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**APPLICATION FOR RATE ADJUSTMENT  
BEFORE THE PUBLIC SERVICE COMMISSION**

For Small Utilities Pursuant to 807 KAR 5:076  
(Alternative Rate Filing)

\_\_\_\_\_  
(Name of Utility)

\_\_\_\_\_  
(Business Mailing Address - Number and Street, or P.O. Box)

\_\_\_\_\_  
(Business Mailing Address - City, State, and Zip)

\_\_\_\_\_  
(Telephone Number)

**BASIC INFORMATION**

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address - Number and Street or P.O. Box)

\_\_\_\_\_  
(Address - City, State, Zip)

\_\_\_\_\_  
(Telephone Number)

\_\_\_\_\_  
(Email Address)

**(For each statement below, the Applicant should check either "YES", "NO", or "NOT APPLICABLE" (N/A))**

YES NO N/A

1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue.
- b. Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought.
2. a. Applicant has filed an annual report with the Public Service Commission for the past year.
- b. Applicant has filed an annual report with the Public Service Commission for the two previous years.
3. Applicant's records are kept separate from other commonly-owned enterprises.

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
  - b. Applicant is a limited liability company that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
  - c. Applicant is a limited partnership that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
  - d. Applicant is a sole proprietorship or partnership.
  - e. Applicant is a water district organized pursuant to KRS Chapter 74.
  - f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
  - b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer 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. **(Attach a copy of customer notice.)**
  - b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
  - c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." **(Attach completed "Reasons for Application" Attachment.)**

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31,\_\_\_\_\_.
10. 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 the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ \_\_\_\_\_ and total revenues from service rates of \$ \_\_\_\_\_. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had \_\_\_\_\_customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)**
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

YES NO N/A

- 16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application.     
**(Attach a copy of returns.)**
- 17. Approximately \$0.00 (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
- 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

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.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

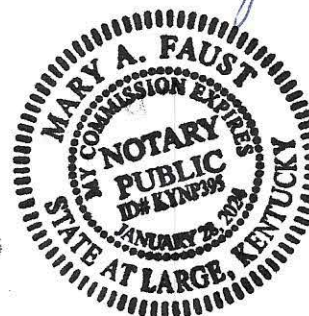
Signed *John S. Davis*  
 Officer of the Company/Authorized Representative  
 Title Chairman  
 Date July 19, 2022

COMMONWEALTH OF KENTUCKY

COUNTY OF Woodford

Before me appeared John S. Davis, Chairman, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.

*Mary A. Faust*  
 Notary Public  
 My commission expires: January 28, 2024



LIST OF ATTACHMENTS  
**(Indicate all documents submitted by checking box)**

Customer Notice of Proposed Rate Adjustment

“Reasons for Application” Attachment”

Current and Proposed Rates” Attachment

“Statement of Adjusted Operations” Attachment

“Revenue Requirements Calculation” Attachment

Attachment Billing Analysis” Attachment

Depreciation Schedules

Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.)

State Tax Return

Federal Tax Return

Statement of Disclosure of Related Party Transactions - ARF Form 3

**LIST OF ATTACHMENTS**  
**NORTHEAST WOODFORD COUNTY WATER DISTRICT**

1. Customer Notice of Proposed Rate Adjustments
2. Reasons for Application
3. Current and Proposed Rates
4. Statement of Adjusted Operations and Revenue Requirements with the following attachments:
  - i. References
  - ii. Table A - Depreciation Expense Adjustments
  - iii. Table B - Debt Service Schedule
5. Current Billing Analysis
6. Proposed Billing Analysis
7. Depreciation Schedule
8. Outstanding Debt Instruments
9. Amortization Schedules
10. Statements of Disclosure of Related Party Transactions
11. Board Resolution

# Attachment #1

## NORTHEAST WOODFORD WATER DISTRICT CUSTOMER NOTICE

Notice is hereby given that the Northeast Woodford Water District expects to file an application with the Kentucky Public Service Commission on or about July 15, 2022, seeking approval of a proposed adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates.

