.00</b>		<b>\$1,932.96</b>		<b>\$1,932.96</b>

# INVOICE



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>	<b>August 3, 2020</b>
<b>Invoice Number</b>	<b>2581533</b>
<b>Policy Number</b>	<b>376169</b>
<b>Current Balance</b>	<b>Due Date</b>
<b>\$2,269.33</b>	<b>08/28/2020</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation	Policy Period		Amount
	From	To	
Audit Premium Adjustment	07/01/2019	07/01/2020	\$1,223.00
Audit Special Fund Assessment Adjustment	07/01/2019	07/01/2020	\$78.40
Premium Installment #2	07/01/2020	07/01/2021	\$909.62
Special Fund Assessment Installment #2	07/01/2020	07/01/2021	\$58.31
<b>Current Charges</b>			<b>\$2,269.33</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,269.33</b>		<b>\$2,269.33</b>

July 20, 2020



00856  
Big Sandy Water District  
18200 KY Route 3  
Catlettsburg, KY 41129

## Final Audit Summary

Policy:	376169	Audit Date:	07/20/2020
Policy Name:	Big Sandy Water District	Audit Type:	Online Audit
Agent:	Nelson Insurance Agency Inc		
Policy Period:	07/01/2019 – 07/01/2020		
Days in Force:	366		

Code	Description	Payroll	Rate/ \$100	Premium
7520	Waterworks Operation & Drivers 1-Big Sandy Water District	\$315,425.00	\$2.36	\$7,444.00
8810	Clerical Office Employees NOC 1-Big Sandy Water District	\$135,154.00	\$0.15	\$203.00

Total Manual Premium		\$7,647.00
Employers Liability Limits	1.1%	\$84.00
Employers Liability Increased Limits Balance to Minimum Premium		\$36.00
Experience Modification Premium 07/01/2019-07/01/2020	.84	-\$1,243.00
Premium Discount		-\$166.00
Expense Constant		\$260.00
Terrorism Charge	.01	\$45.00
Total Premium		\$6,663.00
Kentucky Special Fund Assessment	6.41%	\$427.10
Grand Total		\$7,090.10

**Additional Premium/Return Premium:** \$1,301.40

### NOTICE

Any premium adjustment will be invoiced on your next statement.



# INVOICE

00037



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>	<b>September 1, 2020</b>
<b>Invoice Number</b>	<b>2589883</b>
<b>Policy Number</b>	<b>376169</b>
<b>Current Balance</b>	<b>Due Date</b>
<b>\$967.93</b>	<b>09/26/2020</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#3	07/01/2020	07/01/2021	\$909.62
Special Fund Assessment Installment	#3	07/01/2020	07/01/2021	\$58.31
<b>Current Charges</b>				<b>\$967.93</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$2,269.33</b>		<b>\$2,269.33</b>		<b>\$967.93</b>		<b>\$967.93</b>

# INVOICE

00037



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

Invoice Date	October 1, 2020
Invoice Number	2598189
Policy Number	376169
Current Balance	Due Date
\$967.93	10/26/2020

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#4	07/01/2020	07/01/2021	\$909.62
Special Fund Assessment Installment	#4	07/01/2020	07/01/2021	\$58.31
<b>Current Charges</b>				<b>\$967.93</b>

Previous Balance	-	Payment Received	+	Current Charges	=	Current Balance
\$967.93		\$967.93		\$967.93		\$967.93

### RETURN PAYMENT STUB

For billing inquiries, please call your agent or (859) 425-7800.

**Policy Number**  
376169

**Invoice Number**  
2598189

Please check this box for change of address or e-mail update (on reverse).

To make a payment instantly, visit  
[www.kemi.com/pay](http://www.kemi.com/pay)

**If mailing payment, please:**

1. Make checks payable to KEMI.
2. Include your Policy and Invoice Numbers on check.
3. Please do not staple check to payment stub.
4. Indicate change of address or e-mail update on reverse side of stub.
5. Write questions or comments on separate enclosure.

Kentucky Employers' Mutual Insurance  
Payment Processing Center  
P.O. Box 12500  
Lexington, KY 40583-2500

**Due Date:** 10/26/2020

**Amount Due:** \$967.93

# INVOICE



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>November 2, 2020</b>
<b>Invoice Number</b>
<b>2606012</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>Due Date</b>
<b>\$967.92</b>
<b>11/27/2020</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#5	07/01/2020	07/01/2021	\$909.62
Special Fund Assessment Installment	#5	07/01/2020	07/01/2021	\$58.30
<b>Current Charges</b>				<b>\$967.92</b>

<b>Previous Balance</b>	—	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$967.93</b>		<b>\$967.93</b>		<b>\$967.92</b>		<b>\$967.92</b>

August 31, 2021

00377



Big Sandy Water District  
18211 KY Route 3  
Catlettsburg, KY 41129

## Final Audit Summary

Policy: 376169  
 Policy Name: Big Sandy Water District  
 Agent: Nelson Insurance Agency Inc  
 Policy Period: 07/01/2020 – 07/01/2021      Audit Date: 08/31/2021  
 Days in Force: 365      Audit Type: Online Audit

Code	Description	Payroll	Rate/ \$100	Premium
7520	Waterworks Operation & Drivers 1-Big Sandy Water District	\$293,622.00	\$2.36	\$6,929.00
8810	Clerical Office Employees NOC 1-Big Sandy Water District	\$85,937.00	\$0.14	\$120.00

Total Manual Premium		\$7,049.00
Employers Liability Limits	1.1%	\$78.00
Employers Liability Increased Limits Balance to Minimum Premium		\$42.00
Experience Modification Premium 07/01/2020-07/01/2021	.84	-\$1,147.00
Premium Discount		-\$111.00
Expense Constant		\$260.00
Terrorism Charge	.01	\$38.00
Catastrophe Charge	.01	\$38.00
Total Premium		\$6,247.00
Kentucky Special Fund Assessment	6.41%	\$400.43
<b>Grand Total</b>		<b>\$6,647.43</b>

**Additional Premium/Return Premium: \$842.76**

## NOTICE



00377201  
00378

Any premium adjustment will be invoiced on your next statement.

# INVOICE

00039  


**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>	<b>May 27, 2021</b>
<b>Invoice Number</b>	<b>2662800</b>
<b>Policy Number</b>	<b>376169</b>
<b>Current Balance</b>	<b>Due Date</b>
<b>\$2,861.35</b>	<b>06/26/2021</b>

**AGENT: NELSON INSURANCE AGENCY INC (502)736-7000**

### Current Transactions

<u>Explanation</u>		<u>Policy Period</u>		<u>Amount</u>
		<u>From</u>	<u>To</u>	
Premium Installment	#1	07/01/2021	07/01/2022	\$2,673.66
Special Fund Assessment Installment	#1	07/01/2021	07/01/2022	\$187.69
<b>Current Charges</b>				<b>\$2,861.35</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,861.35</b>		<b>\$2,861.35</b>

May 27, 2021

250 West Main Street, Suite 900 Lexington, KY 40507-1724 859-425-7800 www.kemi.com

Big Sandy Water District  
18200 KY Route 3  
Catlettsburg, KY 41129

**Kentucky Employers Mutual Insurance**  
**250 W Main Street, Suite 900**  
**Lexington, KY 40507**  
**[www.kemi.com](http://www.kemi.com)**  
**859-425-7800 / 800-640-5364**

Quote Date: May 27, 2021

Prospective Insured:	Legal Entity:	Municipality
Name: Big Sandy Water District	FEIN:	610949952
Address: 18200 KY Route 3		
City: Catlettsburg, KY 41129		

Agency:	Nelson Insurance Agency Inc
Agent Number:	636
Address:	2000 Envoy Circle Ste 2001
City:	Louisville, KY 40299
Phone:	(502)736-7000

Renewal Quote for Workers Compensation Coverage  
376169- 07/01/2021-07/01/2022

Proposed Effective Date: 07/01/2021      Proposed Expiration Date: 07/01/2022

Employer's Liability Limits:	Bodily Injury by Accident	\$1,000,000 each accident
(3.B)	Bodily Injury by Disease	\$1,000,000 policy limit
	Bodily Injury by Disease	\$1,000,000 each employee



Quote for Workers Compensation Coverage  
376169-- 07/01/2021-07/01/2022

7520-000	Waterworks Operation & Drivers
8810-000	Clerical Office Employees NOC

CLASS RATING AND MANUAL PREMIUM DETAIL	EXPOSURE	RATE	PREMIUM
Big Sandy Water District			
07/01/2021 - 07/01/2022			
7520-000	265,370	2.14	\$5,679.00
8810-000	110,600	.13	\$144.00

PREMIUM CALCULATION DETAIL	TYPE	FACTOR	AMOUNT
07/01/2021 - 07/01/2022	Total Manual Premium		\$5,823.00
	Employers Liability Limits	.011	\$64.00
	Employers Liability Increased Limits Balance to Minimum Premium		\$56.00
	Total Subject Premium		\$5,943.00
	Experience Modification Premium	1.350	\$2,080.00
	Total Modified Premium		\$8,023.00
Final Estimate	Total Standard Premium		\$8,023.00
	Premium Discount		-\$330.00
	Expense Constant		\$260.00
	Terrorism Charge		\$38.00
	Catastrophe Charge		\$38.00
	Estimated Annual Premium		\$8,029.00
	Kentucky Special Fund Assessment		\$563.64
	Total Premium & Assessment		\$8,592.64

TOTAL ESTIMATED ANNUAL POLICY PREMIUM **\$8,592.64**

Payment Plan Eligibility: Five-Payment Plan

**Required Initial Installment Premium:**

BILLING SCHEDULE BILL DATE	BILLING SCHEDULE BILL AMOUNT
05/27/2021	\$2,861.35
08/01/2021	\$1,432.83
09/01/2021	\$1,432.83
10/01/2021	\$1,432.83
11/01/2021	\$1,432.80





00039401  
00039

**This renewal quotation is based on the information provided by the expiring policy. Any changes in this information unknown at the time of this quotation could change the policy premium. Notify KEMI immediately of any and all changes. If not paid by the renewal date, coverage will expire.**

cc: Nelson Insurance Agency Inc



00086110  
00086

250 West Main Street, Suite 900 Lexington, KY 40507-1724 859-425-7800 www.kemi.com

# INVOICE

00086



**Big Sandy Water District**  
18200 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>August 2, 2021</b>
<b>Invoice Number</b>
<b>2681298</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>\$1,432.83</b>
<b>Due Date</b>
<b>08/27/2021</b>

<b>Current Balance</b>
<b>\$1,432.83</b>

**AGENT: NELSON INSURANCE AGENCY INC (502)736-7000**

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#2	07/01/2021	07/01/2022	\$1,338.84
Special Fund Assessment Installment	#2	07/01/2021	07/01/2022	\$93.99
<b>Current Charges</b>				<b>\$1,432.83</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$0.00</b>		<b>\$0.00</b>		<b>\$1,432.83</b>		<b>\$1,432.83</b>



August 16, 2021

250 West Main Street, Suite 900 Lexington, KY 40507-1724 859-425-7800 www.kemi.com

00009




Big Sandy Water District  
18211 KY Route 3  
Catlettsburg, KY 41129

**ENDORSEMENTS**

FOR POLICY NUMBER – **376169**  
**Big Sandy Water District**  
POLICY 07/01/2021-07/01/2022  
KEMI 015  
GENERAL ENDORSEMENT

Effective 08/16/2021, the new mailing address for this policy is:  
18211 KY Route 3 , Catlettsburg, KY 41129

Please contact Center for Assistance at 859-425-7800 or 1-800-640-5364 with any questions.

Countersigned By: 



Making workers' comp work



00036111  
00036

250 West Main Street, Suite 900 Lexington, KY 40507-1724 859-425-7800 www.kemi.com

# INVOICE

00036



**Big Sandy Water District**  
18211 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>September 1, 2021</b>
<b>Invoice Number</b>
<b>2689678</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>\$2,275.59</b>
<b>Due Date</b>
<b>09/26/2021</b>

AGENT: NELSON INSURANCE AGENCY INC (502)736-7000

### Current Transactions

<u>Explanation</u>	<u>Policy Period</u>		<u>Amount</u>
	<u>From</u>	<u>To</u>	
Audit Premium Adjustment	07/01/2020	07/01/2021	\$792.00
Audit Special Fund Assessment Adjustment	07/01/2020	07/01/2021	\$50.76
Premium Installment #3	07/01/2021	07/01/2022	\$1,338.84
Special Fund Assessment Installment #3	07/01/2021	07/01/2022	\$93.99
	<b>Current Charges</b>		<b>\$2,275.59</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
\$1,432.83		\$1,432.83		\$2,275.59		\$2,275.59

# INVOICE



**Big Sandy Water District**  
18211 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>October 1, 2021</b>
<b>Invoice Number</b>
<b>2697728</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>Due Date</b>
<b>\$1,432.83</b>
<b>10/26/2021</b>

**AGENT: NELSON INSURANCE AGENCY INC (502)736-7000**

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#4	07/01/2021	07/01/2022	\$1,338.84
Special Fund Assessment Installment	#4	07/01/2021	07/01/2022	\$93.99
<b>Current Charges</b>				<b>\$1,432.83</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
<b>\$2,275.59</b>		<b>\$2,275.59</b>		<b>\$1,432.83</b>		<b>\$1,432.83</b>



Making workers' comp work



00060111  
00060

250 West Main Street, Suite 900 Lexington, KY 40507-1724 859-425-7800 www.kemi.com

# INVOICE

00060



**Big Sandy Water District**  
18211 KY Route 3  
Catlettsburg, KY 41129

<b>Invoice Date</b>
<b>November 1, 2021</b>
<b>Invoice Number</b>
<b>2704977</b>
<b>Policy Number</b>
<b>376169</b>
<b>Current Balance</b>
<b>Due Date</b>
<b>11/26/2021</b>

<b>Current Balance</b>
<b>\$1,432.80</b>

**AGENT: NELSON INSURANCE AGENCY INC (502)736-7000**

### Current Transactions

Explanation		Policy Period		Amount
		From	To	
Premium Installment	#5	07/01/2021	07/01/2022	\$1,338.82
Special Fund Assessment Installment	#5	07/01/2021	07/01/2022	\$93.98
<b>Current Charges</b>				<b>\$1,432.80</b>

<b>Previous Balance</b>	-	<b>Payment Received</b>	+	<b>Current Charges</b>	=	<b>Current Balance</b>
\$1,432.83		\$1,432.83		\$1,432.80		\$1,432.80

# **EXHIBIT U-3**

**Location Premium Detail for Big Sandy Water District - 009**



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	12/16/2020	January 2021 Final Invoice

**CURRENT**

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>

January 2021 Final Invoice 1 12/16/2020

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
---------------	------	----------	------------------	-----------------	---------------

**Active - Male**

██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,282.80
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,282.80</b>
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,425.38
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,425.38</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$281.20
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$281.20</b>
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,543.22
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,543.22</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,377.24</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7,299.56</b>

**ADJUSTMENTS**

**ADJUSTED TOTALS**

Location Adjusted Totals \$0.00 \$0.00 \$0.00 \$7,299.56

<b>Remit Payment to:</b>  KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$14,599.12
	Total Payment Received	\$7,299.56
	Unpaid Balance	\$7,299.56
	Current Total Premium	\$7,299.56
	Billing Fees	\$0.00
	Adjustment Total	\$0.00
	Misc Fees	\$0.00
<b>Payment Due Date</b> 01/01/2021	Location Adjustment	\$0.00
	<b>Current Total Due</b>	<b>\$14,599.12</b>



## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	01/18/2021	February 2021 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
---------------	------	----------	------------------	-----------------	---------------

#### Active - Female

██████████	EMP	PPO 9 RXE2 - Age 55 and Over	\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>

██████████	EMP	W30829M001 PPO 9 RXE2 - Age 55 and Over	\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>

██████████	EMP	PPO 9 RXE2 - Age 30-34	\$0.00	\$0.00	\$736.93
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$736.93</b>

**Active - Female Current Total**      \$0.00      \$0.00      \$0.00      **\$2,581.57**

February 2021 Final Invoice      1      01/18/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
---------------	------	----------	------------------	-----------------	---------------

#### Active - Male

██████████	ESP	PPO 9 RXE2 - Age 40-44	\$0.00	\$0.00	\$1,282.80
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,282.80</b>

██████████	ECH	PPO 9 RXE2 - Age 50-54	\$0.00	\$0.00	\$1,425.38
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,425.38</b>

██████████	EMP	PPO 9 RXE2 - Age 55 and Over	\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>

██████████	EMP	PPO 9 RXE2 - Age 55 and Over	\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>

██████████	EMP	01 PPO 9 RXE2 - Age 24 and Under	\$0.00	\$0.00	\$281.20
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$281.20</b>

██████████	ESP	PPO 9 RXE2 - Age 45-49	\$0.00	\$0.00	\$1,543.22
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,543.22</b>

**Active - Male Current Total**      \$0.00      \$0.00      \$0.00      **\$6,377.24**

**Location Current Totals**      \$0.00      \$0.00      \$0.00      **\$8,958.81**

### ADJUSTMENTS

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Female

██████████	EMP	PPO 9 RXE2 - Age 30-34	\$0.00	\$0.00	\$736.93
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$736.93</b>

ADJ-DEBIT January 2021 Final Invoice

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	02/16/2021	March 2021 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 30-34	EMP		\$0.00	\$0.00	\$736.93
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$736.93</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,581.57</b>

March 2021 Final Invoice

1

02/17/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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### Active - Male

██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,282.80
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,282.80</b>
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,425.38
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,425.38</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$281.20
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$281.20</b>
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,543.22
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,543.22</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,377.24</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,958.81</b>

### ADJUSTMENTS

#### ADJUSTED TOTALS

<b>Location Adjusted Totals</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,958.81</b>
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Remit Payment to:		Amount
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,695.74
	Total Payment Received	\$9,695.74
	Unpaid Balance	\$0.00
	Current Total Premium	\$8,958.81
	Billing Fees	\$0.00

**Location Premium Detail for Big Sandy Water District - 009**



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	03/16/2021	April 2021 Final Invoice

**CURRENT**

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████					
██████████ PPO 9 RXE2 - Age 30-34	EMP		\$0.00	\$0.00	\$736.93
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$736.93</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,581.57</b>

April 2021 Final Invoice 1 03/16/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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**Active - Male**

██████████					
██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,282.80
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,282.80</b>
██████████					
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,425.38
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,425.38</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████					
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$281.20
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$281.20</b>
██████████					
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,543.22
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,543.22</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,377.24</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,958.81</b>

**ADJUSTMENTS**

**ADJUSTED TOTALS**

Location Adjusted Totals \$0.00 \$0.00 \$0.00 \$8,958.81

Remit Payment to:		
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$8,958.81
	Total Payment Received	\$8,958.81
	Unpaid Balance	\$0.00
	Current Total Premium	\$8,958.81
	Billing Fees	\$0.00

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	04/19/2021	May 2021 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 30-34	EMP		\$0.00	\$0.00	\$736.93
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$736.93</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,581.57</b>

May 2021 Final Invoice

1

04/20/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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### Active - Male

██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,282.80
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,282.80</b>
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,425.38
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,425.38</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$281.20
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$281.20</b>
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,543.22
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,543.22</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,377.24</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,958.81</b>


### ADJUSTMENTS

#### ADJUSTED TOTALS

<b>Location Adjusted Totals</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,958.81</b>
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Remit Payment to:		Amount
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$8,958.81
	Total Payment Received	\$8,958.81
	Unpaid Balance	\$0.00
	Current Total Premium	\$8,958.81
	Billing Fees	\$0.00

**Location Premium Detail for Big Sandy Water District - 009**

	<b>Location</b>	<b>Prepared</b>	<b>Billing Period</b>
	Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	05/16/2021	June 2021 Final Invoice

**CURRENT**

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 30-34	EMP		\$0.00	\$0.00	\$736.93
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$736.93</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,581.57</b>

June 2021 Final Invoice 1 05/19/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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<b>Active - Male</b>					
██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,282.80
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,282.80</b>
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,425.38
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,425.38</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$922.32
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$922.32</b>
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$281.20
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$281.20</b>
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,543.22
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,543.22</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,377.24</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,958.81</b>

**ADJUSTMENTS**

**ADJUSTED TOTALS**

Location Adjusted Totals \$0.00 \$0.00 \$0.00 \$8,958.81

<b>Remit Payment to:</b>  KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$8,958.81
	Total Payment Received	\$8,958.81
	Unpaid Balance	\$0.00
	Current Total Premium	\$8,958.81
	Billing Fees	\$0.00

**Location Premium Detail for Big Sandy Water District - 009**



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	06/22/2021	July 2021 Final Invoice

**CURRENT**

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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**Active - Female**

██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████					
██████████ PPO 9 RXE2 - Age 35-39	EMP		\$0.00	\$0.00	\$748.84
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$748.84</b>

**Active - Female Current Total**      **\$0.00**      **\$0.00**      **\$0.00**      **\$2,658.98**

July 2021 Final Invoice

1

06/22/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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**Active - Male**

██████████					
██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>

██████████					
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>

██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████					
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>

██████████					
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>

**Active - Male Current Total**      **\$0.00**      **\$0.00**      **\$0.00**      **\$6,566.52**

**Location Current Totals**      **\$0.00**      **\$0.00**      **\$0.00**      **\$9,225.50**

**ADJUSTMENTS**

**ADJUSTED TOTALS**

**Location Adjusted Totals**      **\$0.00**      **\$0.00**      **\$0.00**      **\$9,225.50**

<b>Remit Payment to:</b>  KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$8,958.81
	Total Payment Received	\$0.00
	Unpaid Balance	\$8,958.81
	Current Total Premium	\$9,225.50
	Billing Fees	\$0.00

**Location Premium Detail for Big Sandy Water District - 009**



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	07/19/2021	August 2021 Final Invoice

**CURRENT**

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ 1 PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ 1 PPO 9 RXE2 - Age 35-39	EMP		\$0.00	\$0.00	\$748.84
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$748.84</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,658.98</b>

August 2021 Final Invoice 1 07/20/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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**Active - Male**

██████████					
██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████					
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████					
██████████ PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,225.50</b>

**ADJUSTMENTS**

**ADJUSTED TOTALS**

Location Adjusted Totals \$0.00 \$0.00 \$0.00 \$9,225.50

<b>Remit Payment to:</b>  KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$18,184.31
	Total Payment Received	\$18,184.31
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,225.50
	Billing Fees	\$0.00

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	08/19/2021	September 2021 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Female

██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXE2 - Age 35-39	EMP		\$0.00	\$0.00	\$748.84
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$748.84</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,658.98</b>

September 2021 Final Invoice

1

08/20/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Male

██████████					
██████████ PPO 9 RXE2 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████					
██████████ PPO 9 RXE2 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXE2 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXE2 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████					
██████████ 1 PPO 9 RXE2 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,225.50</b>

### ADJUSTMENTS

#### ADJUSTED TOTALS

**Location Adjusted Totals**      \$0.00      \$0.00      \$0.00      **\$9,225.50**

Remit Payment to:		
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,225.50
	Total Payment Received	\$9,225.50
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,225.50
	Billing Fees	\$0.00



## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	09/16/2021	October 2021 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Female

██████████	PPO 9 RXT1 - Age 55 and Over	EMP	\$0.00	\$0.00	\$955.07
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████	PPO 9 RXT1 - Age 55 and Over	EMP	\$0.00	\$0.00	\$955.07
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████	PPO 9 RXT1 - Age 35-39	EMP	\$0.00	\$0.00	\$748.84
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$748.84</b>

**Active - Female Current Total**      **\$0.00**      **\$0.00**      **\$0.00**      **\$2,658.98**

October 2021 Final Invoice

1

09/17/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Male

██████████	PPO 9 RXT1 - Age 40-44	ESP	\$0.00	\$0.00	\$1,315.13
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>

██████████	PPO 9 RXT1 - Age 50-54	ECH	\$0.00	\$0.00	\$1,465.94
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>

██████████	PPO 9 RXT1 - Age 55 and Over	EMP	\$0.00	\$0.00	\$955.07
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████	PPO 9 RXT1 - Age 55 and Over	EMP	\$0.00	\$0.00	\$955.07
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>

██████████	PPO 9 RXT1 - Age 24 and Under	EMP	\$0.00	\$0.00	\$290.06
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>

██████████	PPO 9 RXT1 - Age 45-49	ESP	\$0.00	\$0.00	\$1,585.25
	<b>Employee Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>

**Active - Male Current Total**      **\$0.00**      **\$0.00**      **\$0.00**      **\$6,566.52**

**Location Current Totals**      **\$0.00**      **\$0.00**      **\$0.00**      **\$9,225.50**

### ADJUSTMENTS

#### ADJUSTED TOTALS

**Location Adjusted Totals**      **\$0.00**      **\$0.00**      **\$0.00**      **\$9,225.50**

Remit Payment to:		Amount
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,275.50
	Total Payment Received	\$9,275.50
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,225.50
	Billing Fees	\$0.00

**Location Premium Detail for Big Sandy Water District - 009**



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	10/14/2021	November 2021 Final Invoice

**CURRENT**

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 35-39	EMP		\$0.00	\$0.00	\$748.84
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$748.84</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,658.98</b>

November 2021 Final Invoice 1 10/15/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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**Active - Male**

██████████					
██████████ PPO 9 RXT1 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████					
██████████ PPO 9 RXT1 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████					
██████████ PPO 9 RXT1 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,225.50</b>

**ADJUSTMENTS**

**ADJUSTED TOTALS**

Location Adjusted Totals \$0.00 \$0.00 \$0.00 \$9,225.50

Remit Payment to:		
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,225.50
	Total Payment Received	\$9,225.50
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,225.50
	Billing Fees	\$0.00

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	11/16/2021	December 2021 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
<b>Active - Female</b>					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████ PPO 9 RXT1 - Age 35-39	EMP		\$0.00	\$0.00	\$748.84
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$748.84</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,658.98</b>

December 2021 Final Invoice

1

11/17/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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### Active - Male

██████████ PPO 9 RXT1 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████ PPO 9 RXT1 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████ PPO 9 RXT1 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████ PPO 9 RXT1 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,225.50</b>

### ADJUSTMENTS

#### ADJUSTED TOTALS

<b>Location Adjusted Totals</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,225.50</b>
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Remit Payment to:		Amount
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,225.50
	Total Payment Received	\$9,225.50
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,225.50
	Billing Fees	\$0.00

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	12/17/2021	January 2022 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Female

██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 35-39	ECH		\$0.00	\$0.00	\$1,252.50
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,252.50</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,162.64</b>

January 2022 Final Invoice

1

12/17/2021

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Male

██████████					
██████████ PPO 9 RXT1 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████					
██████████ PPO 9 RXT1 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████					
██████████ PPO 9 RXT1 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,729.16</b>

### ADJUSTMENTS

#### ADJUSTED TOTALS

Location Adjusted Totals	\$0.00	\$0.00	\$0.00	\$9,729.16
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Remit Payment to:	Previous Total Due	Total Premium
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	\$9,225.50	\$9,225.50
	Total Payment Received	\$9,225.50
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,729.16
	Billing Fees	\$0.00

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	01/16/2022	February 2022 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Female

██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 35-39	ECH		\$0.00	\$0.00	\$1,252.50
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,252.50</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,162.64</b>

February 2022 Final Invoice

1

01/20/2022

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Male

██████████					
██████████ PPO 9 RXT1 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████					
██████████ PPO 9 RXT1 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ 1 PPO 9 RXT1 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████					
██████████ PPO 9 RXT1 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,729.16</b>

### ADJUSTMENTS

#### ADJUSTED TOTALS

**Location Adjusted Totals**      \$0.00      \$0.00      \$0.00      **\$9,729.16**

Remit Payment to:		
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,729.16
	Total Payment Received	\$9,729.16
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,729.16
	Billing Fees	\$0.00

## Location Premium Detail for Big Sandy Water District - 009



Location	Prepared	Billing Period
Jessica Sexton Big Sandy Water District - 009 18200 State Route 3 Catlettsburg KY 41129	02/17/2022	March 2022 Final Invoice

### CURRENT

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Female

██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 35-39	ECH		\$0.00	\$0.00	\$1,252.50
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,252.50</b>
<b>Active - Female Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,162.64</b>

March 2022 Final Invoice

1

02/18/2022

Employee/Plan	Tier	Coverage	Employee Premium	Company Premium	Total Premium
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#### Active - Male

██████████					
██████████ PPO 9 RXT1 - Age 40-44	ESP		\$0.00	\$0.00	\$1,315.13
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,315.13</b>
██████████					
██████████ PPO 9 RXT1 - Age 50-54	ECH		\$0.00	\$0.00	\$1,465.94
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,465.94</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 55 and Over	EMP		\$0.00	\$0.00	\$955.07
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$955.07</b>
██████████					
██████████ PPO 9 RXT1 - Age 24 and Under	EMP		\$0.00	\$0.00	\$290.06
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$290.06</b>
██████████					
██████████ PPO 9 RXT1 - Age 45-49	ESP		\$0.00	\$0.00	\$1,585.25
<b>Employee Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,585.25</b>
<b>Active - Male Current Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,566.52</b>
<b>Location Current Totals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,729.16</b>

### ADJUSTMENTS

#### ADJUSTED TOTALS

<b>Location Adjusted Totals</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,729.16</b>
---------------------------------	---------------	---------------	---------------	-------------------

Remit Payment to:		
KACo Benefits Group PO Box 950159 Louisville, KY 40295-0159	Previous Total Due	\$9,729.16
	Total Payment Received	\$9,729.16
	Unpaid Balance	\$0.00
	Current Total Premium	\$9,729.16
	Billing Fees	\$0.00

# **EXHIBIT U-4**



# INVOICE

**Client Name:** BIG SANDY WATER DISTRICT

**Invoice No.:** RIS0002651898

**Client No.:** M000430036

**Invoice Date:** 02/01/2020

**Billing Period:** 02/01/2020 Thru 02/29/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Subscriber Only	5	21.42	107.10
2		Subscriber and Spouse	7	41.24	288.68
3		Subscriber and 1 Child	1	41.24	41.24
<b>Current Monthly Total:</b>			<b>13</b>		<b>\$437.02</b>
<b>Total Amount Due:</b>					<b>\$437.02</b>

For inquiries please call: 1-800-955-2030

Changes made after 1/21/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



**Invoice No.:** RIS0002651898

**Invoice Date:** 02/01/2020

**PO Number:**

**Client No.:** M000430036

**Due Date:** 02/05/2020

**Billing Period:** 02/01/2020 Thru 02/29/2020

**AMOUNT DUE:** \$437.02

**Amount Remitted:**

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**





# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0002651898

Client No.: M000430036

Invoice Date: 02/01/2020

Billing Period: 02/01/2020 Thru 02/29/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Subscriber Only	5	21.42	107.10
2		Subscriber and Spouse	7	41.24	288.68
3		Subscriber and 1 Child	1	41.24	41.24
<b>Current Monthly Total:</b>			<b>13</b>		<b>\$437.02</b>
<b>Total Amount Due:</b>					<b>\$437.02</b>

For inquiries please call: 1-800-955-2030

Changes made after 1/21/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0002651898

Invoice Date: 02/01/2020

PO Number:

Client No.: M000430036

Due Date: 02/05/2020

Billing Period: 02/01/2020 Thru 02/29/2020

AMOUNT DUE: \$437.02

Amount Remitted:

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0002698834

Client No.: M000430036

Invoice Date: 03/01/2020

Billing Period: 03/01/2020 Thru 03/31/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
		Balance Forward			0.00
1		Subscriber Only	5	20.90	104.50
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
4	RATE CHANGE JAN 20	Subscriber Only	0	-2.60	-2.60
5	RATE CHANGE FEB 20	Subscriber Only	0	-2.60	-2.60
6	RATE CHANGE JAN 20	Subscriber and Spouse	0	-7.00	-7.00
7	RATE CHANGE FEB 20	Subscriber and Spouse	0	-7.00	-7.00
8	RATE CHANGE JAN 20	Subscriber and 1 Child	0	-1.00	-1.00
9	RATE CHANGE FEB 20	Subscriber and 1 Child	0	-1.00	-1.00
<b>Current Monthly Total:</b>			<b>13</b>		<b>\$405.22</b>
<b>Total Amount Due:</b>					<b>\$405.22</b>

Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.

For inquiries please call: 1-800-955-2030

Changes made after 2/17/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0002698834

Invoice Date: 03/01/2020

PO Number:

Client No.: M000430036

Due Date: 03/05/2020

Billing Period: 03/01/2020 Thru 03/31/2020

AMOUNT DUE: \$405.22

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

Amount Remitted:

**PLEASE SEND PAYMENT TO:**  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0002715025

Client No.: M000430036

Invoice Date: 04/01/2020

Billing Period: 04/01/2020 Thru 04/30/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Subscriber Only	5	20.90	104.50
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>13</b>		<b>\$426.42</b>
<b>Total Amount Due:</b>					<b>\$426.42</b>

For inquiries please call: 1-800-955-2030

Changes made after 3/16/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0002715025

Invoice Date: 04/01/2020

PO Number:

Client No.: M000430036

Due Date: 04/05/2020

Billing Period: 04/01/2020 Thru 04/30/2020

AMOUNT DUE: \$426.42

Amount Remitted:

**BIG SANDY WATER DISTRICT**  
**ATTN: Billing Department**  
**18200 STATE ROUTE #3**  
**CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:**  
**DELTA DENTAL OF KENTUCKY**  
**P O Box 950199**  
**Louisville KY 40295-0199**



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0002781744

Client No.: M000430036

Invoice Date: 05/01/2020

Billing Period: 05/01/2020 Thru 05/31/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Billing Adjustments	0	0.00	-20.90
2		Subscriber Only	4	20.90	83.60
3		Subscriber and Spouse	7	40.24	281.68
4		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$384.62</b>
<b>Total Amount Due:</b>					<b>\$384.62</b>

For inquiries please call: 1-800-955-2030

Changes made after 4/16/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0002781744

Invoice Date: 05/01/2020

PO Number:

Client No.: M000430036

Due Date: 05/05/2020

Billing Period: 05/01/2020 Thru 05/31/2020

AMOUNT DUE: \$384.62

Amount Remitted:

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**

# INVOICE



**Client Name:** BIG SANDY WATER DISTRICT

**Invoice No.:** RIS0002861965

**Client No.:** M000430036

**Invoice Date:** 06/01/2020

**Billing Period:** 06/01/2020 Thru 06/30/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.

For inquiries please call: 1-800-955-2030

Changes made after 5/13/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



**Invoice No.:** RIS0002861965

**Invoice Date:** 06/01/2020

**PO Number:**

**Client No.:** M000430036

**Due Date:** 06/05/2020

**Billing Period:** 06/01/2020 Thru 06/30/2020

**AMOUNT DUE:** \$405.52

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**Amount Remitted:**

**PLEASE SEND PAYMENT TO:**  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199



# INVOICE

**Client Name:** BIG SANDY WATER DISTRICT

**Invoice No.:** RIS0002941290

**Client No.:** M000430036

**Invoice Date:** 07/01/2020

**Billing Period:** 07/01/2020 Thru 07/31/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

For inquiries please call: 1-800-955-2030

Changes made after 6/17/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



**Invoice No.:** RIS0002941290

**Invoice Date:** 07/01/2020

**PO Number:**

**Client No.:** M000430036

**Due Date:** 07/05/2020

**Billing Period:** 07/01/2020 Thru 07/31/2020

**AMOUNT DUE:** \$405.52

**Amount Remitted:**

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0002990380

Client No.: M000430036

Invoice Date: 08/01/2020

Billing Period: 08/01/2020 Thru 08/31/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

For inquiries please call: 1-800-955-2030

Changes made after 7/15/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0002990380

Invoice Date: 08/01/2020

PO Number:

Client No.: M000430036

Due Date: 08/05/2020

Billing Period: 08/01/2020 Thru 08/31/2020

AMOUNT DUE: \$405.52

Amount Remitted:

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0003051729

Client No.: M000430036

Invoice Date: 09/01/2020

Billing Period: 09/01/2020 Thru 09/30/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.

For inquiries please call: 1-800-955-2030

Changes made after 8/19/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0003051729

Invoice Date: 09/01/2020

PO Number:

Client No.: M000430036

Due Date: 09/05/2020

Billing Period: 09/01/2020 Thru 09/30/2020

AMOUNT DUE: \$405.52

Amount Remitted:

**BIG SANDY WATER DISTRICT**  
**ATTN: Billing Department**  
**18200 STATE ROUTE #3**  
**CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:**  
 DELTA DENTAL OF KENTUCKY  
 P O Box 950199  
 Louisville KY 40295-0199



# INVOICE



**Client Name:** BIG SANDY WATER DISTRICT

**Invoice No.:** RIS0003099274

**Client No.:** M000430036

**Invoice Date:** 10/01/2020

**Billing Period:** 10/01/2020 Thru 10/31/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.					
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

For inquiries please call: 1-800-955-2030

Changes made after 9/17/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



**Invoice No.:** RIS0003099274

**Invoice Date:** 10/01/2020

**PO Number:**

**Client No.:** M000430036

**Due Date:** 10/05/2020

**Billing Period:** 10/01/2020 Thru 10/31/2020

**AMOUNT DUE:** \$405.52

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**Amount Remitted:**

**PLEASE SEND PAYMENT TO:**  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0003166870

Client No.: M000430036

Invoice Date: 11/01/2020

Billing Period: 11/01/2020 Thru 11/30/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site ""Register"" page.					
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

For inquiries please call: 1-800-955-2030

Changes made after 10/14/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0003166870

Invoice Date: 11/01/2020

PO Number:

Client No.: M000430036

Due Date: 11/05/2020

Billing Period: 11/01/2020 Thru 11/30/2020

AMOUNT DUE: \$405.52

Amount Remitted:

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**



## INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0003197820

Client No.: M000430036

Invoice Date: 12/01/2020

Billing Period: 12/01/2020 Thru 12/31/2020

Line	Identifier	Description	Quantity	UOM	Amount Due
Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site ""Register"" page.					
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

For inquiries please call: 1-800-955-2030

Changes made after 11/16/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



Invoice No.: RIS0003197820

Invoice Date: 12/01/2020

PO Number:

Client No.: M000430036

Due Date: 12/05/2020

Billing Period: 12/01/2020 Thru 12/31/2020

AMOUNT DUE: \$405.52

Amount Remitted: 

**BIG SANDY WATER DISTRICT  
ATTN: Billing Department  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129**

**PLEASE SEND PAYMENT TO:  
DELTA DENTAL OF KENTUCKY  
P O Box 950199  
Louisville KY 40295-0199**



# INVOICE

Client Name: BIG SANDY WATER DISTRICT

Invoice No.: RIS0003270759

Client No.: M000430036

Invoice Date: 01/01/2021

Billing Period: 01/01/2021 Thru 01/31/2021

Line	Identifier	Description	Quantity	UOM	Amount Due
		Balance Forward			0.00
1		Subscriber Only	4	20.90	83.60
2		Subscriber and Spouse	7	40.24	281.68
3		Subscriber and 1 Child	1	40.24	40.24
<b>Current Monthly Total:</b>			<b>12</b>		<b>\$405.52</b>
<b>Total Amount Due:</b>					<b>\$405.52</b>

Reminder: Billing details are only available online on Benefit Manager Toolkit (www.toolkitsonline.com). If you do not yet have access, update your security settings via the site "Register" page.

For inquiries please call: 1-800-955-2030

Changes made after 12/20/2020 will be reflected in the next billing cycle.

PLEASE RETURN BOTTOM PORTION WITH PAYMENT

3317

## REMITTANCE



**Invoice No.:** RIS0003270759  
**Invoice Date:** 01/01/2021  
**PO Number:**  
**Client No.:** M00043  
**Due Date:** 01/05/2021  
**Billing Period:** 01/01/2021 Thru 01/31/2021  
**AMOUNT DUE:** \$405.52

**BIG SANDY WATER DISTRICT**  
**ATTN: Billing Department**  
**18200 STATE ROUTE #3**  
**CATLETTSBURG KY 41129**

Amount Remitted:

**PLEASE SEND PAYMENT TO:**  
**DELTA DENTAL OF KENTUCKY**  
**P O Box 950199**  
**Louisville KY 40295-0199**

## SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1638284  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 01/17/2021  
 Billing Date: 01/18/2021

Billing Period: 02/01/2021 - 02/28/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 1 CHILD	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND SPOUSE	40.24
SUBSCRIBER AND SPOUSE	40.24		
SUBSCRIBER AND SPOUSE	40.24		
SUBSCRIBER AND SPOUSE	40.24		
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
ATTN: BILLING DEPARTMENT  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129

Client No.: M00043  
Subclient No.: 0036  
Contract ID: 1638284  
Product: DELTA DENTAL PREMIER  
Eligibility:  
Closing Date: 02/17/2021  
Billing Date: 02/18/2021

Billing Period: 03/01/2021 - 03/31/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52

## SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1638284  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 03/17/2021  
 Billing Date: 03/18/2021

Billing Period: 04/01/2021 - 04/30/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
ATTN: BILLING DEPARTMENT  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129

Client No.: M00043  
Subclient No.: 0036  
Contract ID: 1638284  
Product: DELTA DENTAL PREMIER  
Eligibility:  
Closing Date: 04/18/2021  
Billing Date: 04/19/2021

Billing Period: 05/01/2021 - 05/31/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52





## SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1638284  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 05/13/2021  
 Billing Date: 05/14/2021

Billing Period: 06/01/2021 - 06/30/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 1 CHILD	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1638284  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 06/16/2021  
 Billing Date: 06/17/2021

Billing Period: 07/01/2021 - 07/31/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
ATTN: BILLING DEPARTMENT  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129

Client No.: M00043  
Subclient No.: 0036  
Contract ID: 1638284  
Product: DELTA DENTAL PREMIER  
Eligibility:  
Closing Date: 07/18/2021  
Billing Date: 07/19/2021

Billing Period: 08/01/2021 - 08/31/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1638284  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 08/18/2021  
 Billing Date: 08/19/2021

Billing Period: 09/01/2021 - 09/30/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
ATTN: BILLING DEPARTMENT  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129

Client No.: M00043  
Subclient No.: 0036  
Contract ID: 1638284  
Product: DELTA DENTAL PREMIER  
Eligibility:  
Closing Date: 09/15/2021  
Billing Date: 09/16/2021

Billing Period: 10/01/2021 - 10/31/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
S [REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52

## SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1638284  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 10/17/2021  
 Billing Date: 10/18/2021

Billing Period: 11/01/2021 - 11/30/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$405.52



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
ATTN: BILLING DEPARTMENT  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129

Client No.: M00043  
Subclient No.: 0036  
Contract ID: 1638284  
Product: DELTA DENTAL PREMIER  
Eligibility:  
Closing Date: 11/17/2021  
Billing Date: 11/18/2021

Billing Period: 12/01/2021 - 12/31/2021

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 1 CHILD	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER ONLY	20.90
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND 2+ CHILDREN	62.92
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$428.20



# SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
ATTN: BILLING DEPARTMENT  
18200 STATE ROUTE #3  
CATLETTSBURG KY 41129

Client No.: M00043  
Subclient No.: 0036  
Contract ID: 1919660  
Product: DELTA DENTAL PREMIER  
Eligibility:  
Closing Date: 12/19/2021  
Billing Date: 12/20/2021

Billing Period: 01/01/2022 - 01/31/2022

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 1 CHILD	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 2+ CHILDREN	62.92
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND SPOUSE	40.24
Current Month Billing			\$428.20



## SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1919660  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 01/17/2022  
 Billing Date: 01/18/2022

Billing Period: 02/01/2022 - 02/28/2022

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 1 CHILD	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 2+ CHILDREN	62.92
SUBSCRIBER AND SPOUSE	40.24		
SUBSCRIBER AND SPOUSE	40.24		
Current Month Billing			\$428.20

## SUBSCRIBER LISTING

BIG SANDY WATER DISTRICT  
 ATTN: BILLING DEPARTMENT  
 18200 STATE ROUTE #3  
 CATLETTSBURG KY 41129

Client No.: M00043  
 Subclient No.: 0036  
 Contract ID: 1919660  
 Product: DELTA DENTAL PREMIER  
 Eligibility:  
 Closing Date: 02/16/2022  
 Billing Date: 02/17/2022

Billing Period: 03/01/2022 - 03/31/2022

Name of Subscriber	Subscriber ID	Coverage Type	Total Due
[REDACTED]	[REDACTED]	SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 1 CHILD	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER ONLY	20.90
		SUBSCRIBER AND SPOUSE	40.24
		SUBSCRIBER AND 2+ CHILDREN	62.92
SUBSCRIBER AND SPOUSE	40.24		
SUBSCRIBER AND SPOUSE	40.24		
Current Month Billing			\$428.20

# **EXHIBIT V**



# **EXHIBIT W**

# **EXHIBIT W-1**

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF JANUARY 16, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~ January 16, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

PUBLIC PARTICIPATION

Bob Pack (Paintsville Utilities) came to explain circumstances for Paintsville supplying water to Big Sandy in an emergency. If they are able to supply BSWD water without their customers losing water they will. Paintsville is currently doing 2 projects. These will relieve future problems of supply to both of Big Sandy connections one on US 23 and the other on Highway 581. These projects are expected to be completed in 2019.

MINUTES APPROVED

The minutes of the December 19, 2018 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Charlie Shockey. Motion carried.

BILLS

Motion made by Bill Hardin, seconded by David Salisbury to approve and pay the monthly bills. Motion carried.

## REPORTS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss. Motion made by David Salisbury, seconded Larry Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

## OLD BUSINESS

Phase V—currently working on deed and negotiations for Quarry Branch Pump Station with Daron Dean; Fullers Ridge Pump Station with Joe Cook and easement from Nannie Stewart and Nellie Levering on Morgans Creek. Joe stated due to government shut down, this will delay the advertisement for bids and construction of project. Motion made by approve pay request from Sisler-Maggard Engineering for \$5687.50. Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—BSWD has the pipe and fittings-as soon as we have time we will go work on it.

## NEW BUSINESS

Commissioners instructed Roger Hall to contact Hay Exploration concerning repairs they had made to our water lines using shark bites on Spankem Branch.

Motion made by Charlie Shockey, seconded by Larry Shockey to purchase a Ranger (reader for reading meters) for \$6975.00. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to leave commissioner positions as they are:

- Paul Thomas—Chairman
- Bill Hardin—Vice-Chairman
- David Salisbury—Secretary
- Charlie Shockey—Treasurer
- Larry Shockey—Asst. Secretary & Asst. Treasurer

Motion carried.

Received 4 bids on 2011 Chevrolet:	David Grubb	\$1610.00
	Nathan Walker	\$2599.00
	Al Gauding	\$1380.00
	Ricky Davidson	\$2109.00

Motion made by Bill Hardin, seconded by Charlie Shockey to accept highest bid for \$2599.00 from Nathan Walker, if he doesn't want truck then next highest bid for \$2109.00 from Ricky Davidson. Motion carried.



Motion made by Larry Shockey, seconded by Charlie Shockey to recess meeting at 10:15 a.m. Motion carried.

BY: James D. Salisbury  
2-20-2019  
David Salisbury, Secretary  
Big Sandy Water District

Date Approved: 2-20-2019

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF FEBRUARY 20, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~, February 20, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

Motion made by Charlie Shockey, seconded by Larry Shockey to adjourn January 16, 2019 meeting. Motion carried.

MINUTES APPROVED

The minutes of the January 16, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Larry Shockey. Motion carried.

BILLS

Motion made by David Salisbury, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss. Motion made by Larry Shockey, seconded David Salisbury to acknowledge water loss report. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—all items except for 3 have been submitted to RD, hopefully these will be submitted by end of week. BSWD purchased land for Fullers Ridge Pump Station from Joe Cook for \$300, settled with Daron Dean \$1,000 for Quarry Branch Pump Station. Plans & Specs have been approved by Division of Water and Rural Development State Engineer. BSWD is ready to advertise for bids when Doug gets the 3 items. Motion made by Bill Hardin, seconded by Charlie Shockey to approve pay request from Sisler-Maggard Engineering for \$26522.50 (\$1827.50-digitizing blueprints and \$24695.00-Phase V). Motion carried.


Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that BSWD has the pipe and fittings. Soon as we have time and weather permits we will go work on it.

#### NEW BUSINESS

Ryan Eastwood with City of Ashland wants to install chlorinator at 538 Pump Station so they will be able to analyze water being sent to us. Randy will schedule time to meet him at 538 Pump Station.


Motion made by Larry Shockey, seconded by David Salisbury to adjourn meeting at 10:15 a.m. Motion carried.

BY:

  
David Salisbury, Secretary  
Big Sandy Water District

Date Approved: 3-20-2019

BY:

  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF MARCH 20, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~ March 20, 2019. The meeting was called to order by Paul Thomas, Chairman, at 8:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas (left 10:05)  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Joe Sisler-Sisler-Maggard Engineering  
James Blanton-BSWD  
Bill Brooks-BSWD

MINUTES APPROVED

The minutes of the February 20, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Larry Shockey. Motion carried.

BILLS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Larry Shockey, seconded by David Salisbury to approve treasurer's report. Motion carried.

Commissioners discussed water loss. Motion made by Bill Hardin, seconded Larry Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—waiting on authorization to bid from USDA/Rural Development. Discussed security for the new building. Motion made by Bill Hardin, seconded by Charlie Shockey to approve pay request from Sisler-Maggard Engineering for \$11,188.00 (Phase V). Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that BSWD has put in some valves and pipe but we need dimensions on the pump station. Joe Sisler said we have the blueprints that have the dimensions for the pump station

Randy reported that he met with City of Ashland and put in chlorinator monitoring State Route 538 Pump Station.

#### NEW BUSINESS

Motion made by Charlie Shockey, seconded by Larry Shockey to close Community Trust customer payment account. Motion carried.

Rattlesnake Ridge is raising our rate from \$3.82 to \$4.30 per thousand gallon. Motion made by Larry Shockey, seconded by Charlie Shockey to do pass thru increase. Motion carried. Commissioners discussed putting tank on Spankem Branch told Joe to get information.

Randy reported he released Todd Hackett due to failure to do his job.

Discussed line extension on Spencer Branch off Left Fork Little Blaine (would be four tenths of a mile for 3 hookups) board concluded it was not feasible to do.

Discussed order from Kentucky Public Service Commission concerning our water loss be over 35%.

Randy reported he has information on an electrofusion system—the cost is \$4,700 and it would require a 5,000 watt generator or inverter-board determined we do not need this at this time.

Motion made by Larry Shockey, seconded by Charlie Shockey to go into executive session for personnel. Motion carried.


Motion made by Larry Shockey, seconded by Charlie Shockey to come out of executive session with no action taken. Motion carried.

Motion made by Larry Shockey, seconded by Charlie Shockey to give employees the following raises:


James Blanton	\$1.00
Bill Brooks	\$1.00
Tom Cornwell	\$1.25
Les Blanton	\$2.25
Rusty Austin	\$1.75
Bobbi Burton	\$2.25
Bev Bellomy	\$ .75

These raises will be effective April 1<sup>st</sup> and no raises for 3 years. Motion carried.

Motion made by David Salisbury, seconded by Larry Shockey to adjourn meeting at 10:45 a.m. Motion carried.

BY:   
David Salisbury, Secretary  
Big Sandy Water District

Date Approved: 4-17-2019

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF APRIL 17, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~ April 17, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

MINUTES APPROVED

The minutes of the March 17, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Larry Shockey. Motion carried.

BILLS

Motion made by Larry Shockey, seconded by David Salisbury to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss. Motion made by Bill Hardin, seconded Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

OLD BUSINESS

Phase V—waiting on authorization to bid from USDA/Rural Development. Motion made by Bill Hardin, seconded by Charlie Shockey to approve pay request from Sisler-Maggard Engineering for \$6,169.00 (\$6096.00-Phase V and \$73.00-Cunningham Hill Pump Station). Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—Joe Sisler brought 3 (three) sets of plans.

NEW BUSINESS

Randy reported that BSWD is not using Cannonsburg Water.

Cannonsburg Water is raising our rate from \$4.42 to \$4.60 per thousand gallons. Motion made by David Salisbury, seconded by Larry Shockey to do pass-thru increase. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to go into executive session for personnel. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to come out of executive session with no action taken. Motion carried.

Motion made by David Salisbury, seconded by Larry Shockey to adjourn meeting at 9:50 a.m. Motion carried.