<b>CURRENT AND PROPOSED RATES</b>							
<b>NORTHEAST WOODFORD WATER DISTRICT</b>							
<b>5/8X3/4 Inch</b>							
<u>Rate per Thousand Gallons</u>							
<u>per Month</u>			<u>Current</u>	<u>Proposed</u>	<u>Difference</u>		
First	2,000	gallons	\$ 13.14	\$ 15.27	\$ 2.13	16.21%	
Next	2,000	gallons	\$ 4.36	\$ 5.07	\$ 0.71	16.28%	
Next	6,000	gallons	\$ 4.07	\$ 4.73	\$ 0.66	16.22%	
Over	100,000	gallons	3.85	\$ 4.47	\$ 0.62	16.10%	
<b>2 Inch</b>							
<u>Rate per Thousand Gallons</u>							
<u>per Month</u>			<u>Current</u>	<u>Proposed</u>	<u>Difference</u>		
First	20,000	gallons	\$ 84.78	\$ 98.52	\$ 13.74	16.21%	
Over	20,000	gallons	3.85	\$ 4.47	\$ 0.62	16.10%	

If the Public Service Commission approves the proposed water rates, then the monthly water bill for a customer using an average of 4,000 gallons per month will increase from \$21.86 to \$25.41. This is an increase of \$3.55 or 16.24%.

The rates contained in this notice are the rates proposed by Northeast Woodford Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

Northeast Woodford Water District has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at the District's office located at 225 S Main Street Suite A, Versailles, KY 40383. You may contact the office at 859-873-7334.

A person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, PO Box 615, Frankfort, Kentucky, 40602. You may contact the Public Service Commission at 502-564-3940.



A person may submit a timely written request for intervention to the Public Service Commission, PO Box 615, Frankfort, KY, 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Public Service Commission may take final action on the application.

# Attachment #2

# Reasons for Application

Northeast Woodford County Water District (“the District”) is requesting a 16.21 percent rate increase for all of its water customers. The rate increase will generate approximately \$103,914 in additional annual revenue.

The District needs the rate increase for the following reasons:

1. To enable the District to pay its annual principal payments on its existing long-term debt from water revenues rather than from depreciation reserves;
2. To enable the District to meet the requirements set forth in its existing debt instruments;
3. To restore the District to a sound financial condition; and
4. To enable the District to enhance its financial capacity so it can continue to operate its system in compliance with the federal Safe Drinking Water Act, as amended in 1996, and KRS Chapter 151.

# Attachment #3

**CURRENT AND PROPOSED RATES**  
**NORTHEAST WOODFORD WATER DISTRICT**

**5/8X3/4 Inch**

Rate per Thousand Gallons

	<u>per Month</u>		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>	
First	2,000 gallons	\$	13.14	\$ 15.27	\$	2.13 16.21%
Next	2,000 gallons	\$	4.36	\$ 5.07	\$	0.71 16.28%
Next	6,000 gallons	\$	4.07	\$ 4.73	\$	0.66 16.22%
Over	100,000 gallons		3.85	\$ 4.47	\$	0.62 16.10%

**2 Inch**

Rate per Thousand Gallons

	<u>per Month</u>		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>	
First	20,000 gallons	\$	84.78	\$ 98.52	\$	13.74 16.21%
Over	20,000 gallons		3.85	\$ 4.47	\$	0.62 16.10%

# Attachment #4

## SCHEDULE OF ADJUSTED OPERATIONS

### Northeast Woodford Water District

	<u>Test Year</u>	<u>Adjustments</u>	<u>Ref.</u>	<u>Proforma</u>
<u>Operating Revenues</u>				
Total Metered Retail Sales	643,769	(2,679)	A	641,090
Private Fire Protection	-	-		-
Sales for Resale	-	-		-
Other Water Revenues:				
Forfeited Discounts	-	-		-
Misc. Service Revenues	-	-		-
Other Water Revenues	<u>13,375</u>	<u>-</u>		<u>13,375</u>
<b>Total Operating Revenues</b>	<b>657,144</b>	<b>(2,679)</b>		<b>654,465</b>
<u>Operating Expenses</u>				
Operation and Maintenance				
Salaries and Wages - Employees	18,200	(18,200)	B	-
Salaries and Wages - Officers	-	18,200	B	18,200
Employee Pensions and Benefits	-	-		-
Purchased Water	419,713	-		419,713
Purchased Power	10,572	-		10,572
Chemicals	-	-		-
Materials and Supplies	23,375	-		23,375
Contractual Services - Accounting	8,200	-		8,200
Contractual Services - Management	38,787	-		38,787
Contractual Services - Other	51,160	(5,244)	C	45,916
Rental of Building/Real Property	-	-		-
Transportation Expenses	-	-		-
Insurance - General Liability	5,560	-		5,560
Insurance - Other	-	-		-
Bad Debt	-	-		-
Miscellaneous Expenses	<u>11,293</u>	<u>-</u>		<u>11,293</u>
Total Operation and Mnt. Expenses	<u>586,860</u>	<u>(5,244)</u>		<u>581,616</u>
Depreciation Expense	66,135	7,679	D	73,814
Taxes Other Than Income	<u>2,723</u>	<u>-</u>		<u>2,723</u>
<b>Total Operating Expenses</b>	<b>655,718</b>	<b>2,435</b>		<b>658,153</b>
<b>Total Utility Operating Income</b>	<b>1,426</b>	<b>(5,115)</b>		<b>(3,689)</b>