BY: 

\_\_\_\_\_  
David Salisbury, Secretary  
Big Sandy Water District

Date Approved: 5-15-2019

BY: 

\_\_\_\_\_  
Paul Thomas, Chairman  
Big Sandy Water District



APRIL BILLS

VENDOR	INVOICE #	AMOUNT
CI Thornburg	S100038626.002	\$447.53
CI Thornburg	S100079784.003	\$65.65
CI Thornburg	S100081608.001	\$2,231.00
Consolidated Pipe & Supply	2890336-001	\$385.80
Consolidated Pipe & Supply	2890486-000	\$413.50
Consolidated Pipe & Supply	2890497-000	\$160.30
Neptune Equipment	140083	\$6,342.20
Service Pump & Supply	CI-0000012770	\$10,141.75
Service Specialties	11314	\$572.00
Stoll Keenon Ogden PLLC	901607	\$202.45
Roger W Hall		\$500.00
Wex	0496-00-326154-2	\$2,969.07
Rattlesnake Ridge Water District	141-13830-01	\$1,561.23
Cannonsburg Water District		\$18,417.26
Louisa Water	104786	\$24,088.63
City of Kenova	112928	\$19,953.09
City of Ashland		\$26,686.26
Total		\$115,137.72

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF MAY 15, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~ May 15, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

MINUTES APPROVED

The minutes of the April 17, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Larry Shockey. Motion carried.

BILLS

Motion made by David Salisbury, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Larry Shockey, seconded by David Salisbury to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Commissioners asked for report on how many of valves (53 purchased from AMP in 2018) have been installed and how many we still have to replace to try to mitigate water loss. These were purchased to replace few failing valves but were primarily to install to isolate parts of system to find and control water loss. Also, commissioners want a list of places to put in by-pass meters to check for water loss. Motion made by David Salisbury, seconded by Larry Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—Joe Sisler of SME reported we received authorization to bid from USDA/Rural Development. Bids will be opened on June 13, 2019 at 12:00 p.m. Pursuant to RD rules the bids will be held 90 days. Subsequently if the budget is approved by the board, then construction would not start till September. Joe reminded the board that due to 3 year old budget he is quite concerned about budget overrun. Joe also stated that the project is broken into 4 different bids as this project is primary a water loss removal project. The contracts are: water tank painting and repairs: water booster station replacement and upgrades: stream crossing replacements and service line replacements: and new office building. Motion made by Charlie Shockey, seconded by Larry Shockey to approve pay request from Sisler-Maggard Engineering for \$17,708.50. Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported he talked to Triple B Construction, the old estimate was \$16,000 from 09/07/17—the new estimate is \$18,390.00 Motion made by Bill Hardin, seconded by Charlie Shockey to approve new estimate. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to go into executive session for current litigation and personnel. Motion carried.

Motion made by Charlie Shockey, seconded by David Salisbury to come out of executive session with no action taken. Motion carried.

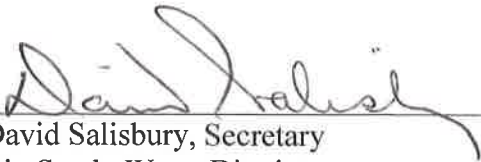
Motion made by Larry Shockey, seconded by Charlie Shockey to employ Gerald Wuetcher, attorney of Stoll, Keenon & Ogden PLLC to represent the water district on Case No. 2019-00041 due to water loss. Motion carried. Discussed PSC's 2<sup>nd</sup> request of information, Joe stated he will probably be required to spend billable time with Gerald Wuetcher.

#### NEW BUSINESS

Motion made by David Salisbury, seconded by Charlie Shockey to change personnel policy for vacation leave to read: employees with only 40 hours of vacation leave may be taken in increments—not 40 hours taken together. Motion carried.

Motion made by David Salisbury, seconded by Charlie Shockey to adjourn meeting at 10:45 a.m. Motion carried.

BY:

  
\_\_\_\_\_

David Salisbury, Secretary  
Big Sandy Water District

Date Approved:

6-19-2019

BY:

  
\_\_\_\_\_

Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF JUNE 19, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~, June 19, 2019. The meeting was called to order by Paul Thomas, Chairman, at 8:50 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney (9:45)  
Joe Sisler-Sisler-Maggard Engineering

PUBLIC PARTICIPATION

Clay's Performance Construction had submitted bid on new building, they stated they are local company and would like us to take this into consideration when making award. Per federal rules award must be made to low "responsible" bidder.

MINUTES APPROVED

The minutes of the May 15, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Larry Shockey. Motion carried.

BILLS

Motion made by David Salisbury, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Larry Shockey, seconded by David Salisbury to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Still waiting on report for how many valves and bypass meters have been installed by district staff and need to be installed to mitigate water loss. Motion made by Larry Shockey, seconded by Bill Hardin to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—Joe Sisler of SME reported we opened bids for Phase V Contracts (4) on June 13<sup>th</sup>, 2019. This is the low bidder for each contract: F-1 (Tanks) Currens \$674,400, G-1 (Pumps) BP Pipeline \$237,000, H-1 (Service & stream line replacements) BP Pipeline \$778,295 and I-1 (Building) Allen Construction \$474,005.20. Project I-1—since this project is substantially over budget motion made by David Salisbury, seconded by Larry Shockey to accept engineer's recommendation for list of reductions for office by low bidder as attached to minutes. Therefore award would be \$436,153. Motion carried. Motion made by Charlie Shockey, seconded by Larry Shockey to keep master meters cost (\$64,000) and telemetry cost (\$35,000) in project. Motion carried. Due to fact of an emergency at Point Section pump station BSWD installed a VFD. Subsequently the bid in the Phase V package for the Point Section is not required. The revised construction budget was \$2,533,000 and project budget estimate is \$3,040,000. Final engineering reports will be submitted to Rural Development and bid awards are held 90 days. Subsequently bid awards should be made in September. Motion made by Larry Shockey, seconded by Charlie Shockey upon recommendation of engineer, BSWD water rate would increase 8% to cover new debt service requirements and to increase our debt reserves. Motion carried. Motion made by Charlie Shockey, seconded by Larry Shockey to approve pay request from Sisler-Maggard Engineering for \$14,722.50. Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—Big Sandy is finished piping and ready for building contractor.

PSC-Case No. 2019-00041—Teresa informed commissioners that Gerald Wuetcher (attorney) will be contacting BSWD with list of issues and possible questions that will be raised at our hearing. Also, to schedule a time to meet with witnesses to prepare for hearing.

#### NEW BUSINESS

Motion made by Larry Shockey, seconded by Charlie Shockey to approve 2018 Audit. Motion carried.

Motion made by David Salisbury, seconded by Charlie Shockey to renew insurance with Blue Cross Blue Shield with employee paying 13% of policy. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to accept insurance proposal from Nelson Insurance for our commercial package including umbrella and automobile in the amount of \$20,560.10. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to accept insurance proposal from Nelson Insurance with KEMI for our worker's compensation in the amount of \$5,788.70. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to change meeting date in July from July 17<sup>th</sup> to July 24<sup>th</sup> due to Public Service Commission hearing for Case No. 2019-00041 in Frankfort. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to refinance 2007 KRWFC loan to receive lower interest rate. Motion carried.

Randy informed commissioners they would like to expand meter shop so more meters can be tested, currently only 32 meters can be tested in 8 hours. They would like 2 more meter benches. Commissioners told Randy they will need an estimate and then make their decision.

Randy informed commissioners employees are inquiring about donating sick and vacation to employees who are in need of time. Commissioners said they would need in writing what is being proposed.

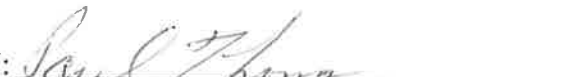
Motion made by David Salisbury, seconded by Charlie Shockey to adjourn meeting at 11:15 a.m. Motion carried.

BY:

  
David Salisbury, Secretary  
Big Sandy Water District

Date Approved: 7-24-2019

BY:

  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF JULY 24, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~, July 24, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

MINUTES APPROVED

The minutes of the June 19, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Charlie Shockey. Motion carried.

BILLS

Motion made by David Salisbury, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Larry Shockey, seconded by Charlie Shockey to approve treasurer's report. Motion carried. Motion made by Larry Shockey, seconded by Charlie Shockey giving Teresa Brown authorization to transfer excess money in Interest Bond & Sinking Fund and send letter to USDA/RD asking approval to use accumulated money from Depreciation Reserve Account (if needed) until we receive reimbursement for items already paid for that are in Phase V Project. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Discussed leaks (some were creek crossings) we had in the month of July. Received report on how many valves have been installed (21) and how many we have left to install (30). Received 10 year plan for meter replacement (pursuant to Joe Sisler comments there is a need to revise some information). Motion



made by Larry Shockey, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—Joe Sisler of SME read amended Letter of Conditions dated November 20, 2018. Motion made by Larry Shockey, seconded by Charlie Shockey giving Chairman and Secretary authorization to sign any documents related to revised Phase V Project. Motion carried. Motion made by Charlie Shockey, seconded by Larry Shockey to approve pay request from Sisler-Maggard Engineering for \$10,010.00. Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—Triple B Construction is starting work today on building around pumps, etc. that have been installed by District.

PSC-Case No. 2019-00041—Paul Thomas, Teresa Brown & Joe Sisler reported on hearing in Frankfort on July 17<sup>th</sup>. PSC asked if we had a 10 year meter replacement plan and meter testing plan in place. PSC asked about our emergency water supply agreements. PSC asked several questions about our USDA/RD loan and grant for Phase V (water loss project). They also asked if we would be open to merger with another water district and if we would be willing to put a surcharge on our bills to help with water loss.

Motion made by Larry Shockey, seconded by Charlie Shockey giving Paul Thomas authority to sign any documents related to **refinancing** of KRWFC loan and USDA/RD loan. Motion carried.

Randy gave commissioners information he had on expanding meter shop—no action taken.

#### NEW BUSINESS

Motion made by Bill Hardin, seconded by Charlie Shockey to employ Gerald Wuetcher, attorney of Stoll, Keenon & Ogden PLLC to represent the water district on Case No. 2019-00187 (Larry Shockey vacant commission term). Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to declare storage box (the one we kept in Louisa to store repair parts) as surplus property and accept sealed bids. Motion carried.

Paul Thomas, Bill Hardin, Charlie Shockey, Larry Shockey and David Salisbury will be attending KRWA Annual Conference in Lexington in August.

Motion made by Bill Hardin, seconded by David Salisbury electing Paul Thomas as Big Sandy Water District's voting delegate. Motion carried.

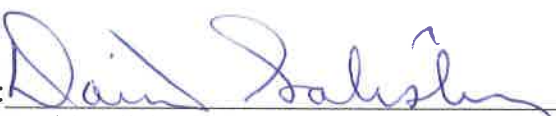
Motion made by Charlie Shockey, seconded by Larry Shockey to declare dump truck as surplus property and accept sealed bids. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to go into executive session for personnel and personnel handbook. Motion carried.

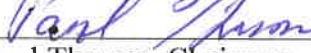
Motion made by Bill Hardin, seconded by Charlie Shockey to come out of executive session with no action taken. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to remove Bill Brooks and add Randy McDaniels to after-hour number as soon as information can be changed. Motion carried.

Motion made by David Salisbury, seconded by Charlie Shockey to adjourn meeting at 12:00 p.m. Motion carried.

BY:   
David Salisbury, Secretary  
Big Sandy Water District

Date Approved: 8-21-2019

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF AUGUST 21, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Wednesday~~ August 21, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
David Salisbury

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

PUBLIC PARTICIPATION

Larry Kitchen on Highway 3 gave BSWD a right-of-way a year ago to work on lines on his property. He would like his property back like it was with grass growing.

MINUTES APPROVED

The minutes of the July 24, 2019 regular meeting were approved as mailed. The motion was made by David Salisbury, seconded by Larry Shockey. Motion carried.

BILLS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by David Salisbury, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Discussed leaks we had in the month of August. Randy reported there has been 230 meters changed out. They have found that the heads are not good, we will need to order some. Motion made by Larry Shockey, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—Joe Sisler with SME reported reimbursement to BSWD will be \$237,455.00. Motion made by Larry Shockey, seconded by Charlie Shockey to accept Amendment #1 for SME Engineering Contract Fee Structure effective October 1<sup>st</sup>. Motion carried. Motion made by David Salisbury, seconded by Charlie Shockey to approve these bills when money is available from USDA/RD: Rubin & Hays \$7,648.55, Roger Hall \$2,862.55 and Sisler-Maggard Engineering \$23,015.00. Motion carried. This should be paid on September 9<sup>th</sup> for Pre-closing. Motion made by Larry Shockey, seconded Charlie Shockey giving Paul Thomas authority to sign Bond Resolution, Interim Financing Resolution and Floodplain Resolution. Motion carried. Paul Thomas opened and read USDA/RD bid for Phase V: \$1,670,000.00 at 3.25% per annum and \$395,000.00 at 2.75% per annum. Motion made David Salisbury, seconded by Larry Shockey giving Paul Thomas authority to sign Sale Resolution. Motion carried. Tank painters will be starting August 26<sup>th</sup>, they will be working on 2 tanks at a time. Commissioners are invited to September 9<sup>th</sup>, Pre-Closing, at 10:30 a.m. only Chairman and Secretary are required to attend. Also invited to Pre-Construction Conference at 11:45a.m.

Cunningham Hill Pump Station (Phase V reimbursement)—BSWD bought pump 2 years. BSWD needs to purchase a VFD phase converter. We have 2 quotes: Service Pump and Supply \$5,868.00 and Straeffler Pump and Supply \$6,765.00. Motion made Larry Shockey, seconded by Charlie Shockey to purchase VFD from Service Pump. Motion carried. Block was to be delivered last week.

PSC-Case No. 2019-00041—Joe Sisler of SME reported he submitted information to Gerald Wuetcher for service lines that are to be fixed in Phase V (Water System Improvement Project) so Mr. Wuetcher can prepare documents to send to PSC.

PSC-Case No. 2019-00187—Teresa reported she sent all documents concerning Larry Shockey's term and BSWD boundaries to Gerald Wuetcher that were requested so he can prepare documents to send to PSC.

The dimensions on the storage container are 18'L x 7'H x 8'W. Motion made by Charlie Shockey, seconded by Larry Shockey to declare 2016 Kraftsman trailer surplus. Need to run advertisement for bids on dump truck, trailer, (these can be seen at 18200 State Route 3) and storage box (this can be seen at Louisa City Garage Lot and purchaser will be responsible for moving). Motion carried.

#### NEW BUSINESS

Commissioners were informed that Big Sandy laid 1100' of 2" water line on Highway 2037. Lawrence County Fiscal Court will be reimbursing BSWD \$2365.53.



BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF SEPTEMBER 18, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Monday~~ *Wednesday* September 18, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering

Motion made by Bill Hardin, seconded by Larry Shockey to adjourn August 21, 2019 meeting. Motion carried.

Motion made by Larry Shockey, seconded by Charlie Shockey to go into executive session for possible litigation. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to come out of executive sessions with no action taken. Motion carried.

MINUTES APPROVED

The minutes of the August 21, 2019 regular meeting were approved as mailed. The motion was made by Larry Shockey, seconded by Charlie Shockey. Motion carried.

BILLS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Randy reported they are still fixing leak after leak. Busseyville master meter has been dead but Louisa has changed it out. Motion made by Larry Shockey, seconded by Bill Hardin to acknowledge water loss report. Motion carried. Paul Thomas told Randy he wants a list of every valve in ground and location and a schedule for these to be exercised over a year.

Motion made by Larry Shockey, seconded by Bill Hardin to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Phase V—Motion made by Larry Shockey, seconded by Charlie Shockey to accept Change Order #1 for (-\$20,000.00) for US 23 Tank due to tank being in better condition than expected. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling to accept Change Order #2 for (-\$5690.00) for Quarry Branch Tank due to tank being in better condition than expected. Motion carried. Joe Sisler informed commissioners that Jimmy Blanton or Bill Brooks would need to be with Kevin Sisler (inspector) when they start replacing services lines. Commissioners stated Jimmy would no longer be reading meters or getting samples when project starts. Motion made by Larry Shockey, seconded by Darrell Bowling to advertise to hire 2 men. Directed Randy McDaniels to prepare advertisement and submit to newspaper as soon as possible. Motion carried.

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that contractor said trusses should have been delivered last Friday for pump station building. No report if they were installed.

PSC-Case No. 2019-00041—Motion made by Charlie Shockey, seconded by Larry Shockey to accept Amended Rate Schedule ordered by PSC. Motion carried. Joe Sisler of SME reported he had sent requested information to PSC on September 12<sup>th</sup>. They have 30 days to make a determination.

PSC-Case No. 2019-00187—haven't heard anything

Received 4 bids on Storage Container:	David Grubb	\$200.00
	Eddie Marcum	\$350.00
	Stacy Smith	\$359.00
	Jonathan Clay	\$500.00

Motion made by Bill Hardin, seconded by Charlie Shockey to accept highest bid for \$500.00 from Jonathan Clay. Motion carried.

Received 4 bids on 2001 Sterling:	Jonathan Ferguson	\$3,900.00
	Martin Wright	\$2,000.00
	Jonathan Clay	\$3,500.00
	David Grubb	\$8,675.00

Motion made by Charlie Shockey, seconded by Larry Shockey to accept highest bid for \$8,675.00 from David Grubb. Motion carried.

Received 4 bids on 2016 Kraftsman Trailer:	Jonathan Clay	\$4,000.00
	Jonathan Ferguson	\$2,700.00
	David Grubb	\$1,005.00
	Martin Wright	\$4,500.00

Motion made by Bill Hardin, seconded by Charlie Shockey to accept highest bid for \$4,500.00 from Martin Wright. Motion carried.


#### NEW BUSINESS

Motion made by Larry Shockey, seconded by Charlie Shockey to change meeting day to the third Tuesday of the month at 9:00 a.m. due to schedule conflict with Doug Hoff (USDA/RD). Progress Reports on Phase V will be first agenda item as Doug Hoff must leave prior to 10:00 a.m. Motion carried.


Motion made by Larry Shockey, seconded by Charlie Shockey to name Darrell Bowling as Secretary. Motion carried.

Commissioners told Randy he needed to order No Trespassing signs to put at tanks.

Motion made by Charlie Shockey, seconded by Larry Shockey to adjourn meeting at 11:15 a.m. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 12-15-19

BY:   
Paul Thomas, Chairman  
Big Sandy Water District



BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF OCTOBER 15, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Tuesday~~ <sup>Tuesday</sup>, October 15, 2019. The meeting was called to order by Paul Thomas, Chairman, at 8:45 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering  
Douglas Hoff-RD/USDA

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1, Quarry Branch & US 23 Tanks are done. Quarry Branch is back in service and we took sample on US 23 yesterday. They will start working on Bowling Drive tank middle of next week. Should start Buchanan Tank today. Going to turn off flow to Fuller Ridge Tank tomorrow and see if Louisa can give us enough pressure. VFD for Coalton should be in first week in November but US 23 glass lined tank may be done first.

Joe Sisler reported on Contract H-1, BP Pipeline installed signs yesterday and will start today on Route 3 & Route 854 and work west. They will be repairing the short side services only right now.

Motion made by Charlie Shockey, seconded by Larry Shockey to accept Change Oder #3 for (-\$17,820.00) on outside painting of Bowling Drive Tank. Motion carried. Motion made by Larry Shockey, seconded by Charlie Shockey to approve pay request for Contact F-1 Currens for \$179,844.50 Motion carried. Motion made by Charlie Shockey, seconded by Larry Shockey to approve request from Sisler-Maggard Engineering for \$18,170.23. Motion carried. Motion made by Charlie Shockey, seconded by Larry Shockey giving Paul Thomas authority to sign requisition #1 for \$468,996.68 for interim financing from KRWFC. Motion carried.

## PUBLIC PARTICIPATION

Eric Patton and Jacob (intern) with FIVCO discussed various funding.

## MINUTES APPROVED

The minutes of the September 18, 2019 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Darrell Bowling. Motion carried.

## BILLS

Motion made by Bill Hardin, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

## REPORTS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Phase V service line replacement was discussed to the effect this may help water loss. Motion made by Charlie Shockey, seconded by Larry Shockey to acknowledge water loss report. Motion carried. Randy reported it would take a while to get list of vales and schedule to be exercised ready.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

## OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that building contractor said they should have everything completed tomorrow afternoon. Then we will be able to set pumps in and hookup and then schedule Service Pump to come and start up.

PSC-Case No. 2019-00041—haven't heard anything

PSC-Case No. 2019-00187—received order to publish for commissioner vacancy and we have published.

Randy informed commissioners that he fired Les Blanton on 10/14/19. Commissioners told Randy to advertise and interview for new employee. Jimmy or Bill needs to go to wherever BP Pipeline, Contract H-1 contractor is working every morning and mark valves in case of daily leak on services

## NEW BUSINESS

Motion made by Bill Hardin, seconded by Larry Shockey to approve attached job descriptions that were submitted to PSC in our periodic inspection. Motion carried.

Teresa Brown reported that Roger Murray, that rents from Jim Burchett, would like a leak adjustment for water hose that was left on. Commissioners said as per our tariff he can only use a leak adjustment, if he has a leak.

Motion made by Darrell Bowling, seconded by Charlie Shockey to get quote on meters and purchase approximately 140 meters at a time, as we can afford them, and also purchase heads to work on meters. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to adjourn meeting at 10:35 a.m. Motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 11-19-19

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF NOVEMBER 19, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Tuesday~~, November 19, 2019. The meeting was called to order by Bill Hardin, Vice-Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas (9:20)  
Charles Shockey  
Bill Hardin  
Larry Shockey  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Joe Sisler-Sisler-Maggard Engineering  
Kevin Sisler-Sisler-Maggard Engineering Field Observer

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. The Quarry Branch, US 23 (steel) & Bowling Dr Tanks are complete and on line. The painting on Buchanan Tank was completed on 11/12. Holiday test on Buchanan Tank is scheduled for 11/19. Currens is demobilizing to US 23 Glass-Lined Tank. US 23 Glass-lined Tank will be finished next week. Tank contractor will come back when weather breaks after 1<sup>st</sup> of the year, probably March 1<sup>st</sup> and do Rush & Fullers Ridge Tank.

Joe Sisler reported on Contract G-1-Pump Stations. VFD has been installed at US 60 Pump Station, electrical not complete. Micro-Comm will come and set up telemetry on US 60, Fullers Ridge, Quarry Br & Cunningham Hill Pump Stations when we are ready.

Joe & Kevin Sisler reported on Contract H-1-Service Lines. BP Pipeline has 1-3 crews working on service lines. They have fixed 65 lines. They have found 3 big leaks. They have found 1" service lines that BSWD wasn't aware of. BP Pipeline will be furnishing change order data to fix them.

Joe & Kevin Sisler reported on Contract I-1-Building. Allen Construction came Friday (November 15<sup>th</sup>) and dug footer. There is a problem with soil conditions. Pursuant to specifications, their geo tech engineer will be here to check on November 19<sup>th</sup>. Allen Construction will need to dig deeper to get to stable ground. The contractor's geo tech will made recommendation for stabilization of foundation. Their geo tech did arrive today and the geo tech and Allen Constructions made recommendation to excavate to SOLID ground (under the geo tech's supervision), then backfill with compacted stone.

The Board accepted this recommendation and authorized contractor to proceed. This motion was made by Darrell Bowling, seconded by Charlie Shockey. Motion carried. Geo tech report to follow.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve pay request for Contract F-1 from Currens for \$189,301.75, Contract G-1 from BP Pipeline for \$13,868.40, Contract H-1 from BP Pipeline for \$76,233.32, Sisler-Maggard Engineering for \$13,943.75 and Big Sandy Water (reimbursement for advertising) for \$7,003.00. Motion carried. Motion made by Charlie Shockey, seconded by Larry Shockey giving Paul Thomas authority to sign requisition from RD #2 for \$300,350.22 for interim financing from KRWFC. Motion carried.

#### MINUTES APPROVED

The minutes of the October 15, 2019 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Larry Shockey. Motion carried.

#### BILLS

Motion made by Larry Shockey, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Charlie Shockey, seconded by Larry Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Randy informed commissioners we ordered 100 meters and 50 heads to change out meters on 10 year list. Commissioners said to scrap old meters. Motion made by Charlie Shockey, seconded by Darrell Bowling to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that they still needed to put in receptacles and lights. Commissioners said to contact Triple B Construction and tell them they have 5 days to finish.

PSC-Case No. 2019-00041—haven't heard anything

PSC-Case No. 2019-00187—haven't heard anything

#### NEW BUSINESS

Motion made by Larry Shockey, seconded by Charlie Shockey to allow Jimmy Blanton to take his vacation as he wants, due to him having scheduled his vacation and not being able to take his vacation due to Big Sandy needing him at work. Motion carried.

Randy reported he had met with CDP-MAPSYNC and they have a GPS program (approximately \$10,000) that would list all of valves and meters and everything else. They would like to meet with commissioners at next meeting. Commissioners said to schedule meeting for December.

Discussed slip at Tony Rankin's on Durbin Road—state is working on it and it should be fixed by November 30<sup>th</sup>.

Motion made by Bill Hardin, seconded by Charlie Shockey to give all employees a \$300.00 incentive pay. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to give Jeremy Rogers and Danny Houston \$1.00 an hour raise. Motion carried.

Micro-Comm came and worked on telemetry—poles need to be replaced at Point Section and Friendship. Everything else is working.

Bill Hardin reported that Lawrence County Fiscal Court would like to use their own engineer when they are putting in line extensions—no action taken.

Motion made by Larry Shockey, seconded by Charlie Shockey to recess meeting at 11:05 a.m. Motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 12-17-19

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF DECEMBER 17, 2019

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on *Tuesday*, December 17, 2019. The meeting was called to order by Paul Thomas, Chairman, at 9:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Doug Hoff-USDA/RD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering  
Tony Palarie—BP Pipeline  
Joe Palarie—BP Pipeline  
Jody Franklin—Allen Construction  
Lewis Dixon—CDP-MAPSYNC  
Todd Williams—CDP-MAPSYNC

Motion made by Larry Shockey, seconded by Charlie Shockey to adjourn November 19, 2019. Motion carried.

PROGRESS MEETING PHASE V

Joe Sisler reported on Contract F-1-Water Tank Repairs. Everything is complete on tanks that have been worked on. Tank contractor will come back when weather breaks, probably March 1<sup>st</sup> and do Rush & Fullers Ridge Tank.

Joe Sisler reported on Contract G-1-Pump Stations. Pumps are in for Quarry Branch and contractor is grubbing Quarry Branch site. Pumps are also in for Fullers Ridge.

Joe Sisler reported on Contract H-1-Service Lines. Due to contractors finding 1" service lines that need to be replaced (1" lines were not in original bids). Also they are needing to dig to find corp stop for odd-ball fittings which is taking more time to find, dig and then quit because cut off is not standard. After District cuts off then Contractor must return. There is a change proposal (see attached) for both items (1" and search and find) dated 12/16/19. Motion made by Darrell Bowling, seconded by Charlie Shockey to accept Change Proposal dated 12/16/19 from BP Pipeline. Motion carried. BP Pipeline

said they may request more time on contract due to different items coming up. Joe Sisler said this would be considered with change order.

Joe Sisler reported on Contract I-1-Building. Foundation and stem walls are in. Due to problem with soil conditions, the final excavation was 5' below footer level and back-filled with stone. This was discussed at previous board meeting. Motion made by Charlie Shockey, seconded by Larry Shockey to approve Change Order #1 for \$22,439.95. Motion carried. Waiting to get plumbing permit from Frankfort before anything else can be done.

Motion made by Charlie Shockey, seconded by Larry Shockey to approve pay request for Contract F-1 from Currens for \$29,369.25, Contract G-1 from BP Pipeline for \$62,202.39, Contract I-1 from Allen Construction for \$38,681.34 and Sisler-Maggard Engineering for \$8,674.61. Motion carried. Motion made by Darrell Bowling, seconded by Larry Shockey giving Paul Thomas authority to sign requisition from RD #3 for \$138,927.59 for interim financing from KRWFC. Motion carried.

#### PUBLIC PARTICIPATION

Lewis Dixon & Todd Williams with GIS gave demonstration on Asset Management Mobile Mapping. The software, training and field implementing is \$9,000. The GPS unit is \$2945.00 and the yearly support is \$960.00/year or \$2,960.00/year depending on support you require.

#### MINUTES APPROVED

The minutes of the November 19, 2019 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Larry Shockey. Motion carried.

#### BILLS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Motion made by Bill Hardin, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Teresa reported that work still has not been completed. Motion made by Bill Hardin, seconded by Larry



Shockey to hire someone to complete and deduct from Triple B Construction quote.  
Motion carried.

PSC-Case No. 2019-00041—reviewed order dated November 22, 2019. Discussed developing and implementing plan for testing 10 year or older meters. Discussed list of valves for leak detection and water loss plan. General discussion with respect to hiring General Manager and change of personnel. Joe Sisler said he was going to call Public Service Commission and find out process on surcharge.

PSC-Case No. 2019-00187—haven't heard anything

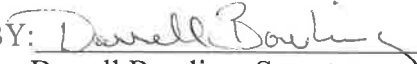
Motion made by Bill Hardin, seconded by Charlie Shockey that Joe Sisler with Sisler-Maggard Engineering will be Big Sandy Water District's engineer on any plans that we would need engineered. Motion carried.

#### NEW BUSINESS


Motion made by Bill Hardin, seconded by Charlie Shockey to approve 2020 Budget.  
Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to approve charge-offs in the amount of \$14,087.14. Motion carried.

Motion made by Larry Shockey, seconded by Charlie Shockey to recess meeting at 12:00 p.m. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 1-21-20

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

# **EXHIBIT W-2**

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF JANUARY 21, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on *Tuesday*, January 21, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Larry Shockey  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Randy McDaniels-BSWD  
Doug Hoff-USDA/RD  
Roger Hall-Attorney  
Joe Sisler-Sisler-Maggard Engineering  
Kevin Sisler-Sisler-Maggard Engineering  
Tony Palarie-BP Pipeline  
Joe Palarie-BP Pipeline  
Tim Biliter-BP Pipeline  
Isaac Allen-Allen Construction

Motion made by Larry Shockey, seconded by Charlie Shockey to adjourn *December* 17, 2019. Motion carried.

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Nothing to report.

Kevin & Joe Sisler reported on Contract G-1-Pump Stations. Pump station on Highway 707, Quarry Branch, the slabs have been poured. Waiting on weather to clear up. Fullers Ridge Pump Station the existing line is not where it shows on the blue prints. Going to require the move of pump station some. This will require relocations of waterline by BSWD and C.O. of BP Pipeline.

Kevin & Joe Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has 2-4 crews working. They changed out 35 service lines the 1<sup>st</sup> month, 67 the 2<sup>nd</sup> month and 95 the 3<sup>rd</sup> month. Needmore Hollow -had to put in blow-off and valve.

Highway 581 bridge is closed. Highway Department will be replacing what we have in bid. KDOT said they would relocate the line at their expense within 2 years. Joe Sisler recommended therefore that this relocation be removed from project and save District money. Motion made by Darrell Bowling, seconded by Charlie Shockey to deduct change order #3 in the amount of \$47,857.09 and take out of project. There is a restocking fee for materials already ordered, he believes BSWD can keep and use some of the material. Motion carried.

Kevin & Joe Sisler reported on Contract I-1-Building. Received sewer permit from State with new specifications. Motion made by Charlie Shockey, seconded by Larry Shockey to approve quote from Harry Friley for sewer installation at \$7,310.00. Health Department required 2 septic tanks and pump. Motion carried. Allen Construction will be pouring concrete on Thursday or Friday. Allen Construction said they may request more time on contract due to different items coming up. Joe Sisler said this would be considered with change order.

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve pay request for Contract G-1 from BP Pipeline for \$51,712.45, Contract H-1 from BP Pipeline for \$37,440.45, Contract I-1 from Allen Construction for \$53,661.39 and Sisler-Maggard Engineering for \$9,756.71. Motion carried. Motion made by Darrell Bowling, seconded by Larry Shockey giving Paul Thomas authority to sign requisition from RD #4 for \$170,961.00 for interim financing from KRWFC. Motion carried.

#### PUBLIC PARTICIPATION

Linda & Steven Williams from Savage Branch stated they called the water company on 01/27/20 because of low pressure problem which meant they were not able to shower or do laundry. BSWD went over there and told her she had a leak. Ms. Williams had a plumber come and he informed her that it was Big Sandy's leak. Randy McDaniels confirmed there was a problem on BSWD side. They would like to be reimbursed the plumber's cost. Motion made by Darrell Bowling, seconded by Charlie Shockey to give her a credit of \$176.00 on her account. Motion carried.

#### MINUTES APPROVED

The minutes of the December 17, 2019 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Larry Shockey. Motion carried.

#### BILLS

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report (attached, this is always for the previous month due to reading and billing). Motion made by Darrell Bowling, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Larry Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Randy reported that building is completed but ground needs to be leveled. BSWD needs to get pumps put in so Service Pump can put in VFD.

PSC-Case No. 2019-00041—changed out 30 meters on ten year list. Motion made by Charlie Shockey, seconded by Larry Shockey to purchase 100 meters to work on 10 year meter list. Motion carried.

PSC-Case No. 2019-00187—haven't heard anything

Discussed CDP-MAPSYNC quote. We need to get another quote for GPS system.

#### NEW BUSINESS

Motion made by Bill Hardin, seconded by Larry Shockey to leave commissioner office positions as they are:

Paul Thomas—Chairman

Bill Hardin—Vice-Chairman

Darrell Bowling—Secretary

Charlie Shockey—Treasurer

Larry Shockey—Asst. Secretary & Asst. Treasurer

Motion carried.

Teresa informed commissioners that Kenova Water is able to supply us an additional 10 to 13 million gallons a month. We will valve water different direction in order to purchase more water from Kenova Water instead of City of Ashland. Our 5 year special rate (rate went from \$2.19 to 2.94 per thousand) with City of Ashland has expired and now is billed off their regular "out of town" bulk rate.

Rattlesnake Ridge Water is raising our rate from \$3.82 to \$4.30 per thousand gallon (12.57%). Motion made by Darrell Bowling, seconded by Charlie Shockey to do pass thru increase. Motion carried. Joe Sisler stated that SME was still designing and soliciting costs to install pump station and drop service from RRWD.

Charlie Shockey, Bill Hardin, Larry Shockey and Darrell Bowling will be attending training (PSC) on April 22<sup>nd</sup> at Jenny Wiley. Paul Thomas will be attending training (PSC) on June 16<sup>th</sup> at Carter Caves.

Motion made by Bill Hardin, seconded by Charlie Shockey to go into executive session for personnel. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to make Teresa Brown, General Manager, with a salary of \$75,000.00 a year. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to recess meeting at 12:25 p.m. until January 28<sup>th</sup> at 9:00 a.m.. Motion carried.

After recess, meeting was resumed on January 28<sup>th</sup> at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

PRESENT

Paul Thomas, Charlie Shockey, Bill Hardin, Larry Shockey and Darrell Bowling.

Motion made by Darrell Bowling, seconded by Larry Shockey to go into executive session. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to change Randy McDaniels to laborer at \$17.00 an hour and Rusty Austin to Maintenance Supervisor at \$19.00 an hour this will be effective February 3<sup>rd</sup>, 2020. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to recess meeting at 1:30 p.m. until January 30<sup>th</sup> at 8:00 a.m. Motion carried.

After recess, meeting was resumed on January 30<sup>th</sup> at 8:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

PRESENT

Paul Thomas, Charlie Shockey, Bill Hardin, Larry Shockey, Darrell Bowling, Teresa Brown, Jeremy Rogers, Danny Houston, Bill Brooks, Tom Cornwell, Rusty Austin and Randy McDaniels. *Sim Blanton was also present.*

Paul Thomas informed employees of following changes:

Teresa Brown-General Manager

Randy McDaniels-Laborer

Rusty Austin-Maintenance Supervisor


Motion made by Darrell Bowling, seconded by Larry Shockey to purchase 1,000 meters to work on our 10 year or older meters (approximately 2,200) that need to be changed out and extend meter test bench adding 8 stations. We will be taking money out of Depreciation Account (with approval from RD) and our general funds. We will be

testing meters as we take meters out to put back in the ground, if they test good.  
Commissioners said to check with PSC for surcharge (how to apply and time frame) to  
put money back in Depreciation Account.


Commissioners stated we need to be going out at night to find leaks-making list of  
valves and exercising valves, schedules can be changed to accomplish this.

Motion made by Darrell Bowling, seconded by Charlie Shockey to have Joe Sisler  
get a quote to repair exposed line on E US 60 in Carter County. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to recess meeting at  
9:25 a.m. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 2-18-20

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF FEBRUARY 18, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on *Tuesday*, February 18, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Doug Hoff-USDA/RD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineerig  
Joe Palarie-BP Pipeline  
Tim Biliter-BP Pipeline  
Isaac Allen-Allen Construction

Motion made by Charlie Shockey, seconded by Darrell Bowling to adjourn *January 21, 2020*, Motion carried.

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Nothing to report.

Kevin Sisler reported on Contract G-1-Pump Stations. BSWD will be moving water line at Fullers Ridge Pump Station on Thursday. Quarry Br/Highway 707 Pump Station under roof and should be 90% complete this week. Motion made by Darrell Bowling, seconded by Charlie Shockey to approve deduction change order #1 in the amount of \$1,000.00 on Contract G-1. Motion carried.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. Weather has not been good, too much rain. BP Pipeline have been finding leaks on BSWD side and customer side. They have changed 589 service lines to date.



Kevin Sisler reported on Contract I-1-Building. Contractors have made a lot of progress. Blocks were delivered yesterday. Contractors waiting on metal roofing materials to come in.

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve pay request for Contract G-1 from BP Pipeline for \$18,073.51, Contract H-1 from BP Pipeline for \$83,186.75, Contract I-1 from Allen Construction for \$47,408.35 and Sisler-Maggard Engineering for \$9,516.53. Motion carried. Motion made by Darrell Bowling, seconded by Larry Shockey giving Paul Thomas authority to sign requisition for RD form #5 for \$158,185.140 for interim financing from KRWFC. Motion carried.

#### MINUTES APPROVED

The minutes of the January 21, 2020 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Darrell Bowling. Motion carried.

#### BILLS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-talked about by-pass valves (attached, this is always for the previous month due to reading and billing). Motion made by Darrell Bowling, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Rusty informed commissioners pump is in. BSWD needs to order a couple of things and then have the pump hooked up.

PSC-Case No. 2019-00041—we have ordered and received the 1,100 meters and equipment to start changing out meters on the 10 year or older list at a cost of \$216,122.00. We will be taking money out of our Depreciation account (with approval from RD and acknowledging we have to replace the money). We will also be taking money out of our general funds. BSWD plans to have the 1,100 meters changed out in 6 months. At the same time we will be testing the meters that come out of the ground and

will put the ones that test good back in the ground. We plan to have all 2,443 meters tested by the end of the year. Also, we are going to expand our meter shop so we can put in an eight bay meter test bench (approximately \$8,400.00) plus cost of building. We have a four bay meter test bench but with adding the eight we would be able to test more meters in a day. We are asking for \$250,000.00 surcharge to be paid back in 2 years at a cost of approximately \$2.20 per customer. We are asking for this to replace our depreciation account, extend meter shop to accommodate additional eight bay meter test bench and any additional meters or parts to fix the meters we test. Motion made by Darrell Bowling, seconded by Charlie Shockey to hire Gerald Wuetcher to apply for surcharge and to represent BSWD. Motion carried.

As we are looking for leaks, we are locating and marking our valves. We are making a list of size and location. We are exercising our valves as we sound valves looking for leaks.

We have hired Teresa Brown as the General Manager (she is to oversee all inside and outside operations). William (Rusty) Austin was hired as Maintenance Supervisor. We will hire an Office Manager as soon as we have the money to do so.

Based on information from Joe Sisler and his discussion and correspondence with Gerald Wuetcher and PSC, when we are informed what a comprehensive water audit is we will proceed appropriately.

PSC-Case No. 2019-00187—PSC appointed Lloyd Randy Lowe to fill the vacant commissioner position on February 10<sup>th</sup>, 2020. His term will expire on September 9<sup>th</sup>, 2022.

Rusty informed commissioners he talked to Diamond Maps about GPS. The cost is \$20.00 a month. There is no equipment that needs to be purchased. We would need some recommendations from companies that use them. We still need another quote.

#### NEW BUSINESS

Teresa informed commissioners that Danny Houston had an accident. He fell asleep while driving. He will be having surgery on his wrist. He will be out 4-6 weeks.

Rusty informed commissioners that Ced Gap Pump Station does not have VFD in it. It would be approximately \$7,300.00 plus freight to put in. No action taken.

Motion made by Darrell Bowling, seconded by Charlie Shockey to remove Sherman McDaniels and Larry Shockey, add William Austin, Darrell Bowling and Randy Lowe, leave Charlie Shockey as signers on all banking accounts. Teresa Brown is still authorized to get any information on accounts. Motion carried.

Dell Harris with Kentucky Rural Water will be February 26<sup>th</sup>, 2020, to help us detect leaks in our system.

Motion made by Charlie Shockey, seconded by Darrell Bowling to go into executive session for personnel and possible litigation. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to come out of executive session with no action taken. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to adjourn meeting at 12:50 p.m. Motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 3-17-2020

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF MARCH 17, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on *Tuesday*, March 17, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin (9:11)  
Darrell Bowling  
Randy Lowe

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineering  
Isaac Allen-Allen Construction

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Currens Construction will start working on tanks on 04/06/20. They will work on Rush Hill Tank first. They are 66.98% complete.

Kevin Sisler reported on Contract G-1-Pump Stations. Quarry Branch Pump Station should be finished this week. Fullers Ridge Pump Station should be completed next week. All pump stations should be up and running in 2 ½ weeks. They are 79.28% complete.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. Weather has not been good, too much rain. BP Pipeline have been finding leaks on BSWD side and customer side. BP Pipeline are just about finished in US 60 area except for drills. They have changed about 700 service lines to date. They will then move to Trace Road and then in US 23 direction. They hopefully will start the large creek crossings 03/23/20. They are 39.08% complete.

Kevin Sisler reported on Contract I-1-Building. Contractors have made a lot of progress. HVAC, electric, insulation and windows are in. Drywall just about finished. Isaac Allen said they should be finished in about 5 weeks. They are 37.79% complete.

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve pay request for Contract G-1 from BP Pipeline for \$31,887.22, Contract H-1 from BP Pipeline for \$79,983.74, Contract I-1 from Allen Construction for \$24,901.42 and Sisler-Maggard Engineering for \$8,651.07. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling giving Paul Thomas authority to sign RD requisition form #6 for \$145,423.45 for interim financing from KRWFC. Motion carried.

#### MINUTES APPROVED

The minutes of the February 18, 2020 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Randy Lowe. Motion carried.

#### BILLS

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-Rusty reported that BSWD had been out at night trying to locate leaks (they had found 2 leaks). Rusty said we have not been able to go out as much as we should due to weather. Dell Harris with KRWA has been here 2 times for water loss, gathering information so we can go out at night and pinpoint leaks. Dell said we need to replace our compound meters with magnetic meters to get accurate readings. He is supposed to be back 03/30/20. Motion made by Darrell Bowling, seconded by Bill Hardin to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—Rusty informed commissioners we are finished. Need to schedule for Micro-Comm (telemetry) to come and do all pump stations at one time.

PSC-Case No. 2019-00041— we have submitted some information to Gerald Wuetcher, our attorney, to answer Order No. 2019-00041. Motion made by Darrell Bowling, seconded by Charlie Shockey giving Roger Hall and Gerald Wuetcher authority to file for an extension since we are still waiting to be informed what a comprehensive water audit involves. Motion carried.

Rusty informed commissioners he received a quote from Diamond Maps about GPS. The cost is \$80.00 a month for unlimited devices. There is no equipment that needs to be purchased. Commissioners told Rusty to contact Diamond Maps and CDP-MAPSYNC and gather additional information.

Discussed employee Danny Houston, he informed Rusty he can come back to light duty (lifting or gripping 5 pounds of less). We do not have light duty so he will not return yet.

#### NEW BUSINESS

Pursuant to PSC Order No. 2020-00085 (concerning COVID 19), BSWD office will be closing until March 29<sup>th</sup>, at that time we will re-evaluate the situation. Only essential employees will need to work. Customers can put payments in the drop box, call your payments in with a debit or credit card, mail or pay at our pay locations (City National Bank, First National Bank, Kentucky Farmers Bank (Louisa) and L & A Hudson Communications. Customers can also make their payment on our pay site @ [www.commercialpayments.com/bigsandy](http://www.commercialpayments.com/bigsandy). Office staff will be available Monday-Friday from 8-4 to answer questions.

Discussed Periodic Inspection Letter (see attached) from Erin Donges with PSC and response letter (see attached).

Jeremy Rogers' last day will be 03/27/20. Rusty has interview scheduled with Kyler Speer at 9:00 a.m. on 03/18/20.

Motion made by Darrell Bowling, seconded by Charlie Shockey to go into executive session for personnel. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to recess meeting at 11:15 a.m. Motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 5/21/20

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF APRIL 21, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Tuesday~~, April 21, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:10 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineering

Motion made by Charlie Shockey, seconded by Darrell Bowling to adjourn March 17, 2020 meeting. Motion carried.

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Currans Construction will start working on tanks on 04/06/20 subject to US 60 VFD being installed and running. They will work on Rush Hill Tank first. They are currently 66.98% complete.

Kevin Sisler reported on Contract G-1-Pump Stations. Quarry Branch Pump Station is 99% complete. The electrical needs to be inspected and then BSWD will call for electric service soon.

Fullers Ridge Pump Station is 90% completed. Design had to be changed due to power company telling us 3-Phase was available. However it would cost approximately \$50,000.00 to get there. Therefore it is being changed from 3-Phase to Single Phase Open Delta which requires a change order of the proposed on site VFD's. This will cost \$6,000.00 to \$10,000.00 as opposed to \$50,000.00. They are 97.27% complete.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has not been working much due to COVID 19 just before March meeting. Customers have been calling about cleanup. Kevin said, when they come back, they will have a crew that will be working on cleanup of yards subject to weather conditions.

There are some roads off US 60 that were not in project that have blue max pipe. BSWD needs to make list of these roads to add. They are 43.05% complete.

Kevin Sisler reported on Contract I-1-Building. Contractors plan on installing light fixtures, plumbing and flooring this week. They will put roof on next week if delivered. Isaac Allen said they should be finished in about 3 weeks. They are 50.48% complete.

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve pay request for Contract G-1 from BP Pipeline for \$40,325.22, Contract H-1 from BP Pipeline for \$28,109.07, Contract I-1 from Allen Construction for \$58,037.32, Sisler-Maggard Engineering for \$9,087.45 and Big Sandy Water District for \$26,250.46 reimbursements. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling giving Paul Thomas authority to sign RD requisition form #1 for \$161,809.52 for interim financing from KRWFC. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling to approve following change orders: Contract G-1, Change Order #2 for deduct (\$3,600.00), Contract I-1, Change Order #2 for add \$1,397.25 and Contract I-1, Change Order # 3 for add \$4,359.13. Motion carried.

#### MINUTES APPROVED

The minutes of the March 17, 2020 regular meeting were approved as mailed. The motion was made by Bill Hardin, seconded by Charlie Shockey. Motion carried.

#### BILLS

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-Rusty reported that BSWD had been out at night trying to locate leaks. Rusty said meter at Point Section might be reading incorrectly, he has ordered parts for the meter. BSWD has changed 252 ten year or older meters between March and April 17<sup>th</sup>. Motion made by Bill Hardin, seconded by Darrell Bowling to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

Cunningham Hill Pump Station (Phase V reimbursement)—waiting on Service Pump to install VFD's.

PSC-Case No. 2019-00041— BSWD received order informing BSWD there is an extension until September 20, 2020 due to state of emergency. We still need to file a progress report on compliance with the Final Order by May 22, 2020.



Periodic Inspection Letter—received reply from Erin Donges with PSC asking for more information and how to start with the water audit.

GPS—nothing new to report on GPS information.

PSC Case #2020-00085—pursuant to order, BSWD will not be disconnecting water services or charging late fees until further notice. Also, office will be closed to public until further notice, office staff will be still be available Monday-Friday from 8:00 a.m. till 4:00 pm.

#### NEW BUSINESS

Rusty informed Commissioners we had a power outage at Whites Creek Pump Station on April 9<sup>th</sup>. When electric service came back on, there was a power surge and it burnt up the VFD. Then when we took the generator to Whites Creek, the generator would not work. At that point we had to rent a generator to keep customers in water. Wayne Supply said it would cost approximately \$10,000 to repair. Paul said to call insurance company and see if we are covered.

Rusty informed Commissioners that pole at Point Section is about to fall over, they are going to put another pole up and ratchet them together to keep it from falling until we can get repaired.

Motion made by Bill Hardin, seconded by Darrell Bowling to approve hire of Kyler Speer. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to go into executive session for personnel. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to come out of executive session with no action taken. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to pay for sleep study on Danny Houston up to \$300.00. Motion carried.

Motion made by Charlie Shockey, seconded by Bill Hardin to *adjourn* meeting at 10:25 a.m. Motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: \_\_\_\_\_

BY: Paul Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF MAY 19, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on ~~Tuesday~~ May 19, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineering

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Currens Construction will start working on Rush Hill Tank, weather permitting next week. Contract F-1 is currently 66.98% complete.

Kevin Sisler reported on Contract G-1-Pump Stations. Highway 707 Pump Station is up and running but with no telemetry. Big Sandy staff has to turn the pump on and off manually. Big Sandy needs to put up a pole with a tower at Highway 707 and also Franks Drive (Cunningham Hill) so Micro-Comm can come and install telemetry. When this is completed Big Sandy staff will not have to run pumps manually.

Waiting on control panel from Clay Green for Fullers Ridge Pump Station to change from 3 Phase to Single Phase Power.

VFD's have been installed by BP Pipeline at Coalton Pump Station (US 60) and running with no current problems. Contract G-1 is 98.53% complete.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has not been working much due to COVID 19 and weather conditions. Customers have been calling and wanting cleanup done on lines that have been replaced. Discussed Lin Arnett complaint. Kevin said, when they come back, they will have a crew that will be working on cleanup of yards, subject to weather conditions. There are 133 services that need to be added to contract on side roads not put in original contract by

District. Motion made by Bill Hardin, seconded by Charlie Shockey to approve change order #4 in the amount of \$74,587.50. Motion carried. Contract H-1 is 47.85% complete.

Kevin Sisler reported on Contract I-1-Building. Roof material has come in. Motion made by Bill Hardin, seconded by Charlie Shockey to approve estimates from Kirland's Lock Service for Alarm System for \$1,780.00, voice and data wiring for \$2,820.00 and camera systems for \$4,720.00. This work is subject to funds available at end and approved by RD. Motion made by Bill Hardin, seconded by Charlie Shockey to approve Change Order #4 for time extension of 45 days. Motion carried. Contract I-1 is 73.44% complete.

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve pay request for Contract G-1 from BP Pipeline for \$2,832.10, Contract H-1 from BP Pipeline for \$62,100.55, Contract I-1 from Allen Construction for \$103,497.28, Sisler-Maggard Engineering for \$8,470.33 and Big Sandy Water District for \$5,915.94 reimbursements. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling giving Paul Thomas authority to sign RD requisition form #6 for \$182,816.20 for interim financing from KRWFC.

#### MINUTES APPROVED

The minutes of the April 21, 2020 regular meeting were approved as mailed. The motion was made by Darrell Bowling, seconded by Charlie Shockey. Motion carried.

#### BILLS

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Charlie Shockey, seconded by Bill Hardin to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-Rusty reported that BSWD had been out at night trying to locate leaks. Rusty said meter at Point Section might be reading incorrectly, parts have come in and Neptune will be testing meter. BSWD has changed 252 ten year or older meters between March and April 17<sup>th</sup>. Motion made by Charlie Shockey, seconded by Darrell Bowling to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

PSC-Case No. 2019-00041— Teresa has been speaking with Gerald Wuetcher (attorney) to file Big Sandy Water District's response by May 22, 2020.

GPS—we need 2 more quotes for GPS units.

PSC Case #2020-00085—pursuant to order, BSWD will not be disconnecting water services or charging late fees until further notice. Also, office will be closed to public until further notice, office staff will still be available Monday-Friday from 8:00 a.m. till 4:00 pm.

Teresa informed commissioners that expenses at Whites Creek Pump Station, where VFD burned up was covered by Big Sandy Water District's insurance for a total of \$10,964.60. Wayne Supply said the cost to have our generator repaired is \$5,200.00 but our cost will be \$2,600.00 because we purchased the generator from them and the generator has zero hours on it. Motion made by Darrell Bowling, seconded by Charlie Shockey to pay the \$2,600.00. Motion carried.