## REVENUE REQUIREMENTS USING DEBT SERVICE COVERAGE METHOD

<b>Pro Forma Operating Expenses</b>			658,153
Plus:	Average Annual Principal and Interest f	F	56,590
	Additional Working Capital	G	<u>11,318</u>
<b>Total Revenue Requirement</b>			726,062
Less:	Other Operating Revenue		13,375
	Private Fire Protection		-
	Interest Income		<u>3,104</u>
<b>Revenue Required From Sales of Water</b>			709,583
Less:	Revenue from Sales with Present Rates		<u>641,090</u>
<b>Required Revenue Increase</b>			68,493
<b>Percent Increase</b>			10.68%

## REVENUE REQUIREMENTS USING OPERATING RATIO METHOD

<b>Pro Forma Operating Expenses</b>			658,153
Divided by: Operating Ratio			<u>88%</u>
Subtotal			747,902
Plus:	Interest Expense	E	<u>13,582</u>
<b>Total Revenue Requirement</b>			761,483
Less:	Other Operating Revenue		13,375
	Private Fire Protection		-
	Interest Income		<u>3,104</u>
<b>Revenue Required From Sales of Water</b>			745,004
Less:	Revenue from Sales with Present Rates		<u>641,090</u>
<b>Required Revenue Increase</b>			103,914
<b>Percent Increase</b>			16.21%



## REFERENCES

- A. The Current Billing Analysis results in pro forma metered sales revenue of \$641,090. This reflects a full year at the retail rates that were effective in 2021 and indicates an addition to reported Metered Sales of \$2,769 is required.
- B. Commissioners Fees were incorrectly reported as Salaries and Wage-Employees. This error was corrected with no net change in expenses.
- C. The District collected \$5,244 in tapping fees in 2021. These taps were installed by contractors. Contractual Services-Other have been reduced by \$5,244 or 100% of the tapping fees.
- D. The PSC requires adjustments to a water utility's depreciation expense when asset lives fall outside the ranges recommended by NARUC in its publication titled "Depreciation Practices for Small Utilities". Therefore, adjustments \$7,679 are included to bring asset lives to the midpoint of the recommended ranges. See Table A.
- E. The annual interest payments for the District's Rural Development Bonds and KIA Loan are shown in Table B. For the Debt Service Coverage Method of calculating the Revenue Requirement, the five-year average of these payments is added in the revenue requirement calculation. For the Operating Ratio Method of calculating the Revenue Requirement, the five-year average of the interest only portion of the payments is added in the revenue requirement calculation.

**Table A**  
**DEPRECIATION EXPENSE ADJUSTMENTS**  
**Northeast Woodford Water District**

<u>Asset</u>	<u>Date in Service</u>	<u>Original Cost *</u>	<u>Reported Life</u>	<u>Depr. Exp.</u>	<u>Proforma Life</u>	<u>Depr. Exp.</u>	<u>Depreciation Expense Adjustment</u>
<b><u>General Plant</u></b>							
Structures & Improvements		\$ -		-	37.5	-	-
Communication & Computer Eqmt.	varies	\$ 12,361	varies	1,537	10.0	1,236	(301)
Office Furniture & Equipment		\$ -		-	22.5	-	-
Power Operated Equipment		\$ -		-	12.5	-	-
Tools, Shop, & Garage Equipment		\$ -		-	17.5	-	-
Tank Repairs & Painting		\$ -		-	15.0	-	-
<b><u>Source of Supply Plant</u></b>							
Collecting & Impounding Reservoirs		\$ -		-	62.5	-	-
Supply Mains		\$ -		-	62.5	-	-
<b><u>Pumping Plant</u></b>							
Structures & Improvements	varies	\$ 77,222	varies	1,931	37.5	2,059	129
Telemetry	varies	\$ 16,464	varies	1,646	10.0	1,646	-
Pumping Equipment		\$ -		-	20.0	-	-
<b><u>Transmission &amp; Distribution Plant</u></b>							
Hydrants		\$ -		-	50.0	-	-
Transmission & Distribution Mains	varies	\$ 1,555,123	varies	25,709	62.5	24,882	(827)
Meter Installations	varies	\$ 8,308	varies	205	45.0	185	(20)
Meter Change-outs	varies	\$ 324,546	varies	8,226	15.0	21,636	13,410
Pump Equipment		\$ -		-	20.0	-	-
Tank Fence	varies	\$ 2,000	varies	200	37.5	53	(147)
Services		\$ -		-	40.0	-	-
Reservoirs & Tanks	varies	\$ 849,759	varies	24,391	45.0	18,884	(5,508)
Tank Painting & Repairs	varies	\$ 56,600	varies	2,830	15.0	3,773	943
<b><u>Transportation Equipment</u></b>							
Entire Group		\$ -		-	7.0	-	-
<b><u>Water Treatment Plant</u></b>							
Structures and Improvements		\$ -		-	62.5	-	-
Water Treatment Equipment		\$ -		-	27.5	-	-
<b>TOTALS</b>		<b>\$ 2,902,382</b>		<b>\$ 66,676</b>		<b>\$ 74,355</b>	<b>\$ 7,679</b>