#### NEW BUSINESS

Motion made by Darrell Bowling, seconded by Randy Lowe to have Roger Hall write a letter for our customers with past due balances reminding them they are responsible to pay for water usage. Motion carried.

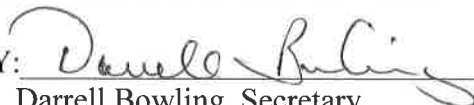
Motion made by Charlie Shockey, seconded by Bill Hardin to renew insurance with Blue Cross Blue Shield with employee paying 13% of their policy. Motion carried.

Discussed Quarry Branch Pump Station—when we were cleaning out pump station, one of the valves came loose and everything was underwater. The VFD and pump were damaged. We need to check and see if this is covered by insurance.


Motion made by Darrell Bowling, seconded by Charlie Shockey to go into executive session for personnel. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to adjourn meeting at 11:40 a.m. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 6/14/2020

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF JUNE 16, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on Tuesday June 16, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineering

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Currens Construction has been working on Rush Hill Tank and should finish up this week. They blasted inside and outside. The paint will need to cure about a week. They will then move to Cunningham Hill Tank. It may not need to be blasted. They have been painting our tanks white (this helps keep water cooler and chlorine does not dissipate as fast as with dark colors). Motion made by Bill Hardin, seconded by Randy Lowe to approve Change Order #5 for time extension of 40 days. Contract F-1 is currently 77.51% complete.

Kevin Sisler reported on Contract G-1-Pump Stations. Micro-Comm is on site today working on telemetry on Quarry Branch/Highway 707 Pump Station and Cunningham Hill/Franks Drive Pump Station. When this is complete the Big Sandy staff will not have to run pumps manually. Micro-Comm will come back and work on Fullers Ridge and office telemetry after VFD comes in for Fullers Ridge. Contract G-1 is 98.53% complete.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has replaced about 850 service lines. They have 1 crew doing cleanup. After service line has been replaced by contractors at different residences, BSWD is going back to change out regulator or meter because customers have very low pressure or are out of water. Contract H-1 is 59.21% complete.

Kevin Sisler reported on Contract I-1-Building. Roof is on. They will be working on window trim and baseboards this week. Electric will be completed early next week. Cabinets are due in this week and are scheduled to be put in on the 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup>. Contract I-1 is 88.52% complete.

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve pay request for Contract F-1 from Currens Construction for \$66,010.75, Contract H-1 from BP Pipeline for \$122,410.24, Contract I-1 from Allen Construction for \$64,296.95, Sisler-Maggard Engineering for \$18,158.29 and Big Sandy Water District for \$50,529.60 reimbursements. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling giving Paul Thomas authority to sign RD requisition form #9 for \$321,405.83 for interim financing from KRWFC. Motion carried.

#### MINUTES APPROVED

The minutes of the May 19, 2020 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Darrell Bowling. Motion carried.

#### BILLS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Darrell Bowling, seconded by Randy Lowe to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-Rusty reported that BSWD had been out at night trying to locate leaks. They have found several leaks and fixed them. We need to purchase 2 master meters (1 at time) to put in at Highway 581 and Highway 32, when we can afford to purchase them. Randy Lowe reported he spoke with American Leak Detection Company. They are supposed to be contacting office with information. There were not many 10 year or older meters changed out this month due to personnel locating and fixing leaks. Motion made by Darrell Bowling, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

PSC-Case No. 2019-00041— Big Sandy Water District's response was filed by May 22, 2020.

GPS—we have not received anything yet.

PSC Case #2020-00085—pursuant to order, BSWD will not be disconnecting water services or charging late fees until further notice. Also, office will be closed to public

until further notice, office staff will still be available Monday-Friday from 8:00 a.m. till 4:00 pm.

#### NEW BUSINESS

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve 2019 Audit. Motion carried.

Marvin Conley would like to have his tap moved due to it being in neighbor's yard. This tap was put in years ago before area was subdivided and was in a good location. Based on Board discussion if Mr. Conley wants to pay to have tap moved, we will move tap.

Motion made by Darrell Bowling, seconded by Charlie Shockey to accept insurance proposal from Nelson Insurance for our commercial package including umbrella and automobile in the amount of \$21,294.96. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to accept insurance proposal from Nelson Insurance with KEMI for our worker's compensation in the amount of \$5,804.67. Motion carried.

Paul Thomas, Charlie Shockey, Bill Hardin and Darrell Bowling will be attending PSC Training on July 30<sup>th</sup> at Carter Caves State Park. Randy Lowe will be attending PSC Training on October 20<sup>th</sup> and 21<sup>st</sup> at Jenny Wiley State Park.

Discussed Highway 1690 line extension approximately 3000' of 3" to maybe 3 customers—as per our tariff we will only go 50' or to property line whichever comes first. Board discussion that pressure and safety of water in line (regardless of size or who owns line, will probably not be safe).

Motion made by Darrell Bowling, seconded by Charlie Shockey giving Rusty Austin authorization to purchase rubber tracks for mini-excavator at best price. Motion carried.

Motion made by Bill Hardin allowing Judge Executive in Lawrence County to use his engineer on line extensions that Lawrence County Fiscal Court is paying for. Motion died.

Bill Hardin stated he would like nepotism policy to be changed—Roger Hall will research some information.

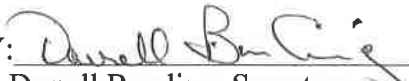
Motion made by Darrell Bowling, seconded by Charlie Shockey to go into executive session for personnel reasons. Motion carried.

Motion made by Charlie Shockey, seconded by Randy Lowe to come out of executive session with no action taken. Motion carried.




Motion made by Darrell Bowling, seconded by Bill Hardin that Danny Houston needs a doctor's statement, stating that he is released to work, with no restrictions within 60 days or your employment could be in jeopardy. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to adjourn meeting at 12:00 p.m. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 7/21/20

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF JULY 21, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on Tuesday July 21, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineering

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Currens Construction has completed Cunningham Hill Tank. The paint will need to cure about a week. They will start putting water in tank on Friday.

Kevin Sisler reported Big Sandy may want to wait to paint Fullers Ridge Tank to give BSWD time to check to see if we can maintain constant pressure with VFD's.

Motion made by Charlie Shockey, seconded by Darrell bowling to approve Change Order #6 (did not paint Cunningham Hill Tank) a decrease of \$6,400.00. Contract F-1 is currently 88.83% complete.

Kevin Sisler reported on Contract G-1-Pump Stations. Fullers Ridge Pump Station should start running on Monday. Contract G-1 is 98.53% complete.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has 2-3 crews working. The US 60 area has been completed. Due to equipment being vandalized, BP has not been able to do any cleanup. BSWD has not had to replace as many regulators and meters this period. BSWD has paid BP Pipeline \$509,061.67 to date. Contract H-1 is 65.33% complete.

Kevin Sisler reported on Contract I-1-Building. Baseboards were completed last week. Waiting on electric transfer switch from meter to fuse box. Discussed cracks

under windows, Kevin said he was talking to Allen Construction about the cracks in the mortar of the blocks.

Motion made by Charlie Shockey, seconded by Darrell Bowling to accept Change Order #5 (electrical) an increase of \$6849.40. Motion carried. Contract I-1 is 90.56% complete.

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve pay request for Contract F-1 from Currens Construction for \$67,901.25, Contract H-1 from BP Pipeline for \$47,706.62, Contract I-1 from Allen Construction for \$9,008.37, Sisler-Maggard Engineering for \$8466.09 and Big Sandy Water District for \$2,150.00 for reimbursements. Motion carried. Motion made by Charlie Shockey, seconded by Darrell Bowling giving Paul Thomas authority to sign RD requisition form #10 for \$135,232.33. Motion carried.

#### MINUTES APPROVED

The minutes of the June 16, 2020 regular meeting were approved as mailed. The motion was made by Bill Hardin, seconded by Charlie Shockey. Motion carried.

#### BILLS

Motion made by Charlie Shockey, seconded by Darrell Bowling to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-Rusty reported that BSWD had been out at night trying to locate leaks. They have found several leaks and fixed them. Discussed the daily readings on master meters explaining that the readings are coming down. There were not many 10 year or older meters changed out this month due to personnel locating and fixing leaks. Motion made by Bill Hardin, seconded by Charlie Shockey to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

PSC-Case No. 2019-00041—Teresa Brown reported that Gerald Wuetcher had made an inquiry to Kentucky Water Resources Research Institute regarding assistance with the water audit. They indicated they would be able to assist with BSWD staff but it would be after October 1<sup>st</sup>, it would be free and we would need to get an extension from Public Service Commission. Motion made by Darrell Bowling, seconded Charlie Shockey to have Kentucky Water Resources Research Institute assist BSWD with water audit. Motion carried.

GPS—we have not received anything yet.

PSC Case #2020-00085—pursuant to order, BSWD will not be disconnecting water services or charging late fees until further notice. Also, office will be closed to public until further notice, office staff will still be available Monday-Friday from 8:00 a.m. till 4:00 pm. Discussed how much revenue (approximately \$25,000 a month in late charges and customers not paying their bills) Big Sandy is losing due to this order.

Discussion about Nepotism Policy, BSWD previously agreed to adopt and follow the Boyd County Policy On Employment Of Family Members. The policy reads as follows: “It is the policy of the Fiscal Court of Boyd Co, Kentucky that elected and appointed officials shall not employ family members in County government. “Family Member” means official’s spouse, child, parent, brother, sister, step relative or in-law. This information was provided by Roger Hall. No further discussion.

#### NEW BUSINESS

Kevin Sisler informed commissioners that KDOT will be replacing a bridge on Little East Fork. Our water line will need to be relocated. Board authorized Sisler-Maggard to engineer the design. KDOT will be paying for all the expenses.

Discussed US 23 line extension—as per our tariff, we will only go 50’ or to property line whichever comes first.

Teresa Brown explained that she had spoken with Terri Branham-Clark (State Representative) and explained the concern of Big Sandy Water District’s lost revenue due to PSC Order #2020-00085. Per order BSWD is not collecting approximately \$25,000 a month in late charges and customers not paying their bills. Also, explained that BSWD had purchased 1,100 meters at a cost of \$216,000, because we need to change out our 10 year or older meters per PSC Order #2019-00041. We used money we had in our operating and depreciation account. Then COVID-19 happened and our money situation is running very low. She said she would check and see if there are any grants that might pay for the meters we purchased.

Chairman Paul Thomas mentioned that Kentucky American Water had approached him different times in the past about purchasing Big Sandy Water—no action taken.

Discussed Allen Holbrook being out of water due to Riverside Generating taking water. They are supposed to call every time they take water (only 83 gpm). If they exceed this we are going to turn valve down so they cannot take as much.

Motion made by Charlie Shockey, seconded by Darrell Bowling to go into executive session for personnel reasons. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to come out of executive session with no action taken. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to recess meeting at 11:55 a.m. until July 28<sup>th</sup> at 9:00 a.m. Motion carried

After recess, meeting was resumed on July 28<sup>th</sup> at 9.05 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

PRESENT


Paul Thomas, Charlie Shockey, Bill Hardin, Darrell Bowling, Randy Lowe, Roger Hall and Teresa Brown.

Motion made by Darrell Bowling, seconded by Charlie Shockey to go into executive session for personnel reasons. Motion carried.


Motion made by Darrell Bowling, seconded by Charlie Shockey to come out of executive session with no action taken. Motion carried.

Teresa informed commissioners that PSC training seminar at Carter Caves on July 30<sup>th</sup> has been cancelled.

Motion made by Charlie Shockey, seconded by Darrell Bowling to recess meeting at 10:35 a.m. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 8/18/20

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF AUGUST 18, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on Tuesday July 21, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:15 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

Teresa Brown-BSWD  
Rusty Austin-BSWD  
Roger Hall-Attorney  
Kevin Sisler-Sisler-Maggard Engineering

Motion made by Darrell Bowling, seconded by Charlie Shockey to adjourn July 21<sup>st</sup>/28<sup>th</sup> meeting. Motion carried.

PROGRESS MEETING PHASE V

Kevin Sisler reported on Contract F-1-Water Tank Repairs. Currens Construction has completed Contract F-1.

Motion made by Charlie Shockey, seconded by Bill Hardin to approve Change Order #7 (Fullers Ridge Tank) a decrease of \$43,700.00. Motion made by Darrell Bowling, seconded by Randy Lowe to approve Change Order #8 (Final Quantities) a decrease of \$8,400.00. Motion carried. Contract F-1 is currently 100% complete. Motion made by Charlie Shockey, seconded by Bill Hardin to approve Certificate of Substantial Completion. Motion carried.

Kevin Sisler reported on Contract G-1-Pump Stations. Fullers Ridge Pump Station is running on pressure. We are not using the tank. We need to put in a bladder tank in building so pump doesn't turn on or off at once, this will now be gradual. This will also keep line pressured. Motion made by Bill Hardin, seconded by Charlie Shockey to approve Change Order #3 (Fullers Ridge Pump Station change to single phase power) an increase of \$10,097.17. Motion carried. Contract G-1 is 98.07% complete. Motion made by Charlie Shockey, seconded by Bill Hardin to approve Certificate of Substantial Completion. Motion carried.

Kevin Sisler reported on Contract H-1-Service Lines & Stream Crossings. BP Pipeline has 2-3 crews working. Clean-up has started up again, BP should finish cleanup on US 60 area this week. Kevin said he estimates they have approximately 250 more service lines to do. BSWD has not received as many complaints as we had previously. Contract H-1 is 69.73% complete.

Kevin Sisler reported on Contract I-1-Building. Electric parts for control panel have come in and have been installed in panel. AMTECH is supposed to be here Wednesday (if they are out of quarantine due to COVID 19) to put panel in. Kentucky Power should be here Thursday or Friday to hook up transformer. Hopefully, we will have power Friday, if we do cleaning crew will be here. Plumber is supposed to be here this week to finish up since countertops are in. Mortar guy is supposed to be here this week to take out grout and replace and check blocks for cracks. Gutters should be completed this week, if there is any money they left commissioners would like blacktop all around building. Teresa is to check on prices for a 250 gallon propane tank to be purchased to use with generator. Cunninham Hill antenna needs to be raised before Micro-Comm comes to complete the telemetry. Contract I-1 is 90.56% complete.

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve pay request for Contract F-1 from Currens Construction for \$39,962.50, Contract G-1 from BP Pipeline for \$11358.71, Contract H-1 from BP Pipeline for \$34,279.80, Contract I-1 from Allen Construction for \$4,750.00, Sisler-Maggard Engineering for \$6,602.45 and Big Sandy Water District for \$8,705.00 for reimbursements. Motion carried. Motion made by Darrell Bowling, seconded by Charlie Shockey giving Paul Thomas authority to sign RD requisition form #11 for \$105,658.46. Motion carried.

#### MINUTES APPROVED

The minutes of the July 21, 2020 regular meeting were approved as mailed. The motion was made by Charlie Shockey, seconded by Darrell Bowling. Motion carried.

#### BILLS

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

#### REPORTS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve treasurer's report. Motion carried.

Commissioners discussed water loss report-Rusty reported that BSWD had been out at night trying to locate leaks. They have found several leaks and fixed them. Discussed the daily readings on master meters explaining that the readings are coming down. Motion made by Darrell Bowling, seconded by Charlie Shockey to purchase one master meter to put in Lawrence County area to help locate leaks. There were not many 10 year or older meters changed out this month due to personnel locating and fixing leaks and installing new taps. Motion made by Charlie Shockey, seconded by Darrell Bowling to acknowledge water loss report. Motion carried.

Motion made by Bill Hardin, seconded by Darrell Bowling to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

#### OLD BUSINESS

PSC-Case No. 2019-00041—Teresa Brown reported that Kentucky Water Resources Research Institute has agreed to assist BSWD with the water audit. They indicated it would be after October 1<sup>st</sup>. Gerald Wuetcher has filed a motion with Public Service Commission asking for an extension until 01/31/2021.

GPS—we have not received anything yet. Kevin Sisler will check with Douglas Hoff to see if the one quote we have is sufficient, due to not receiving any quotes that we have requested.

PSC Case #2020-00085—pursuant to order, BSWD will not be disconnecting water services or charging late fees until further notice. Also, office will be closed to public until further notice, office staff will still be available Monday-Friday from 8:00 a.m. till 4:00 pm. Discussed how much revenue (approximately \$25,000 a month in late charges and customers not paying their bills) Big Sandy is losing due to this order.

#### NEW BUSINESS

Discussed Cresley Branch line extension—as per our tariff, we will only go 50' or to property line whichever comes first.

Discussed Billy Blanton's concern that a leak we had caused his driveway to bust up and would like repaired. He said where water ran and then froze caused this. No action taken—need additional information.

Need to see if there is a tech school for water trade training.

Rusty Austin informed commissioners that side by side will not climb a hill and little Kubota isn't really big enough to do most jobs. He mentioned maybe the side by side and Kubota could be traded in and purchase another excavator. No action taken.

Teresa Brown informed Paul Thomas his term of commission had expired August 8<sup>th</sup>, 2020. The letter asking for reappointment was sent in June. Teresa Brown spoke with Judge Malone and he said they were renovating and paperwork was probably lost—I then sent letter through e-mail. I was informed they would be having meeting on Friday and Paul would be reappointed.

Randy Lowe brought up there is a law suit for blue max pipe and there is still money in the settlement.

Motion made by Darrell Bowling, seconded by Charlie Shockey to go into executive session for personnel reasons. Motion carried.



Motion made by Charlie Shockey, seconded by Randy Lowe to come out of executive session with no action taken. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to recess meeting at 12:40 p.m. until August 25<sup>th</sup> at 9:00 a.m. Motion carried

After recess, meeting was resumed on August 25<sup>th</sup> at 9.00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

PRESENT

Paul Thomas, Bill Hardin, Darrell Bowling, Randy Lowe, Roger Hall and Teresa Brown.

Motion made by Darrell Bowling, seconded by Bill Hardin to go into executive session for personnel reasons. Motion carried.

Motion made by Darrell Bowling, seconded by Randy Lowe to come out of executive session with no action taken. Motion carried.

Motion made by Darrell Bowling, seconded by Bill Hardin to change Teresa Brown's position from General Manager to Office Manager with same pay as before \$24.04 an hour for hours worked in the office and still be considered a full-time employee effective 09/07/20, withholding the right to change motion at a later date. Motion carried.

Teresa Brown informed commissioners the only place that she was able to find to purchase a 250 gallon propane gas tank was Ferrell Gas (for everything is would be approximately \$2,000.00). Arrick's Propane said you can lease a tank.

Motion made by Bill Hardin, seconded by Randy Lowe authorizing Allen Construction to change front entrance door (approximately \$2,400.00). Motion carried.

Teresa Brown informed commissioners that Douglas Hoff said it should not be a problem to only have one quote on the GPS System as long as it is under \$30,000.00 which is the budgeted amount in I-1 Contract. Also, if commissioners want down spouts to go into the ground there is a line underneath the perimeter of the building that goes to the drainage so water will not go onto the parking lot but that would need to be dug and to blacktop everything it would cost approximately \$47,000.00.

Motion made by Darrell Bowling, seconded by Darrell Bowling to recess meeting at 10:35 a.m. Motion carried.

After recess, meeting was resumed on September 3<sup>rd</sup> at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

PRESENT

Paul Thomas, Bill Hardin, Charlie Shockey, Randy Lowe, Darrell Bowling and Roger Hall.


Motion made by Darrell Bowling, seconded by Charlie Shockey to go into executive session for personnel reasons. Motion carried.

Motion made by Charlie Shockey, seconded by Darrell Bowling to come out of executive session with no action taken. Motion carried.

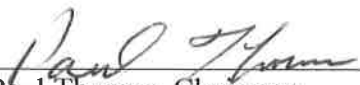
On September 1<sup>st</sup>, Teresa Brown called Chairman Paul Thomas and informed him that she was not accepting the terms of employment as put forth by Board of Commissioners. She further stated that she was tending her resignation and giving her two week notice at such effective date of 09/15/2020. Darrell Bowling made a motion, seconded by Charlie Shockey to accept Teresa Brown's resignation. Motion carried.

Motion made by Darrell Bowling, seconded by Charlie Shockey to advertise for applications for the Office Manager Position. Applications to be sent to Big Sandy Water District, 18200 State Route 3, Catlettsburg, KY 41129 by September 14, 2020 if possible. Motion carried.

Motion made by Charlie Shockey, seconded by Randy Lowe to adjourn meeting. Motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 9/15/2020

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

MINUTES OF SEPTEMBER 15, 2020

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on September 15, 2020. The meeting was called to order by Paul Thomas, Chairman at 9:15 a.m. in the District Office at 18211 State Route 3, Catlettsburg, KY.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

Jim Blanton – Big Sandy Water District  
Rusty Austin – Big Sandy Water District  
Roger Hall – Attorney  
Kevin Sisler – Sisler-Maggard Engineering

Phase V

Kevin Sisler reported the new office is ready

Price for Asphalt for all - \$47,000

Allen Construction will work up bid for partial blacktop.

Wednesday – Office to be closed so we can get everything moved.

Get signs for both offices – old office closed – moved next door, Drive-Thru Open

Arricks – checking on 250-gal tank \$339.34 1.94 per gal No Contract  
500-gal tank \$637.34

Motion made by Darrell Bowling and seconded by Charlie Shockey to purchase the 250-gal propane through Arricks at \$339.34.

H1 Project

\$75,768.68 pay request – 70% complete

From Contractors:

\$5710.92 – Sisler-Maggard

\$1400 – Kirkland

\$1100 – Kirkland

\$560 – Morrow Water – Tank for Fuller's Ridge Booster Pump Station

\$84,539.60 Total

Motion to pay made by Charlie Shockey and seconded by Randy Lowe – Sent to Doug Hoff

MINUTES APPROVED

The minutes of August 18, 2020 regulator meeting were approved as mailed. The motion was made by Darrell Bowling and seconded by Charlie Shockey. Motion carried.

BILLS

Motion made by Darrell Bowling, seconded by Charlie Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Bill Hardin, seconded by Darrell Bowling to approve treasurer's report. Motion carried.

WATER LOSS

Motion made by Bill Hardin, seconded by Charlie Shockey to approve water loss report. Motion carried.

BILLING

Motion made by Charlie Shockey, seconded by Bill Hardin to approve billing. Motion carried.

OLD BUSINESS

PSC-Case No. 2019-00041- January 1, 2021 Water Audit needs to be turned into PSC.

Map Sync

No Quotes

Danny Houston – needs a letter from Dr. stating no restrictions. Once he has the letter he can drive.

PSC Case? Meters?

705 meters have been changed as of 9/13/2020

395 meters to be changed

NEW BUSINESS

Wally Jackson – Persimmon Ln wants tap moved. No – voted by all.

Phone mentioned for shop and garage – try a base and handset first.

Bobbi needs shelves for storage supplies. Approved by Darrell Bowling seconded by Charlie Shockey

Beverly – wait to see after we hire someone.

Training for commissioners 9/29 – 9/30? Or 10/29 or 10/30? Is this still active or cancelled?

Went into Executive Session motion made by Bill Hardin, seconded by Darrell Bowling

Out of Executive Session 12:03 p.m. Motion made by Bill Hardin, seconded by Charlie Shockey

No action taken.

Jimmy hourly - \$25.00 an hour, motion made by Bill Hardin, seconded by Charlie Shockey approved by all.

12:36 p.m. Meeting recess, motion made by Charlie Shockey, seconded by Bill Hardin.

After recess meeting resumed on September 18,2002 at 5:08 p.m. in the District Office at 18211 State Route 3, Catlettsburg, KY.

PRESENT

Paul Thomas, Charlie Shockey, Bill Hardin, Darrell Bowling, Randy Lowe, and Jim Blanton.

Motion made by Bill Hardin, seconded by Charlie Shockey that Jessica Sexton be hired as the new Office Manager.

Starting pay \$19.00 hour. Approved by all.

Paul to negotiate up to \$20.00 an hour.

5:50 p.m. Motion to recess meeting by Charlie Shockey, seconded by Darrell Bowling.

After meeting, Mrs. Sexton called back and accepted \$19.50 hour.

*Darrell Bowling*

*Paul E. Thomas* 10/20/2020

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

OCTOBER, 20, 2020

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on October 20, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:05am in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

James Blanton - BSWD  
Jessica Sexton – BSWD  
Roger Hall – Attorney  
Joe Sisler – Sisler-Maggard Engineer  
Kevin Sisler – Sisler-Maggard Engineering

PROGRESS MEETING

Joe informed the commissioners that there is a water line relocation being processed by K Dot. Kevin explained that K Dot took approximately 350 bridges state wide performing upgrades on each of them. One of these consist of a bridge on little East fork. The water line has to be moved and K Dot is taking care of the cost. Kevin to get easement from Todd Case.

Phase V

Kevin gave updates on the following:

G1- Project is complete since the last items on the punch list are finished. The contractor is requesting the retainer fee of \$10,237.17.

I1- Project is almost complete. \$40,071.36 is the retainer fee and still have a few items on the punch list that need to be complete. The front door is supposed to be delivered to them next week and hoping to having someone install it soon. The generator project is projected to to start shortly. This cannot be done until the gas lines are in. If this interferes with the chain link

fence that was put up, the company will come back and fix the fence. Jimmy stated the propane should be here next week. Once the gas lines and generator is ready and set up, the generator company will monitor it to make sure everything is running as planned and test it each week to make sure it will activate incase the electric ever goes out. Kevin also mentioned when DJ's kitchens initially came in to install the cabinetry, a counter top wasn't installed underneath the drive thru window as directed by Teresa Brown. Now that BSWD has relocated, the office staff feel like they need that extra counter space. This size should be around 3'X2'. The board members all agreed to have DJ's kitchens install the counter top. Kevin will oversee that this gets finished.

H1 has the retainage fee of \$128,89.63. This is the line project that is close to being finished. Kevin estimated about 8 meters still needing to be placed then project will be complete. This includes the 24 from the gulf-course with the Blue Max pipe. Kevin estimated two weeks until all the meters will be done. 80% of all the cleanup is complete. It will take approximately one week to finish cleaning up. There have been two crews plus a board crew overseeing this project. This consist of using the same meters and running new lines. There haven't been any meters moved in this process. Kevin mentioned that in previous meetings, he thought we would be over on quantity in meters. Since progress has been made on this project, the overage of meters is not as high as Kevin first thought.

Kevin mentioned that with the contingency money left from the project, we may be able to afford black top around the building. The price from Allen Construction to do this project is \$9,400 for 3in thick, 10' wide driveway. With this price Kevin said we may able to do more. Jimmy mentioned having the gravel parking lot paved where the office personnel park. Kevin suggested another quote for the whole gravel way. Joe suggested we get two more prices. One, for the personnel parking, then another to complete it all. By then end of next month, Sisler-Maggard will have a better idea of how much money will be left over. Pipes are also needed for the down spouts before the black top is poured. BSWD will complete this part in house.

Contract F1 is paid and G1 will be paid off the week of the meeting. There will be a little retainage on the building. Drawings now will have all the meters located. Mapping program will be quoted by Jimmy this week. \$30,000 was set aside to pay for this.

KDot water line relocation is different than when done in times past. The Highway department gave a contract to Bzack construction to build the bridges and manage the projects. Sisler-Maggard was hired by Bzacks for the blueprints of this project. There is still 300ft of line needing replanced for BSWD however, Big Sandy will not be responsible for the cost.

All contracts have run over 7 months. Joe stated that the Sisler-Maggard contract needs to be amended for 7 more months. \$60,000 is for the amendment. Rural Development has approved this. Joe presented all the dates, projects, and prices to Rural Development with the board.

Motion made to sign the amendment extension. Motion made by Charlie Shockey, Bill seconded, Motion carried. Paul signs the contract.

Joe requested the meeting to be left open after dismissal in case something came back on the easement and for billing purposes.

Motion made by Charlie to pay RD invoice, Darrel Seconded, motion carried.

Invoices need to be approved by the board to complete the construction. Darrell makes the motion to pay the invoices, Charlie seconded, motion carried.

NO PUBLIC

APPROVAL OF MINUTES

Darrell makes a motion to approve minutes, Charlie seconded.

Motion carried.

PAY MONTHLY BILLS

Charlie makes motion to approve all monthly bills. Darrell seconds.

Motion carried.

TREASURY REPORT

Treasury report not given due to new office manager still figuring the finances. Jessica did report that she has balanced all bank accounts.

WATER LOSS

Bill mentioned we are making progress. It came down 40% from Kenova and down 15% from Louisa. Jimmy and his crew still working diligently to fix leaks. Bill explained the main water loss is coming from the lines that aren't being monitored. This problem will need to be addressed. Bill suggested installing more flow meters. A concrete basin may need to be placed to put in flow meter but could be well worth it. Jimmy stated there was a 54% water loss now were down to 30%. Now that the initial big drop happened, it's the small leaks that must be found and fixed. This will make the percentage drop slower but will still have great impact. The leaks are difficult to find but the team is working diligently to find them. Paul suggested master meters to help find and prevent water leaks. BSWD currently has approximately 19 flow

meters. These meters need to be tested every two to three years. Bill asked Joe Sisler what he recommended to help prevent water loss. Joe suggested the strap on.

Bill made the motion to accept the water loss report. Charlie seconded.

Motion Carried.

#### OLD BUSINESS

Beverley has been working as a part time employee although she has been working full time hours. Paul felt like Beverley's status should be changed to full time. Bill asked Jessica if she felt like Beverley would be needed full time at this point. Jessica agreed with Paul on changing her status to full time because of the workload and need in the office. Paul suggested if the office ever got to the point, they didn't need Beverley 40hrs a week, she could possibly help test meters to make up for lost time. Bill opposed of this idea due to her not knowing how to repair the meters when needed. Jimmy suggested her to clean the meters if that would be needed. At this point, the office needs her 40 hours a week.

Motion made by Darrell to hire Beverley fulltime, at her same pay. Charlie seconded. Motion carried.

Jimmy asked if Beverly could also have a paid vacation due to her 14 years working for BSWD. Bill answered that the board should go by the handbook which states that your fulltime benefits go into effect when an employee goes fulltime. Beverly is past her probation, but she will need to accrue her vacation according to the handbook.

Phone is still needed for the shop due to the men not getting phone calls as needed. Jimmy stated that Bobbi had called Windstream and they suggested another line be put in for a low monthly cost of 30.00-40.00. Line two is still reportedly not working as Windstream is working on getting this fixed.

Bill makes the motion to put a new phone line to the shop at BSWD. Darrell seconded, motion carried.

Lloyd will attend commissioner's training on 12/08, 12/09.

Paul explained to the board that a mandated water audit will need to be performed by January 1, 2021. UK Department of Civil Engineers has agreed to help with this audit and would like to do a training with BSWD. Paul asked whom would like to attend. Paul, Jimmy, Jessica, and Bobbi are planning to attend this meeting. Darrell, Charlie and Bill said they could come if needed but



due to COVID-19 and social distancing, they would stay behind and allow a smaller group to attend the training. Paul would like for the meeting to take place at BSWD board room.

Customer, William Blanton, is adamant that BSWD repair his concrete driveway due to what he says was caused by BSWD lines busting underneath it causing it to crack. This was discussed in a recent board meeting but Mr. Blanton said he had never heard from Teresa on this matter. Jessica assured him that she or another member of BSWD would contact him by Wednesday for the board's decision. The house was built after the water lines were put in. Jimmy left the meeting to take pictures of the damage of his driveway. The board looked over these pictures and decided to get estimates on repairing his driveway and go from there. Jimmy will call Mr. Blanton back to let him know how BSWD can help resolve this issue.

Jimmy asked if BSWD could put an addendum to the user agreement for future customers. This would state that if anyone were to build overtop of BSW lines, and a waterline was to bust, the Water District is not responsible for any damages. Joe mentioned that if this could make it difficult to have easements signed by future customers.

#### New Business.

Pest Control is needed in the new building. Joe said this was supposed to have been done every month and never stopped. It was part of the invoices paid on the project of the building. Jessica to follow up and have pest control continue their services.

Joe handed out estimates and drawing to the board. He stated that Senator McConnell had received a "needs list" from some residents in Lawrence County. Some residents do not have water due to the density. Waterlines cannot be ran because there aren't enough residents to sign up for water making it impossible to run waterlines without having to flush them frequently. Doug Hoff is overseeing this and approached Sisler-Maggard Engineering to brainstorm how to resolve this issue. Sisler-Maggard suggests a water pumping station for these residents. Details are in the packet he provided. Lloyd voiced concern of vandalism of a pumping station standing out in a rural area. Paul mentioned the difficulties it would present to these residents to haul water. BSWD would be responsible to maintain this pumping station. Motion to reject the proposition made by Joe. Bill made the motion, Darrell seconded it. Motion passed to reject the proposal.

Disconnect letters were sent out to customers who are delinquent on payment. These letters also offer payment plans as well as organizations that can help pay utility bills. Jessica said there has been some customers already calling to set up payment plans and anticipates

more. She and the office staff are working hard on keeping good communication with customers.

Jessica suggested that products and supplies needed for the water district be ordered from Amazon Business Prime. This would cut down on prices and be time effective for the company. Jimmy also advocated for the purchase of Amazon Business Prime as product prices are significantly lower than local business.

Darrell made the motion to purchase Amazon Prime yearly membership for supplies needed. Bill second, motion carried.

Laborers expressed the need of uniforms or shirts with BSWD logo for customers to recognize them when working. It would be discussed that the water district had done this in the past but it has been quite some time ago. The use of ID badges was suggested by Lloyd and commented that this could possibly be done for little to no cost by Judge Chaney's office. Jimmy will follow up on getting prices for shirts for the guys as well as ID's.

Jimmy informed the board that Tommy's truck bed stripped off from a trailer accident. He has looked for a replacement truck bed for a decent price and is not having any luck. The board agreed that Jimmy needs to turn this into the insurance company and pay the deductible.

Jimmy and Paul want to keep the old building. It's currently being used for storing materials and new water meters. The men still utilize the bathroom in that building also.

Paul informed the board that Teresa Brown filed for unemployment.

Motion made for executive order for personnel a matter.

Darrell made a motion to end the executive order session with no action taken

Charles seconded it. Motion carried.

Charles made a motion to recess the meeting. Darrell seconded it. Motion carried.

Paul 5/7/20

11/17/20

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

NOVEMBER 17, 2020

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on Nov. 17, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:05am in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

OTHERS:

James Blanton - BSWD  
Jessica Sexton – BSWD  
Rusty Austin - BSWD  
Roger Hall and his colleague, Ken Williams– Attorney for District  
Joe Sisler – Sisler-Maggard Engineering

Darrell Bowling made the motion to adjourn last month's meeting. Bill Hardin seconded, all agree. Motion carried.

PUBLIC PARTICIPATION

Mrs. Haven Opel attended today's meeting in hopes for a reduction in her water bill. She states that she has been plagued with water leaks for years but she has always had them fixed and paid the bill. Now her bill is up to \$1,900 and she feels like BSWD should help pay for the cost due to the pressure regulator failing. Jimmy suggested moving the tap closer to her home so she wouldn't be responsible for future water leaks on opposite side of the meter. Bill asked if she would be willing to do this in a reasonable time frame if BSWD helps reduce half of her water bill. Mrs. Opel agreed and was informed that moving the tap would cost \$350.00-\$400.00. Mrs. Opel was happy with the solution and said she would talk to her family about it and get back with us on when we can move her tap. BSWD will wait to hear back from Mrs. Opel before adjusting her bill.

PROGRESS MEETING

Mr. Sisler started with the presentation of contractor invoices that need to be paid.

H-1 is 87.15% complete with invoice of \$9,176.53.

I-1 is 100% complete with invoice of \$24,264.04. \$5,000 retainage is being held until the propane gas project is finished.

Sisler-Maggard invoice is also due of \$2,804.55.

Darrell Bowling made the motion to approve and pay all invoices presented. Randy Lowe seconded, all agreed and motion was carried.

Mr. Sisler stated there are around 28 more services to be completed by BP Pipeline. With COVID 19 and inclement weather, it has taken longer than initially anticipated.

\$100,000 maybe left over in contingency funds once the project is complete. BSWD has a few ideas of what the District is needing to run more efficiently. The quote on the GPS system is back. MapSync's quote is for \$7,046.00 and GeoSynkcs quote is for \$8,960.00 plus a yearly fee. The capabilities of these systems are still unclear. Jimmy will look into both company's proposal he will then have a better idea of which will be best suitable for the District.

Mr. Sisler mentioned he would like to see BSWD spend some of the contingency money on the mapping of the rest of water system that is not paid for by this project. The District has paid some of the expense and there will be more. This contingency money will reimburse the District.

A quote on the black top was also handed out which would be close to \$40,000. Darrell Bowling suggested to use a local company to complete this job, however if the Board decided to go that direction, it would not be paid by the grant money. After this discussion, the Board decided to use the grant money and have Allen Construction do paving in the spring of 2020.

Jimmy would like to put new zone meters in by RD to help with water loss. Mr. Sisler needs a quote of how many he needs so that this may be approved. Jimmy will provide a quote when possible.

Jessica informed the board that the water district needs new or improved software. The software they are currently using is out of date and time consuming. She sat through a demo with United Systems on the latest software which is more user friendly and will be more time efficient for the office staff. She presented quote which is attached and will give Joe a copy as well. Joe would like for Jessica to get an additional quote from another company to see which would be a better fit for the District.

Mr. Sisler commented that he would be looking into getting reimbursement for the replacement meters that are being stored in the storage building that the water district

purchased earlier this year. These invoices were given to Mr. Sisler by Jessica before the meeting ended.

#### Approval of Minutes

Charles Shockey made the motion to approve the minutes.  
Darrell Bowling seconded it, all agreed. Motion carried.

#### TREASURERS REPORT

Bill Hardin made the motion to approve the treasurer's report.  
Darrell Bowling seconded, all agreed. Motion carried.

#### WATER LOSS

Jimmy and his team continue to work diligently on finding and preventing water leaks. The board all agree that with new meters and the team working as hard as they are, these leaks will continue to decrease monthly.

Bill Hardin made a motion to approve the water loss.  
Charles Shockey seconded. All agree, motion carried.

#### ADJUSTMENTS

Bill Hardin made the motion to approve billing and adjustments.  
Darrell Bowling seconded, all agree. Motion carried.

#### OLD BUSINESS

New phone line is still being worked on by Windstream. This should be complete in the next few weeks.

The quote to fix Mr. Blanton's driveway is \$2,500. Motion was made by Darrell Bowling for Jimmy to do what is needed to satisfy the customer in a reasonable manner. Randy Lowe seconded, all agree. Motion approved.

#### NEW BUSINESS

Jessica presented the board a quote on a chime for the drive thru window. This will alert the office staff of customers pulling up to be assisted by the staff. The quote is for \$350.00.

Darrell Bowling made the motion to purchase and install the chime. Randy Lowe seconded. All agree and motion carried.

Attorney Roger Hall introduced to the Board his colleague, Ken Williams.

Mr. Williams will take Mr. Halls position on January 1, 2021 as Mr. Hall will be retiring in December 2020.

### Open Discussion

Jimmy and Jessica are waiting on the reimbursement that should be issued by the insurance company. This is to cover some of the expense of the new truck bed that was replaced. This should amount to \$1,000.

Jimmy also asked what to do with the old truck bed. The board agreed to sell it for the best offer. Charles Shockey made this motion, Darrell Bowling seconded. All agree and motion carried.

Jimmy informed the board that 1690 Fire Hydrant was leaking, so they turned it off. He questioned if BSWD can remove this hydrant since it's constantly having leaks. The Board would like for Jimmy to find out more information on ownership of hydrant and if the owner would like the District to repair the leak of the hydrant before we pull it. Jimmy to follow up.

Paul Thomas informed the Board that the water audit training done by University of Kentucky will be done in December. This will be a seven hour long training and will most likely be held in water District board room.

Christmas incentives were also discussed. Darrell made a motion to give the same incentive as last year's. \$300.00 per full time employee, \$150.00 per part time employee. Randy Lowe seconded. All agree and motion carried.

Motion to adjourn the meeting was made by Randy Lowe. Darrell Bowling seconded, all agree and motion carried.

*Paul E. Thomas*  
10/16/2020

**BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING**

DECEMBER 15, 2020

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on December 15, 2020. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

**PRESENT COMMISSIONERS:**

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

**OTHERS:**

James Blanton - BSWD  
Jessica Sexton – BSWD  
Rusty Austin - BSWD  
Roger Hall-attorney  
Kevin Sisler – Sisler-Maggard Engineering

**PROGRESS MEETING**

Kevin Sisler gave an update on contract H-1, BP Pipeline project. It's anticipated to be complete within the next week. He requested to leave this meeting open for upcoming decisions concerning available contingency funds that may need to be made before the next regular meeting. There were no bills for contractor or engineer at this time.

The meter service project is still taking place. Directional drills are still being made.

Sisler-Maggard will give update after BP Pipeline is finished next week on how much contingency money will be left over to further invest in the project. Zone Meters, GPS, computer software, and black top are on the top of the wish list.

DJ's Kitchen is expected to return to the building to measure for counter top beside the drive thru window.

Randy Lowe mentioned he would like the door to the facility bathroom to be moved to the hallway to help with privacy. After further investigating what plans could possibly be made, Kevin Sisler said he would get a quote on moving the door as the Board agreed it needed to be done.

Randy Lowe made the motion to get a quote on moving the door.  
Darrell Bowling Seconded. All agreed motioned carried.

Kevin will be in contact with Allen Construction for this quote.

Jimmy went over the quote from Diamond Maps GIS software with the Board. For a single user, the cost would be \$20.00 a month. For unlimited use, this cost goes up to \$80.00 a month. Additional hardware quotes were also listed as this could be an option if needed.

#### **APPROVAL OF MINUTES**

Charles Shockey made the motion to approve the minutes.  
Randy Lowe seconded it, all agreed. Motion carried.

#### **MONTHLY BILLS**

Charles Shockey made the motion to pay the monthly bills. Bill Hardin seconded. All in favor, motion carried.

#### **TREASURERS REPORT**

Bill Hardin made the motion to approve the treasurer's report.  
Charles Shockey seconded, all in favor. Motion carried.

#### **WATER LOSS**

The Board reviewed the water loss report as included in their packet. Water loss continues to drop at a slower rate due to the smaller leaks that are now being fixed. Jimmy and his guys work everyday to find and fix water leaks. The hope is that the utility will be able to purchase some more zone meters which will help find the smaller leaks more quickly. Jimmy already has a good idea where to place these zone meters, if the district can get them purchased.  
Bill Hardin made the motion to approve the water loss.  
Charles Shockey seconded, all agreed. Motion carried.

#### **ADJUSTMENTS**

Bill Hardin made the motion to approve the monthly adjustments.  
Charles Shockey seconded, all in favor. Motion carried.

#### **OLD BUSINESS**

Randy Lowe completed his commissioners training earlier this month during an online virtual training.

The water audit training was also completed by Jimmy Blanton, Jessica Sexton, Bobbi Burton, and Paul Thomas. This audit will be sent to attorney Gerald Wuetcher for submittal to PSC.



### **New Business**

Office Manager, Jessica Sexton, had some questions on the District Hand Book in regards to holiday pay. The handbook hasn't been updated, so clarification was needed.

Darrell Bowling made the motion for BSWD employees to have the nine approved holidays off with paid time. If an employee is to work on one of these holidays due to an emergency, it will be paid at time and a half on top of the paid holiday.

Charlie Shockey seconded the motion. All in favor, motion carried.

COVID-19 screening was discussed as BSWD still remains closed to the public except through the drive thru window. Installing a front office screen will most likely be needed for the protection of customers and employees. Jimmy Blanton will meet with Kevin Sisler on getting this quote.

A quote for Nixxon Maintenance was given to the Board members. This quote included different options for maintenance agreements. After reviewing the quote, the Board asked Jimmy Blanton to check with Kevin Sisler to see if a maintenance agreement is needed for the emergency power system.

Jessica Sexton informed the Board of a Windstream Invoice claim that was filed due to damages done to their lines by BSWD. This claim totaled \$5,022.04.

Darrell Bowling made the motion to go into executive session due to possible litigation.

Charles Shockey seconded. All in favor, motion carried.

Charles Shockey made to motion to adjourn the executive session with no action taken. Darrell Bowling seconded the motion. All in favor, motion carried.

The Board discussed the claim from Windstream and agrees clarification is needed to take any further action. Jessica Sexton will request clarification of the invoice and will bring further information to the next board meeting.

### **Open Discussion**

The USDA budget for 2021 was presented to the Board. Darrell Bowling made the motion to approve the budget. Charles Shockey seconded the motion. All in favor, motion carried.

This will be the last meeting for attorney Roger Hall. The board wishes him the best in his retirement. Attorney Ken Williams Jr. will be asked to fill the vacancy with Big Sandy Water District.

A motion to recess the meeting was made by Charles Shockey.

~~Darrell Bowling seconded, all agree. Motion carried.~~

*Paul E. Thomas*

1/19/2021

# **EXHIBIT W-3**

BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING

JANUARY 19, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on January 19, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

**PRESENT COMMISSIONERS:**

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

**OTHERS:**

James Blanton - BSWD  
Jessica Sexton – BSWD  
Rusty Austin - BSWD  
Ken Williams -attorney  
Joseph Sisler – Sisler-Maggard Engineering

Charles Shockey made a motion to close last month's meeting. Darrell Bowling seconded. All in favor, motion carried.

Chairman, Paul Thomas called the new meeting to order at 9:05 a.m.

**PROGRESS MEETING**

Joseph Sisler reported an update for phase V. Contract H-1 is complete other than a change order needed for an additional cost that wasn't expected. This change order is #5 for a stream crossing at Arland DeLong, which is for is \$19,070.00. Sisler-Maggard also has an invoice that needs to be paid at \$2,168.09, along with contract H-1 for BP Pipeline at is \$28,221.28. William Hardin made the motion to approve change order #5 and pay the invoices to Sisler-Maggard and BP Pipeline. Charles Shockey seconded. All in favor, motion carried.

Due to the District having contingency funds left over, the Board will need to agree on what to invest in for the District needs. Contract I-1 needs change order# 7 to move the location of the bathroom door. The cost is \$2,925.75.

Change order #8 is to construct a front office screening wall for staff protection. The cost is \$9,142.84.

A motion to approve contract I-1, change orders #7 and #8 was made by Darrell Bowling. Charles Shockey seconded. All approve, motion carried.

A motion to approve funds from contingency to go towards #6, GIS software mapping with Diamond Maps was agreed upon which will only cost a monthly subscription of \$80.00 a month. Purchasing additional I Pads is recommended by manager, Jimmy Blanton. Charles Shockey made this motion and Darrell Bowling seconded. All in favor, motion carried.

The Board put together a list of priorities for the use of contingency funds. See attached list as prioritized.

Darrel Bowling made a motion to change software companies to Muni Link Software. Charles Shockey seconded. All if favor, motion carried.

A third quote may be needed for new computers for the office. That information will be supplied by Jessica Sexton. The board approved \$7,00.00 will be set in the budget for new computers.

#### **APPROVAL OF MINUTES**

Charles Shockey made the motion to approve last month's minutes. Randy Lowe seconded, all agreed. Motion carried.

#### **MONTHLY BILLS**

Charles Shockey made the motion to pay the monthly bills. Bill Hardin seconded. All in favor, motion carried.

#### **TREASURERS REPORT**

Bill Hardin made the motion to approve the treasurer's report. Charles Shockey seconded, all in favor. Motion carried.

#### **WATER LOSS**

The Board reviewed the water loss report that was included in their packet. The Board discussed the importance of water loss and how changing meters has helped decrease the percentage. The Board is expecting to purchase new zone meters soon, which will increase findings of water leaks. The Board also discussed a rate increase for its customers to help future expense of materials needed to continue the focus on water loss.

Charles Shockey made the motion to approve the water loss report. Darrell Bowling seconded. All agreed, motion carried.

## **ADJUSTMENTS**

Charles Shockey made the motion to approve the monthly adjustments. Darrell Bowling seconded, all in favor. Motion carried.

## **OLD BUSINESS**

The fire hydrant on RT 1690 will need to be removed. William Austin spoke to the property owner and gave her a quote of \$3,700.00 to have the hydrant replaced or repaired. This hydrant has been leaking water so it has been shut off. It's also caused issues with water thievery so the District wants to have it removed. If the land owner doesn't have the hydrant replaced or repaired within two weeks, the hydrant will be removed by Big Sandy Water District.

Darrell Bowling made the motion to carry through with this plan. Charles Shockey seconded. All in favor, motion carried.

The Windstream claim was discussed as Jessica Sexton was not able to get an itemized description from the Windstream Claims department. Attorney Ken Williams said he would handle the claim and suggest a 25% discount from Windstream. He will give an update and present it to the Board at the next meeting.

## **NEW BUSINESS**

Office manager, Jessica Sexton expressed her need of help with accounting. She suggested the Board hire a part time CPA or accountant to help with taxes, budgets, and bank reconciliations. She had a candidate in mind that is willing to work as needed for \$18.50 an hour. The Board agreed that help is needed for now and decided to hire Kathy Smith for \$18.50 an hour. Darrell Bowling made the motion, Charles Shockey seconded. All agreed, motion carried.

Chairman, Paul Thomas had to leave early leaving William Hardin as alternate chairman.

William Austin addressed to the Board the desire for the laborers to clock out each day at 4:00 instead of 4:30. Darrell Bowling asked that the Board wait until next month to make the final decision as the Board needed more time to think about this change. Charles Shockey seconded. All in favor and motion carried.

A motion to adjourn the meeting was made by Charles Shockey at 11:36am.

Darrell Bowling seconded, all agreed. Motion carried.

William Hardin adjourned the meeting.

Signatures:

Chairman: Paul Thomas

*Paul E. Thomas*

Darrell Bowling

*Darrell Bowling*

Charles Shockey

William Hardin

Lloyd Lowe

**BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING**

FEBRUARY 23, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on February 23, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:07 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

**PRESENT COMMISSIONERS:**

Paul Thomas  
Charles Shockey  
Bill Hardin

**OTHERS:**

Jessica Sexton – BSWD  
Ken Williams -Attorney

**PROGRESS MEETING**

There has not been any update since last month's meeting on Phase V.

**APPROVAL OF MINUTES**

Charles Shockey made the motion to approve last month's minutes.  
William Hardin seconded, all agreed. Motion carried.

**MONTHLY BILLS**

William Hardin made the motion to pay the monthly bills. Charles Shockey seconded. All in favor, motion carried.

**TREASURERS REPORT**

Charles Shockey made the motion to approve the treasurer's report.  
William Hardin seconded, all in favor. Motion carried.

**WATER LOSS**

Water loss was not reported this month in the commissioners meeting due to the power outages from the ice storm.

**ADJUSTMENTS**

William Hardin made the motion to approve the monthly adjustments.  
Charles Shockey seconded, all in favor. Motion carried.

**OLD BUSINESS**

Attorney, Ken Williams updated the board on the Windstream claim. He was able to settle the claim with the amount of \$4,041.38 if the board agrees to this amount. Charles Shockey made the motion to approve the settlement amount. William Hardin seconded, all in favor. Motion carried. Jessica Sexton is to contact Brad Stewart with Nelson Insurance to check Big Sandy's policy for reimbursement.

The commissioners discussed the departure time of the laborers working in the field. They agree for the new dismissal time for the laborers should be 4:00 pm each day. William Hardin made this motion. Charles Shockey seconded. All in favor, motion carried.

**NEW BUSINESS**

William Hardin made the motion to give Beverley Bellomy a week's paid vacation due to her amount of years working for the Water District. Charles Shockey seconded. All agree, motion carried.

Jessica Sexton asked the board if they would approve a week's paid vacation in May of 2021 despite her not having a full year's employment in. This time will be borrowed for the following year. William Hardin made the motion to approve this request. Charles Shockey seconded. All agree, motion carried.

February's ice storms had a huge impact on the Water District. The laborers have worked countless hours trying to restore water to customers. They continue to work on restoration as well as finding and fixing leaks.

A motion to adjourn the meeting was made by Charles Shockey at 9:40 am.

William Hardin seconded, all agreed. Motion carried.

Chairman, Paul Thomas adjourned the meeting.

Signatures:

Chairman: Paul Thomas



Charles Shockey

William Hardin



**BIG SANDY WATER DISTRICT  
COMMISSIONERS' MEETING**

MARCH 16, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on March 16, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

**PRESENT COMMISSIONERS:**

Paul Thomas  
Charles Shockey  
Bill Hardin  
Darrell Bowling  
Randy Lowe

**OTHERS:**

James Blanton - BSWD  
Jessica Sexton – BSWD  
Rusty Austin - BSWD  
Ken Williams – Attorney

**PUBLIC PARTICIPATION**

Bill Stovic from HWY 1937 presented to the Board his abnormally high water bill. He has already had one adjustment last October and is not eligible for another due to BSWD's tariffs. He states that problems started from his lines when the construction project started. He's had to replace different parts due to the high amount of dirt in his lines. His high usage was caused from the regulator failing. Mr. Stovic was one of the original customers to Big Sandy and was not aware he needed a regulator on his side of the meter. After BSWD changed the regulator, the problem resolved. Mr. Stovic feels the Water District should help with his current bill of \$159.63 because the source of the problem was all the dirt in his lines.

William Hardin made the motion to pay half of the bill. Darrell Bowling seconded. All agree, motion carried.

Glen Vanhoose from Roe Creek also presented his concerns to the Board. He claims the contractors dug on his side of the meter causing a major leak. He feels he should not be held responsible for the bill because it was caused by the contractors.

William Hardin made the motion to get the average usage from the last three months from Mr. Vanhoose's meter and charge him that amount. The amount of water lost from the water leak

will be expensed out to the contract company. Darrell Bowling seconded the motion. All agreed, motion carried.

#### **APPROVAL OF MINUTES**

Darrell Bowling made the motion to approve the minutes.  
Charles Shockey seconded, all agreed. Motion carried.

#### **MONTHLY BILLS**

Darrell Bowling made the motion to approve the monthly bills. Charles Shockey seconded. All agree, motion carried.

#### **TREASURERS REPORT**

Charles Shockey made the motion to approve the treasurer's report.  
Randy Lowe seconded, all agreed. Motion carried.

#### **WATER LOSS**

Water loss has risen since January. Due to the inclement weather and the hours spent on restoring water to customers, some leaks went undetected. The District laborers are aware of the leaks and are working to get them fixed as soon as possible.

Bill Hardin made a motion to approve the water loss.  
Charles Shockey seconded. All agreed, motion carried.

#### **ADJUSTMENTS**

Bill Hardin made the motion to approve billing and adjustments.  
Charles Shockey seconded, all agreed. Motion carried.

#### **OLD BUSINESS**

Office manager, Jessica Sexton filed a claim with Nelson insurance for the settled amount paid to Windstream. Insurance has reimbursed that amount in full.

William Hardin made a motion to accept the nepotism policy suggested by Boyd County Fiscal Court. This will omit "by blood or marriage" in the relation of employees.

Charles Shockey seconded. All agreed, motion carried.


#### **NEW BUSINESS**

The Board discussed keeping James Blanton on as full time manager instead of interim. James is considering the position and will give the Board an answer next month.


The Board discussed purchasing another generator for emergencies. Last month, pump stations failed due to power outages leaving many customers without water. Renting generators is an

option, however they aren't always available and it's costly. The Board will weigh the differences in renting and purchasing as well as putting together a long term plan for emergencies. James Blanton will look into having an electrician look at each pump station to recommend what's needed for permanent generators.

Randy Lowe made the motion to adjourn. William Hardin seconded. All agreed, motion carried.

BY:   
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 4/20/21

BY:   
Paul Thomas, Chairman  
Big Sandy Water District

# BIG SANDY WATER DISTRICT

## BOARD MEETING

APRIL 20, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on April 20, 2021. The meeting was called to order by William Hardin, Vice-Chairman, at 9:01 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

### PRESENT COMMISSIONERS:

Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

### OTHERS:

Joseph Sisler- Sisler and Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney

### PHASE V

Joseph Sisler started his presentation on progress of Phase V. A directional drilled bore replacement/stream crossing was needed at Arland Delong, Contract H-1, Change Order # 5. This bore has already been placed under the stream and road. It will be completed and tied in when the Arland Delong tank is repaired by others. There will also be a Contract H-1 cleaning crew ready to clean up services they have left behind during the construction process. Big Sandy Water District will have work orders ready for those projects. James Blanton will provide invoices for any materials that have been replaced by BSWD to the customers who had damages caused by the contractors. These invoices will be given to Mr. Sisler for the contractor as soon as possible.

The Arland Delong tank needs repaired as soon as possible due to its leaking. This was reported to SME several weeks ago and was discussed with Rural Development. RD required SME to prepare contract documents for the repairs due to it being an emergency. This will allow a quote instead of a bid for the job to be done. Mr. Sisler presented the quote of \$31,200 by Currens Construction to the Board to have everything repaired. Currens Construction did Contract F-1, tank painting and repairs under this project. This Contract has already been closed out. Darrell Bowling made the motion to accept the quote and to pay to have the repairs made

with contingency money left from the project. Charles Shockey seconded. All agreed, motion carried.

Mr. Sisler gave Board attorney, Ken Williams a book of the quote specifications required by RD for the Arland Delong tank repair. Mr. Williams must review and give his certification for approval of the document before the procedure can take place. Mr. Williams will have this finished by the end of the week and he will invoice BSWD for the charges. These charges will be eligible for RD reimbursement.

Mr. Sisler presented a "revised" list of possible contingency items. See attached list. Paving of the parking lot will be started next week. The cost of this is \$39,762.00 as set out in contract I-1, Change Order # 8. RD has already approved.

Since the repairs on the Arland Delong tank will exceed \$30,000, attorney, Ken Williams suggested an emergency will need to be declared by the Board. Darrell Bowling made the motion to declare an emergency for the repairs to be done as quickly as possible without additional quotes as authorized by RD. Lloyd Lowe seconded. All agreed, motion carried. A VFD will be used while the tank is being repaired and will stay there permanently for future emergencies. Mr. Sisler believes this can also be reimbursed by RD. The VFD was quoted to James Blanton for \$2,400 not including freight and installation.

Under the contingency funds, five zone meters will be ordered by James Blanton. This was quoted at \$25,000.00 for all five. These meters will be installed by BSWD. Office software was quoted \$24,795.00 and is in the process of being approved by RD. Three new computers and monitors were purchased for the office from Superior Office Supply. The invoice amount is \$4,195.00 and is also in the process of being approved by RD. Two iPads for the Diamond GPS system was quoted at \$929.00. If leftover contingency funds are available, the District will look into constructing a new meter building and test benches for the Water District. Until the Board has a better idea of how much money is left, the old building will remain standing. If the District can afford a new meter building, the old office building will be demolished. Darrell Bowling mentioned that the Boyd County Judge Executive, Eric Chaney, said the County would demo the old building and haul off debris free of charge. James Blanton would also like to purchase a couple hundred replacement meters as required by PSC if contingency funds are available.

### **APPROVAL OF MINUTES**

Charles Shockey made the motion to approve the minutes.  
Randy Lowe seconded, all agreed. Motion carried.

### **MONTHLY BILLS**

Darrell Bowling made the motion to approve the monthly bills. Charles Shockey seconded. All agreed, motion carried.

### **TREASURERS REPORT**

Darrell Bowling made the motion to approve the treasurer's report.  
Charles Shockey seconded, all agreed. Motion carried.

### **WATER LOSS**

February's water loss is still high. Due to inclement weather, the District's laborers had a hard time finding and repairing leaks. James Blanton is hopeful that after the new zone meters are placed, it will greatly improve the water loss. Charles Shockey made the motion to approve the water loss. Darrell Bowling seconded. All agreed, motion carried

### **ADJUSTMENTS**

Charles Shockey made the motion to approve adjustments. Darrell Bowling  
Seconded. All agreed, motion carried.

### **OLD BUSINESS**

James Blanton asked to wait to discuss the Permanente position of field manager until  
Chairman, Paul Thomas, is in attendance.

### **NEW BUSINESS**

Office manager, Jesica Sexton, asked if the monthly Board meetings could be moved to the third  
Thursday of each month instead of the third Tuesday. This would give her and James Blanton  
more time to prepare for the meeting.

Charles Shockey made the motion to move the monthly Board meeting to the third Thursday of  
every month starting at 9:00am. Darrell Bowling seconded. All agree, motion carried.

Jessica will notify the local newspaper and James will post this change on the Big Sandy Water  
District Facebook page.

Charles Shockey made the motion to adjourn the meeting and Randy Lowe seconded. All  
agreed, motion carried.

BY: Darrell Bowling

Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 5/20/21

BY: \_\_\_\_\_

William Hardin, Vice Chairman  
Big Sandy Water District

Big Sandy Water District

BOARD Meeting

May 20, 2021

Regular Meeting

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on May 20, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:03 a.m. in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

**Present Commissioners:**

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

**Others:**

Joseph Sisler- Sisler Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney

**PHASE V PROGRESS**

Joseph Sisler stated Contract H-1 is complete. A retainage of \$10,000 is being held until the crew is finished with clean up. The pay request for this project is \$91,525.50. Charles Shockey made the motion to pay the requested pay amount to BP Pipeline. Darrell Bowling seconded. All agreed, motion carried.

Change Order # 5 is null and void for the amount of \$19,700.00. This project is covered under change order #6 which totals \$33,410.00. This is the total amount for the stream crossing. Darrell Bowling made the motion to approve the change order. Charles Shockey seconded. All agree, motion carried.

Change order #7 final quantities decreased in the amount of \$44,320.50. This will add close to \$37,000 in contingency money. Darrell Bowling made the motion to approve the decrease. Charles Shockey seconded. All agreed, motion carried.

Mr. Sisler didn't have a current SME invoice for the Board Meeting due to awaiting approvals from RD. Charlie Shockey made the motion to pay up to but not exceeding \$20,000 for SME services rendered on the next invoice. Darrell Bowling seconded. All agreed, motion carried.

Revised 9/2021



The Board approves the engineering Amendment #3 pay request from SME not exceeding \$20,000.

BP Pipeline addressed the invoice prepared by James Blanton for all the damages made during the construction process. The total amount of the invoice is \$7,538.90. The contractor proposed they would pay half of this invoice as they felt like some on the charges were unavoidable and should not be expensed out to the company. Darrell Bowling made the motion to approve this proposal. Charles Shockey seconded. All agreed, motion carried.

Contract I-1 is still in the process of being complete. This contract may stay open, if the Board decides to build a new meter room next to the existing building and if the contingency funds are available. The black top around the office building is underway today.

The tank repair at by Currens Construction at Arland Delong is complete and is being refilled today by BSWD. Darrell Bowling made the motion to pay \$31,200 to Currens Construction for the completed project. Charles Shockey seconded. All agreed, motion carried.

Mr. Sisler suggested that the Board leave the meeting open and not adjourn due to changes that may need to take place before the next board meeting.

### **Approval of Minutes**

Charles Shockey made the motion to approve the minutes.  
Darrell Bowling seconded. All agreed, motion carried.

### **Monthly Bills**

Darrell Bowling made the motion to approve the monthly bills. Charles Shockey seconded. All agreed, motion carried.

### **Treasurers Report**

Chairman, Paul Thomas would like for the Board to reevaluate how much money is being put back into the sinking fund from money borrowed last year.

James Blanton needs new meter boxes to be ordered as the District does not have any extra in stock. Darrell Bowling made the motion for Mr. Blanton to order 100 new meter boxes. Charles Shockey seconded. All in favor, motion carried.

Darrell Bowling made the motion to approve the treasurer's report.

Charles Shockey seconded, all agreed. Motion carried.

### **Water Loss**

March's water loss has shown a slow decline. The laborers continue to look for water leaks and repair them as fast as possible. Route 32 and Point Section are being targeted to find leaks. The guys will continue to walk the lines, and check meters to help decrease water loss. Unused meters will also be checked as they have found an increase in water theft. Bill Hardin made the motion to approve the water loss. Darrell Bowling seconded. All agreed, motion carried.

### **BILLING, COLLECTIONS AND ADJUSTMENTS**

Jessica Sexton suggested to the Board using a collection agency for bad debts accrued. She pulled a report showing \$11,896.28 in bad debt for 2020 and \$9,328.72 so far for 2021. The Board discussed the pros and cons of using a debt collection agency and decided it may not be worth all the hassle. Using a collection agency at this time will not be utilized.

Bill Hardin made the motion to approve billing, collections and adjustments. Darrell Bowling seconded. All agreed, motion carried.

### **OLD BUSINESS**

James Blanton has been working as the interim General Manager. He proposed to the Board that he would take this position full time for \$27.00 an hour starting in June 2021. Bill Hardin made the motion to approve Mr. Blanton's proposal. Charles Shockey seconded. All agreed, motion carried.

### **NEW BUSINESS**

Bill Hardin mentioned the need of a pay increase for Office Manager, Jessica Sexton as it was promised to her after her working 6 months. Mr. Hardin made a motion to increase Mrs. Sexton's pay by \$.50 an hour. Charles Shockey Seconded. All agreed, motion carried.

Darrell Bowling addressed the need of pay increases for all full-time employees, since the cost of living has increased in past months. Their hard work and dedication to the job has not gone unnoticed. Randy Lowe agreed and would like to give substantial raises but realizes the District cannot afford much. He suggested giving anywhere from \$.25 to \$.50 to each full-time employee to help with cost of living and show Board appreciation. Darrell Bowling made the

motion to give a \$.50 raise to all full-time employees. Randy Lowe seconded. Charles Shockey in favor, Bill Hardin apposed due to the fear of not having the funds to cover the cost. The vote was three to one therefore Chairman, Paul Thomas didn't vote. The motion is carried.

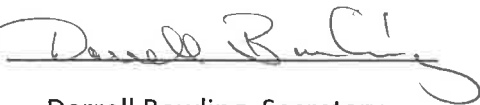
The Board members are concerned with old piping that will need to be replaced within the next couple of years. With limited funds, these types of projects need better financial planning. They would like for Mrs. Sexton to start working on a rate increase proposal to send to the PSC so that these projects will be more sustainable. Mrs. Sexton and attorney Ken Williams will also write a letter to the county judges for help on infrastructure projects. The Board will continue to work on asset management as these maintenance projects are always needed.

Mr. Blanton informed the Board that the meter room roof is leaking. In hopes to build a new meter room, Darrell suggested patching the leak for the least amount of money possible. If a new meter room cannot be built, then a more permanent fix will take place.

Chairman, Paul Thomas also wants more employees to be licensed to take samples and test meters. Mr. Blanton will look into the cost and procedure for doing this.

Darrell Bowling made the motion to recess the meeting.

Charles Shockey seconded. All agreed, motion carried at 10:45 am.

BY: 

Darrell Bowling, Secretary

Big Sandy Water District

Date Approved: 6/17/21

BY: \_\_\_\_\_

William Hardin, Vice Chairman

Big Sandy Water District

Big Sandy Water District

Board Meeting

June 17, 2021

Regular Meeting

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on June 17, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:08 a.m. in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

**Present Commissioners:**

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

**Others:**

James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney  
Brad Stewart- Nelson Insurance Agency

Charles Shockey made the motion to adjourn last month's meeting. Darrell Bowling seconded. All agree, motion carried.

**Nelson Insurance Anancy**

Representative, Brad Nelson introduced himself to the newest members and thanked the Board for the long-standing business he's had with the water company. He went over the coverage that would be included in our upcoming renewal which will be the same as the last year plus the new building. This coverage is with Zurich Insurance Company. Other quotes were shown however, Zurich had that best option. The premium for KEMI workers compensation will rise due to the number of claims that were made in the past three years.

Darrell Bowling made a motion to renew the insurance policy with Zurich Insurance Company as presented by Brad Nelson. Charles Shockey seconded. All agreed, motion carried.

**Approval of Minutes**

Darrell Bowling made the motion to approve the minutes.  
Charles Shockey seconded. All agreed, motion carried.

### **Monthly Bills**

Charles Shockey made the motion to approve the monthly bills. Randy Lowe seconded. All agreed, motion carried.

### **Treasurers Report**

William Hardin made a motion to approve the treasure's report for the month of May 2021. Darrell Bowling seconded. All agreed, motion carried.

### **Water Loss**

The Water District's water loss has increased for the month of April. The District had hoped water loss would have went back down due to the amount of repairs that have been made, however, the District is fixing leaks as soon as they find them. Jimmy Blanton will contact KRWA for suggestions on detecting water leaks that are difficult to find. William Hardin made the motion to approve the water loss for April 2021. Darrell Bowling seconded. All agreed, motion carried.

### **BILLING, COLLECTIONS AND ADJUSTMENTS**

William Hardin motions to approve the billing, collections, and adjustments for last month. Charles Shockey seconded. All agreed, motion carried.

### **OLD BUSINESS**

The Board would like to increase the amount of payment being made each month to the Sinking Fund. Money was borrowed from this account in 2020 to purchase new meters. Jessica has been depositing \$500 a month into the Sinking Fund as a monthly payment. Darrell Bowling made a motion to pay 10% of the profits made each month back into the Sinking Fund as long as it is feasible for the District to do financially. This will be evaluated every month by Jessica. Randy Lowe seconded. All agreed, motion carried.

Jessica updated the Board on the rate increase that she was asked to work on. She would like for the yearly audit to be complete before starting on the paperwork and working out the financials on what PSC requires. Attorney Ken Williams will be asked to assist when the time comes for the rate increase request.

Manager, Jimmy Blanton has inquired about certification training opportunities for Rusty Austin, and Sherman McDaniels. In-person training is currently not available however, a study guide and testing dates are now available. Big Sandy Water District will pay for an eligible employee to take the certification test twice in the event that the first attempt is not successful. Any other attempts will be expensed to the employee.

Jimmy Blanton will also inquire about getting his employees certified in meter testing.

**NEW BUSINESS**

Representative, Eric Patton from FIVCO met with Jimmy Blanton and William Hardin earlier this month to discuss stimulus money that will be granted to surrounding Counties for water and sewer infrastructure. This grant money could help BSWD with replacing old water lines, purchasing new meters, extend water lines to customers without public water, and so forth. Jimmy will compile a list of projects for each county and send to Eric Patton for advisement/approval.

Charles Shockey made a motion to make a building dedication plaque for the outstanding work and dedication performed by former commissioner/superintendent Robert "Bob" McGlothlin in his large role in establishing Big Sandy Water District. Darrell Bowling seconded. All agreed, motion carried.

Charles Shockey made a motion to adjourn the meeting. Randy Lowe seconded. All agree, motion carried.

BY: 

Darrell Bowling, Secretary

Big Sandy Water District

Date Approved: 7/15/21

BY: 

Paul Thomas, Chairman

Big Sandy Water District

Big Sandy Water District

Board Meeting

July 15, 2021

Regular Meeting

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on July 15, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:11 a.m. in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

**Present Commissioners:**

Paul Thomas

Charles Shockey

William Hardin

Randy Lowe

**Others:**

James Blanton - BSWD

Jessica Sexton - BSWD

Ken Williams - Attorney

Joseph Sisler- SME

Joseph Sisler from SME gave an update to the Board. Contract H-1 has a certificate of substantial completion dated May 15, 2021. The final payment request is being adjusted and will be invoiced next month. Contract I-1 has a certificate of substantial completion dated Sept. 11, 2020. Mr. Sisler will request the contractors to fix the black top area around the side door entrance of the building so that rain water is not able to flood entrance. This final pay request is \$56,361.89. Charlie Shockey made the motion to pay the final pay request for Contract I-1. Randy Lowe seconded. All agreed, motion carried.

Mr. Sisler gave the Board members an estimate of the cost to put in new water lines for areas in Lawrence County. He received this list from FIVCO representative, Eric Patton. This project will continue to be discussed and revised if the District is able to receive grant money through sources outlined by FIVCO. James Blanton gave Mr. Sisler the project list for Boyd and Carter County so that he may produce a quote for those projects as well to FIVCO. Mr. Sisler emphasized that SME should be involved on any funding process. James Blanton will attend a meeting with FIVCO on July 21, 2001 for further discussion.

**Approval of Minutes**

William Hardin made the motion to approve the minutes.

Charles Shockey seconded. All agreed, motion carried.



## **Monthly Bills**

Charles Shockey made the motion to approve the monthly bills. Randy Lowe seconded. All agreed, motion carried.

## **Treasurers Report**

Charles Shockey made a motion to approve the treasure's report for the month of June 2021. Randy Lowe seconded. All agreed, motion carried.

## **Water Loss**

The water loss for May 2021 has decreased due to the continuous work of the field staff. They are continuing to look for and fix leaks as they find them. William Hardin made the motion to approve the water loss. Charles Shockey seconded. All agreed, motion carried.

## **BILLING, COLLECTIONS AND ADJUSTMENTS**

William Hardin made a motion to approve the billing, collections, and adjustments for last month. Charles Shockey seconded. All agreed, motion carried.

## **OLD BUSINESS**

Jessica Sexton gave an update on the dedication plaque that is being made in honor of Robert McGlothlin. Due to shortage of materials, the plaque is taking longer than usual to produce.

James Blanton has been trying to contact the PSC to confirm the process of getting staff certified in meter testing. He will continue to reach out to them and have more information next month.

## **NEW BUSINESS**

James Blanton proposed getting a larger utility truck that would pull the excavator more easily. As it is now, the truck pulling the excavator is having its breaks changed frequently and is causing the truck to squat when being pulled. Randy Lowe mentioned getting a gooseneck trailer instead of pulling with a traditional trailer. The Board will consider, no action taken.

Jessica Sexton gave the Board members the brochure from PSC for commissioner's trainings coming up in 2021. These trainings will most likely be held virtually but is still TBD. The Board agreed to purchase a large smart TV to install in the Board Room at Big Sandy so they may all take the classes virtually, together. This will also benefit any future trainings/meetings that may need to take place virtually. Randy Lowe will price the smart TV's and give information to Jessica and Jimmy for purchasing.

Jessica Sexton also had questions concerning the amount employees pay into their healthcare premium each month. Previous minutes state that employees are to pay 13% but have only been withheld 12%. This is believed to be a typological error in the previous minutes. William Hardin made the motion for employees to be withheld 12% for their healthcare premium each month. Charles Shockey seconded. All agreed, motion carried.

Charles Shockey made a motion to adjourn the meeting. Randy Lowe seconded. All agreed, motion carried.

BY: Darrell Bowling

Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 8/19/21

BY: Paul E. Thomas

Paul Thomas, Chairman  
Big Sandy Water District

## Big Sandy Water District

### Board Meeting

August 19, 2021

Regular Meeting

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on August 19, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:03 a.m. in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

#### **Present Commissioners:**

Paul Thomas  
Charles Shockey  
William Hardin  
Randy Lowe  
Darrell Bowling

#### **Others:**

James Blanton - BSWD  
Jessica Sexton - BSWD  
Ken Williams - Attorney

#### **Approval of Minutes**

William Hardin made the motion to approve the minutes.  
Charles Shockey seconded. All agreed, motion carried.

#### **Monthly Bills**

William Hardin made the motion to approve the monthly bills. Darrell Bowling seconded. All agreed, motion carried.

#### **Treasurers Report**

Darrell Bowling made a motion to approve the treasure's report for the month of July, 2021.  
Randy Lowe seconded. All agreed, motion carried.

#### **Water Loss**

The water loss for June 2021 has decreased due to the continuous work of the field staff. They are continuing to look for and fix leaks as they find them. William Hardin made the motion to approve the water loss. Charles Shockey seconded. All agreed, motion carried.

#### **BILLING, COLLECTIONS AND ADJUSTMENTS**


Charles Shockey made a motion to approve the billing, collections, and adjustments for last month. Randy Lowe seconded. All agreed, motion carried.

**OLD BUSINESS**

The plaque of dedication to Robert "Bob" McGlothlin has arrived and is hanging in the front lobby of the Water Building. Jessica Sexton will call Mrs. McGlothlin and set up a date when this can be presented to Mr. McGlothlin. The Board members will like to attend the dedication. Training for the Commissioners will be September 7<sup>th</sup> in the Board Room at Big Sandy water District. Jessica Sexton is waiting for more information from PSC's, Travis Lynch. This information will be given to the commissioners as soon as Jessica receives it. A big screen TV and wall mount was purchased and will be hung in the Board room before the training. The yearly audit is complete and is presented to the Board of Commissioners. Blinds for the Board room were purchased and hung for privacy and to prevent glare from the sun. The Board would like for Jessica to purchase more blinds for the other existing windows for the same purposes. The Board gave James Blanton authorization to inquire local listings for a heaver truck that's more suitable to haul the back hoe and kabota when needed. James will also price a more suitable trailer. When Mr. Blanton finds a reasonable price, he will seek approval from the Board before purchasing.

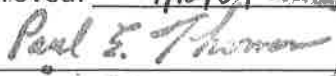
**NEW BUSINESS**

The Board discussed the previous absences of Commissioner, Darrel Bowling. According the written policy, commissioners are allotted to miss one meeting a year and still be compensated. Mr. Bowling had to miss his second meeting in July due to being exposed to Covid-19. William Hardin made the motion to compensate Mr. Bowling for the last meeting he missed due to the circumstances. Charles Shockey seconded. All agreed, Motion carried. Office Manager Jessica Sexton will add Mr. Bowling to the payroll the following week and mail out his check. Charles Shockey made the motion to recess the meeting. William Hardin seconded. All agreed, motion carried.

BY: 

Darrell Bowling, Secretary

Big Sandy Water District

Date Approved: 9/16/21  
BY: 

Paul Thomas, Chairman

Big Sandy Water District

# BIG SANDY WATER DISTRICT

## BOARD MEETING

SEPTEMBER 16, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on September 16, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:02 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

### PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

### OTHERS:

Joseph Sisler- Sisler-Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney

### PHASE V

Randy Lowe made a motion to revise the May 2021 minutes to state “The Board approves the engineering Amendment #3 pay request from Sisler-Maggard Engineering, not exceeding \$20,000”. Darrell Bowling seconded. All agreed, motion carried.

Joseph Sisler started his presentation on progress of Phase V. The pay request for BP Pipeline on contract H-1 had already been approved in July 2021 but has since been revised. The final Pay Request #11, for its final completion is a total of \$809,272.91. This results in the rebate of \$4,237.75 from B.P. Pipeline. That check is in the hands of BSWD. Randy Lowe made the motion to accept the final pay request from BP Pipeline. Charles Shockey seconded. All agreed, motion carried.

Clean up orders from the District on Contract H-1 are being sorted through and will be given to Joseph Sisler. These clean up orders for B.P. Pipeline are to be addressed and repaired of any damage they may have left behind from the previous project. These clean up orders must be given promptly to Joe Sisler as the one-year warranty is due to expire soon.

Mr. Sisler went over the projected contingency funds that he and Doug Hoff with Rural Development calculated earlier this week. It appears there will be approximately \$80,000 to \$90,000 left in contingency funds that the Water District can allocate to its project. The commissioners discussed the use of RD contingency money and William Hardin made the

motion for SME to prepare estimates and plans for a new meter building, test bench, and restroom for the District in the event that money is left from the contingency. (List attached to these minutes) Charles Shockey seconded. All agreed, motion carried.

James Blanton will get estimates on new zone meter heads that will read instantly without driving to the location. This will save on the cost of manual labor, gas, and wear on the vehicles. The Board hopes to also purchase these meter heads with R.D. contingency funds.

#### **APPROVAL OF MINUTES**

William Hardin made the motion to approve last month's minutes.

Charles Shockey seconded, all agreed. Motion carried.

#### **MONTHLY BILLS**

Darrell Bowling made the motion to approve the monthly bills. Charles Shockey seconded, all agreed. Motion carried.

#### **TREASURERS REPORT**

Darrell Bowling made the motion to approve the treasurer's report as presented for August 2021. Charles Shockey seconded, all agreed. Motion carried.

#### **WATER LOSS**

The water loss for July has decreased significantly, down to 22%. James Blanton and his team will continue to work on finding and fixing leaks as they get closer to their goal of 15% water loss. Randy Lowe made the motion to approve the water loss for July 2021. Darrell Bowling seconded, all agreed. Motion carried.

#### **ADJUSTMENTS**

William Hardin made the motion to approve the billing/collection/adjustment report. Charles Shockey Seconded, all agreed. Motion carried.

#### **OLD BUSINESS**

James Blanton is still shopping around for the best deal on a larger truck and trailer. He has spoken to Tim Webb from Cannonsbrug Water District and they have been leasing their trucks from a company in Louisville, KY. James will contact the leasing agency to obtain more information and will get back with the Board. If possible, James would like to have a representative meet with the Board members to discuss their policy and procedures of leasing vehicles from their company. James is also still looking into purchasing a trailer. More information to come.

Mr. Sisler has been in contact with FIVCO and wishes to proceed with infrastructure projects that may take place with infrastructure grants. Darrell Bowling made a motion for SME to

continue to work with FIVCO on the engineering for these projects and produce any paper work necessary in the process. Charles Shockey Seconded, all agree. Motion carried.

## **NEW BUSINESS**

James Blanton stated he would contact Judge, Eric Chaney in hopes to use Boyd County Garage for purchasing gas. By doing this, Cannonsburg Water District has been saving on average \$.50 a gallon. Mr. Blanton will have more information on this next month.

A letter from the U.S. Army Corps of Engineers was delivered to BSWD on September 1, 2021. The letter states that the District is out of compliance due to a dual transmission line floating within the Big Sandy River. These lines are part of the water services BSWD receives from the Kenova, WV Water Treatment Plant. Our original permit states the waterline shall be placed in a trench a minimum of 15' below normal pool elevation and no less than 3' below the bed of the river. James Blanton has been in contact with the Corps of Engineers Project Manager and U.S. Coast Guard on placing a buoy for interim use until the lines are corrected. James is still awaiting specifics on the size, and lighting of the buoy. He will order the buoy, and have it placed in the river ASAP. Darrell Bowling made a motion to give James Blanton the authority to make decisions on behalf of Big Sandy Water District on purchasing and placing the buoy. Charles Shockey seconded, all agreed. Motion carried.

Darrell Bowling made the motion to direct SME to immediately perform the engineering and any necessary paperwork for the upcoming river crossing project in the Big Sandy River. Charles Shockey Seconded, all agreed. Motion carried.

James Blanton was told by Eric Patton from FIVCO that this project could possibly be paid for with infrastructure Grant money at 87%. FIVCO will inquire for help from the Department of Local Government for the 13% not covered. The Board members will also seek help from the Boyd, Lawrence, and Carter County Judges for help on financing this project. As stated above, SME will prepare estimates, etc., for FIVCO. The initial estimate is \$300,000. Mr. Sisler has also made contact with Mr. Adam Rice of Congressman Hal Rogers office to request funding assistance. Paul Thomas spoke about possibly obtaining a temporary emergency loan to cover the river crossing until funding is received. Due to the river crossing emergency, SME was directed to begin final design of the new crossing and all necessary permits and approvals thru KY District of Water, Corps of Engineers, U.S. Coast Guard, Chessie System, Railway if necessary, and others as needed. It was noted by Mr. Sisler that a lot of environmental and other paperwork will be required. Mr. Sisler also noted that SME would bill for their services on an hourly basis. These invoices will be billed monthly.

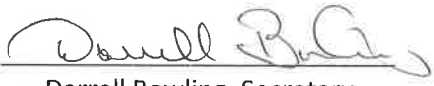
Jessica Sexton shared with the Board that she and James Blanton had a phone conference with Lawyer, Gerald Wuetcher, in regards to the water loss for the PSC case. He stated that PSC would like to have a phone conference with Mrs. Sexton and Mr. Blanton in the early part of November. He will email Jessica with the confirmed date and time. The commissioners were invited to this phone conference and will be given more information as it comes.

William Hardin made the motion to go into executive session for Personnel discussion. Charles Shockey seconded, all agreed. Motion carried.

William Hardin made the motion to go out of executive session. Charles Shockey seconded, all agreed. Motion carried.

William Hardin made the motion to pay Office Manager, Jessica Sexton \$22.00 an hour effective immediately. Charles Shockey Seconded, all agreed. Motion Carried.

William Hardin made a motion to adjourn the meeting at 11:20a.m. Charles Shockey seconded, all agreed. Motion carried.

BY:   
Darrell Bowling, Secretary

Big Sandy Water District

Date Approved: 10/21/21

BY: 

Paul Thomas, Chairman  
Big Sandy Water District



## BIG SANDY WATER DISTRICT

### BOARD MEETING

OCTOBER 21, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on October 21, 2021. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the board room at 18211 State Rt. 3, Catlettsburg, KY 41129.

#### PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

#### OTHERS:

Joseph Sisler- Sisler-Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney  
Randy McDaniels- BSWD

#### PUBLIC PARTICIPATION

Susan and Nick Trimble made an appearance to the Commissioners meeting. Mrs. Trimble started the meeting by explaining she had called BSWD on Friday, Sept. 17th to have the water turned on in her name on a home they purchased on Bear Creek. She then explained that they had not closed on the property at that time, however, the previous owner of the home (Leadingham) allowed the Trimble's to turn the utilities on in their name (Trimble). The District sent Randy McDaniels of the staff to the property as he met Mr. Nick Trimble there to turn it on. The following day, Saturday, Sept. 18<sup>th</sup>, the owners (Leadingham) of the home called the Trimble's stating the water was running from the first floor onto the main floor of the home effecting the kitchen area, living room, then into the basement. Mrs. Trimble had pictures taken on her phone but wasn't able to print them for the Commissioners to evaluate. The water had been running approximately 24 hours without anyone knowing. The washer and dryer were stolen from the home; thus, the valve was left open. The couple stated they didn't close on the house until the following Tuesday the 21st. The original owners of the home filed a claim with their insurance company but the Trimble's didn't have a status of the claim. Mrs. Trimble seems to think the insurance company will not help pay for the damages. Nick Trimble added he was there when BSWD's, Randy McDaniels, arrived to turn the water on. After the valve was turned

on, Mr. Trimble was asked to check that all faucets, etc. were closed and he reported to McDaniels that an outside spigot was on, but he had turned it off. McDaniels discovered the meter was dead and could hear a clicking noise. McDaniels explained to Mr. Trimble that the meter was dead and the valve was broken and will need to be replaced. Mr. Trimble said it was fine to leave as is, as long as it was repaired by the following Tuesday, when they moved in. McDaniels said if he had known that water was running, he would have fixed it immediately. He was under the assumption that Mr. Trimble checked both, inside, and outside of the house for leaks because he was gone for a while. Mr. Trimble told the Board that he didn't have keys to the house so he couldn't check the inside. This was unknown information to McDaniels. Attorney, Ken Williams, would like to review the contract of sale and pictures that were taken of the damages. The Trimble's were asked to send these documents to Big Sandy's email as soon as possible for him to review. The email address was written down and given to Mrs. Trimble. The Board was advised by Mr. Williams to have the documents before making any decisions. Mr. Williams asked what kind of relief they were seeking. Mr. Trimble replied "to have the damages fixed." He wasn't exactly sure a price or the extent of the damages. Mr. Trimble said he would obtain the requested information and send it to BSWD for review. The Trimble's exited followed by Mr. McDaniels.

#### **PHASE V**

Joe Sisler shared with the Board that \$6,907.21 was left of RD contingency money to go to the District. This was less than what was originally thought, however, this amount was approved to purchase new cellular meter heads from Neptune, to be placed on the District's zone meters. Reimbursements were also made to BSWD for the expenses that were already paid out of the general fund. This includes the reimbursement from the drive thru chime, Currens Construction, VFD, Engineering invoice, zone meters, and Computers. There are funds allocated to go towards a computer software update, and to purchase I Pad's for the Diamond Maps GPS system. Joe informed the Board that Doug Hoff will start a new position with RD on Nov 8<sup>th</sup> and will no longer be overseeing the financials of BSWD.

Mr. Sisler knew the Board wanted to allocate contingency funds to a new meter building, however the funds were not great enough. Mr. Sisler reminded the Board that financing a meter building could be put into the rate increase that Mrs. Sexton will be working on. Mr. Sisler added the cost for a preliminary design would cost around \$5,000. William Hardin made the motion for SME to work on the preliminary design of a meter building for BSWD. Charlie Shockey seconded. All agreed, motion carried.

#### **APPROVAL OF MINUTES**

Paul Thomas noted a correction needing to be added to last month's minutes. "No action taken" will be added to August's meeting minutes after Bill Hardin's motion to go out of executive session. Jessica Sexton will make this change.

Darrell Bowling made the motion to approve last month's minutes after the correction is made. Randy Lowe seconded, all agreed. Motion carried.

### **MONTHLY BILLS**

Darrell Bowling made the motion to approve the monthly bills. Charles Shockey seconded, all agreed. Motion carried.

### **TREASURERS REPORT**

William Hardin made the motion to approve the treasurer's report as presented for August 2021. Charles Shockey seconded, all agreed. Motion carried.

### **WATER LOSS**

Water loss is a continuous battle for the District. James Blanton has researched I Pearl meters that have helped with other District's water loss. These meters have a 20-year warranty and have a better accuracy on readings; however, the cost would be great to BSWD and its customers as it would have to be expensed through a surcharge to purchase these meters. No Board action was taken. The water loss for August, 2021 were 21% from Louisa Water, and 29% from all others. James Blanton and his team will continue to work on decreasing these percentages. William Hardin made a motion to approve the water loss. Charles Shockey seconded. All agreed, motion carried.

### **ADJUSTMENTS**

William Hardin made the motion to approve the billing/collection/adjustment report. Darrell Bowling Seconded, all agreed. Motion carried.

### **OLD BUSINESS**

James Blanton gave an update to the Board about the leasing of work trucks. He and Mrs. Sexton had a zoom meeting with Enterprise Fleet Management, Inc's, Christopher Miller, previously in the month. The program seems to be promising. Mr. Miller didn't have any prices or trucks at this time. As soon as a price is given to Mr. Blanton, he will report back to the Board.

Mr. Blanton was also able to obtain gas cards from Boyd County Garage at a slightly cheaper rate than what they are currently getting. If utility workers are in the vicinity of the Boyd County Garage when needing gas, they will utilize the cheaper rate.

#### **River Crossing**

Joseph Sisler has been in contact with Representative, Rocky Adkins, about funding for the river crossing project for BSWD. Both Mr. Sisler and Mr. Adkins are optimistic that Boyd County will help with financing on the project. Darrell Bowling has also contacted Boyd County Judge, Eric Chaney for financial help. Mr. Chaney needs figures from the District before he can commit. Mr. Sisler furnished the preliminary estimate of the river crossing is \$410,000(see attached).

Mr. Sisler has put applications into place (see attached) The flood plain general permit has already been approved. Two applications have been sent to the Corps of Engineers and UNA.

DEP and both have been approved. The drawings are complete and the KY DOW applications have also been completed and approved. Mr. Sisler is hoping to bid the project out before the first of the year which will allow January construction.

Charles Shockey made a motion to approve and pay the invoice from SME. Darrell Bowling seconded. All agreed, motion carried.

Mr. Sisler also requested this meeting be left open.

Jessica Sexton informed the Board there will be a virtual conference with PSC Nov. 9, 2021 at 9:00 and invited all the commissioners who want to, be present. This conference is a follow up with the Open case no. 2019-00041. The items of discussion were attached to the commissioner's packets.

James Blanton updated the Board that the claim with Windstream concerning the accident with the excavator has remained at a standstill. Mrs. Sexton will send existing emails from the case to attorney Ken Williams for review. He may contact Windstream for an update on the case.

#### **NEW BUSINESS**

Mrs. Sexton updated the Commissioners of the software update that's been completed. The office will receive payments via debit/credit cards using Nexbillpay. This will give customers a easier way to manage their accounts with BSWD online with a new payment portal. There is also a new phone number customers can call to make a payment 24/7.

From June 22nd to July 6th of 2020, BSWD's telemetry went down and it became the responsibility of James Blanton to turn the pumps off and on. This consisted of him setting alarms all throughout the day and night to make sure the pumps were running as they should. At the time, The District could not compensate Mr. Blanton due to the lack of finances. Now that the District has the funds, Mr. Blanton needs to be compensated for the 245 times he turned the pumps off and on. William Hardin made the motion to compensate Mr. Blanton \$2,000 for all the times he turned the pumps off and on. Darrell Bowling seconded. All agreed, motion carried.

Charles Shockey made the motion to recess the meeting. Darrell Bowling seconded. All agreed, motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District  
Date Approved: 11/18/21  
BY: Paul S. Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

# BIG SANDY WATER DISTRICT

## BOARD MEETING

NOVEMBER 18, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on November 18, 2021 in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

### PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

### OTHERS:

Joseph Sisler- Sisler-Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney

Darrell Bowling made a motion to adjourn last months meeting. Randy Lowe seconded. All agreed, motion carried.

Paul Thomas called the meeting into order at 9:09am.

### **PUBLIC PARTICIPATION**

No public participation

### **RIVER CROSSING**

Joseph Sisler gave the Board an update on the status of the river crossing. There is a bid opening to take place today at 10:30am for the furnishing and delivery of high-density polyethylene (HDPE) pipe and material for the river crossing. ARPA federal funds are expected to be available for the project by mid-December. A CSX permit and application fee of \$1,250.00 was submitted by the District for the river crossing. Once this is approved, a quote will be given to Joe on a price to build and remove the temporary crossing. The buoy that was required by the U.S. Coast Guard was placed in the river last week and is being held down with a 500lb anchor. James Blanton was quoted \$5,815.56 for the placement and removal of the buoy. Mr. Sisler acquired two quotes for divers to cut lines 16' deep in the river. The cheaper of the two quotes came from a company in Mayfield, KY. The contracted amount for the job of the divers is \$6,979.00. The contractors for river crossing bid Dec. 3 will be responsible for pulling the lines

out of the river and properly disposing of them. An 8" line will be horizontally drilled under the river (10' below river bed). Darrell Bowling made the motion to approve the expenses to be reimbursed by the ARPA grant as presented by Mr. Sisler. Randy Lowe seconded. All agreed, motion carried. An open bid for the contractors will take place on Dec. 3 at 11:00 am in the Board room at BSWD. As a quorum will be needed, today's meeting will be recessed. Mr. Sisler presented his invoice to the Commissioners for \$6,560.00 (see attached). Charlie Shockey made the motion to approve and pay the SME invoice. Darrell Bowling seconded. All agreed, motion carried.

#### **APPROVAL OF MINUTES**

Darrell Bowling made the motion to approve last months minutes. Charles Shockey seconded. All agreed, motion carried.

#### **MONTHLY BILLS**

William Hardin made the motion to approve the monthly bills. Charles Shockey seconded, all agreed, motion carried.

#### **TREASURERS REPORT**

William Hardin made the motion to approve the treasurer's report. Charles Shockey seconded. All agreed, motion carried.

#### **WATER LOSS**

The water loss report was not furnished to the Board of Commissioners at this time due to the overwhelming number of leaks and problematic situations needing Mr. Blanton's attention. James discussed the specific leaks that's taken place on Trace Rd. and Rt. 581 in Lawrence County. The water loss report will be calculated before the end of the month.

#### **ADJUSTMENTS**

William Hardin made the motion to approve the billing/collection/adjustment report. Charles Shockey Seconded, all agreed. Motion carried.

#### **OLD BUSINESS**

Jessica Sexton shared an update with the Board on the conference call that was conducted on November 9<sup>th</sup> with the PSC. Written policies are still needed from BSWD. She and Mr. Blanton will be working on having the policies written and approved by the Board. The financial state of the Water District was also discussed and the need for a surcharge and rate increase. PSC's representatives felt that it was necessary to work on both of these items and seek assistance from KRWA or attorney, Gerald Wuetcher. Mrs. Sexton passed out a rough estimate of what BSWD is needing to improve water loss and quality of service and gave an explanation of each (see attached). Without a rate increase, BSWD will continue to lose money each year. Without a surcharge, much needed equipment cannot be purchased as the Water District doesn't have

enough revenue coming in. Darrell Bowling made the motion to hire the counsel of Gerald Wuetcher for his services on perusing a rate increase and surcharge for BSWD. Charles Shockey seconded. All agreed, motion carried.

**NEW BUSINESS**

The bid opening for contract #2 furnishing and delivery of HDPE pipe material for the river crossing started at 10:30 a.m. There were three bids placed, one from each of the following: Consolidated Pipe and supply for a bid of \$20,800. ISCO Industries for the bid of \$22,940.00. Triple B Construction with a bid of \$24,060.00. Two representatives from Triple B Construction were present during the opening of bids. Darrell Bowling made a motion to award the bid to Consolidated Pipe and Supply from Debord, KY. Charles Shockey seconded. All agreed, motion carried.

Mrs. Sexton supplied a new water user agreement that needs to be approved by the Board and PSC for the water district. This water user agreement states an 18-gauge copper wire is required to be installed with the water users service line per KY Plumbing Code. The sentence "A separate contract will be used by trailer parks when trailers are not supplied by individual meters" will be omitted from the contract. BSWD's new address will be changed and an email address field will be added to the contract. William Hardin made the motion to accept the new water user agreement. Randy Lowe seconded. All agreed, motion carried.

William Hardin was approached by a family wanting to install a tap on Yellow Creek Rd. Lawrence County Fiscal Court purchased the tap and the family wanted to know if BSWD would supply the piping, fittings, and requirements needed to pass inspection. It was agreed bt the Board that BSWD could not supply these things to the customer.

William Bowling made the motion to give a year end incentive of \$300.00 to the full-time employees. Darrell Bowling seconded. All agreed, motion carried.

Darrell Bowling made the motion to recess the meeting. Randy Lowe seconded. All agreed, motion carried.

BY: Darrell Bowling  
Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: 12/16/21

BY: Paul S. Thomas  
Paul Thomas, Chairman  
Big Sandy Water District

BIG SANDY WATER DISTRICT  
**RESUMED BOARD MEETING OF NOVEMBER 18,2021**

DECEMBER 3, 2021

OPEN BID

An open bid was held December 3, 2021 for Contract #1- Emergency Replacement of Big Sandy River water transmission main crossing. A resumed meeting was held in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

**PRESENT COMMISSIONERS:**

Paul Thomas  
William Hardin  
Darrell Bowling  
Randy Lowe

**OTHERS:**

Joseph Sisler- Sisler-Maggard Engineering  
Jessica Sexton – BSWD  
(Attendance list attached)

Starting at 11:00 a.m. the following bids were opened and reviewed in this order:

- 1) Adkins Excavation Co., Inc. from Corbin, KY. Bid amount \$206,470.00
- 2) Saga Ag Works, Inc. from Zionsville, In. Bid amount \$372,250.00
- 3) CJ Hughes Construction Co., Inc. from Huntington, WV. Bid amount \$967,318.00
- 4) Caskey Construction Co., LLC from Owingsville, KY. Bid amount \$ 189,450.00
- 5) Triple B Construction Co., LLC from Ashland KY. Bid amount \$281,539.33

A member from Triple B Construction and Caskey Construction were present during the opening. Caskey Construction came in with the lowest bid for the project. It will go under further review and investigation before an award of the bid is made.

Mr. Sisler from SME reminded the Board that the estimated cost of the project was \$260,000 including the piping and \$225,000 for the construction portion. William Hardin made the motion to accept the apparent lowest bid from Caskey Construction, LLC subject to it meeting all qualifications needed to complete the project properly and award if recommended by the engineer. Darrell Bowling seconded. All agree, motion carried.

This meeting will remain in recess.



## BIG SANDY WATER DISTRICT

### BOARD MEETING

DECEMBER 16, 2021

REGULAR MEETING

A regular meeting was held by the Board of Commissioners of the Big Sandy Water District. This meeting was held on December 16, 2021 in the board room at 18211 State Rt. 3 Catlettsburg, KY 41129.

#### PRESENT COMMISSIONERS:

Paul Thomas  
Charles Shockey  
William Hardin  
Darrell Bowling  
Randy Lowe

#### OTHERS:

Joseph Sisler- Sisler-Maggard Engineering  
James Blanton - BSWD  
Jessica Sexton – BSWD  
Ken Williams – Attorney

William Hardin made a motion to adjourn last month's meeting. Darrell Bowling seconded, all agreed. Motion carried.

Paul Thomas called the meeting to order at 9:12 am.

#### **PUBLIC PARTICIPATION**

No public participation

#### **APPROVAL OF MINUTES**

Charles Shockey made the motion to approve last month's minutes. William Hardin seconded. All agreed, motion carried.

#### **MONTHLY BILLS**

William Hardin made the motion to approve the monthly bills. Charles Shockey seconded, all agreed, motion carried.

#### **TREASURERS REPORT**

Darrell Bowling made the motion to approve the treasurer's report. Randy Lowe seconded. All agreed, motion carried.

### **RIVER CROSSING UPDATE**

The agreement with CSX was finalized on 12/14/2021. A \$5,000 change order with Caskey Construction (contract no. 1) is needed before the crossing can start. William Hardin made the motion to approve the change order for Caskey Construction CO. to construct an access to CSX Crossing along with a Notice To Proceed. Randy Lowe seconded, all agreed. Motion carried.

Mr. Sisler explained in detail the proposed budget to the Board (See Attached). Darrell Bowling made the motion to approve the proposed budget as presented on 12/16/2021. Charles Shockey seconded, all agreed. Motion carried.

Darrell Bowling made the motion to approve SME's invoice of \$20,682.50. William Hardin seconded, all agreed. Motion carried.

Chairman, Paul Thomas and secretary, Darrell Bowling, accepted a cardboard check (grant) from Governor Andy Beshear's office on December 14, 2021 for the amount of \$417,000.00. This money is to be allocated to the River Crossing project. The above "approved" budget meets that amount.

James Blanton expressed the amount of time and labor spent from the District's employees on the River Crossing project. Any time or labor spent on this project will be invoiced for compensation from the project grant.

### **WATER LOSS**

The water loss report was reviewed by the Board. This report reflects water loss from October 2021 indicating a 41.1% water loss. The District's staff is still short two employees making it difficult for the District to keep water loss down. The District hopes to hire two employees in 2022 to help eliminate water loss. William Hardin made the motion to approve the water loss report. Charles Shockey Seconded, all agreed. Motion carried.

### **ADJUSTMENTS**

William Hardin made the motion to approve the billing/collection/adjustment report. Charles Shockey Seconded, all agreed. Motion carried.

### **OLD BUSINESS**

Mrs. Sexton reported to the Board about the revisions of the Water User Agreement suggested by the PSC. The provisions of the Commission requested the removal of requirements regarding the liquidated damages (See attached). The second request was to change the wording of the individual location of the taps. Mrs. Sexton went over these details with the Board and attorney. Ken Williams agreed to these changes. Darrell Bowling made the motion to approve the changes needed to the Water User Agreement. Charles Shockey seconded, all agreed. Motion carried.

**NEW BUSINESS**

Mrs. Sexton presented the bad debt list for 2021 that's needed to be written off at year end. This amount totals \$34,456.24. This amount is significantly higher than previous years due to the mandate from Governor Beshear not allowing utilities to turn water off for nonpayment. The Board would like for Mrs. Sexton to start using a debt collection agency and try to recoup some of these lost funds. Darrell Bowling made the motion to approve the bad debt write-off and for Mrs. Sexton to use a debt collection agency for an attempt to collect these bad debts. Charles Shockey seconded, all agreed. Motion carried.

Mrs. Sexton wished to have the budget for 2022 ready for the Board to review and vote on, however, due to technical difficulties, she was not able to upload the DLG's new website to prepare the budget for the Board. Mrs. Sexton will submit the budget to the Commissioner's via email or through the mail to have the budget approved before the January 15<sup>th</sup> deadline. This meeting will be recessed to accommodate the voting on the budget.

James Blanton asked attorney Ken Williams to revisit the Windstream case as discussed in prior meetings. The damages done to the Kubota from the accident caused by Windstream's phone lines are still not repaired. Mrs. Sexton will resend the past emails she and Windstream have exchanged about this case. The Board will follow up next month with any progress.

Chairman, Paul Thomas would like to discuss pay increases to the employees at the District as inflation has hit an all-time high. Mrs. Sexton will have the District's wage report ready for review in the next meeting.

Charles Shockey made the motion to recess the meeting. Darrell Bowling seconded. All agreed, motion carried.

BY: \_\_\_\_\_

Darrell Bowling, Secretary  
Big Sandy Water District

Date Approved: \_\_\_\_\_

BY: Paul E. Thomas

Paul Thomas, Chairman  
Big Sandy Water District

# **EXHIBIT X**

**DOCUMENTS FILED SEPARATELY WITH APPLICATION**

<b>Number</b>	<b>Description</b>
01	Rate Calculations Workbook (Excel Spreadsheet)
02	Exhibit O-1 - 2020 General Ledger (Excel Spreadsheet)
03	Exhibit O-2 - 2021 General Ledger (Excel Spreadsheet)
04	Exhibit P-1 - 2020 Trial Balances (Excel Spreadsheet)
05	Exhibit P-2 - 2021 Trial Balances (Excel Spreadsheet)