\* Includes only costs associated with assets that contributed to depreciation expense in the test year.

**Table B**  
**DEBT SERVICE SCHEDULE**  
**Northeast Woodford Water District**  
**CY 2022 - 2026**

	<u>CY 2022</u>		<u>CY 2023</u>		<u>CY 2024</u>		<u>CY 2025</u>		<u>CY 2026</u>		<u>TOTALS</u>
	<u>Principal</u>	<u>Interest &amp; Fees</u>	<u>Principal</u>	<u>Interest &amp; Fees</u>	<u>Principal</u>	<u>Interest &amp; Fees</u>	<u>Principal</u>	<u>Interest &amp; Fees</u>	<u>Principal</u>	<u>Interest &amp; Fees</u>	
1995 RD Bonds	18,000	16,215	19,000	15,151	21,000	14,001	22,000	12,765	23,000	11,471	172,603
2018 KIA Note (Unofficial)*	8,395	3,900	17,011	7,554	17,310	7,221	17,615	6,882	17,924	6,537	110,348
<b>TOTALS</b>	<b>26,395</b>	<b>20,115</b>	<b>36,011</b>	<b>22,705</b>	<b>38,310</b>	<b>21,222</b>	<b>39,615</b>	<b>19,647</b>	<b>40,924</b>	<b>18,008</b>	<b>\$ 282,951</b>
<b>Average Annual Principal &amp; Interest</b>											<b>\$ 56,590</b>
<b>Average Annual Coverage</b>											<b>\$ 11,318</b>

\* Debt service on 2018 KIA Note is based on an unofficial schedule provided by Kentucky Infrastructure Authority if entire authorized amount of proceeds are expended

<b>Interest Only</b>	<b>20,115</b>	<b>22,705</b>	<b>21,222</b>	<b>19,647</b>	<b>18,008</b>	<b>\$</b>	<b>67,908</b>	
<b>Average Annual Interest</b>							<b>\$</b>	<b>13,582</b>

# Attachment #5

2021 CURRENT BILLING ANALYSIS      Northeast Woodford County Water District  
Summary

Customer Class	# of Bills	Gallons Sold	Revenue
Residential/Commercial	12,239	150,456,000	\$ 670,955
Less Adjustments			<u>\$ (29,865)</u>
Net Total			\$ 641,090
From PSC Annual Report			<u>\$ 643,769</u>
Difference			\$ (2,679) Adjustment to Billed Revenues

CONSUMPTION BY RATE INCREMENT      5/8X3/4 Inch and 1 Inch

	Usage	Bills	Gallons	First 2000	Next 2000	Next 6,000	Over 100,000	Total
First	2,000	4,275	5,023,000	5,023,000				5,023,000
Next	2,000	3,532	12,086,000	7,064,000	5,022,000			12,086,000
Next	6,000	2,749	17,557,000	5,498,000	5,498,000	6,561,000		17,557,000
Over	10,000	1,647	109,872,000	3,294,000	3,294,000	9,882,000	93,402,000	109,872,000
<b>TOTALS</b>		12,203	144,538,000	20,879,000	13,814,000	16,443,000	93,402,000	144,538,000

REVENUE BY RATE INCREMENT

	Usage	Bills	Gallons	Rate	Revenue
First	2,000	12,203	20,879,000	\$ 13.14	\$ 160,347
Next	2,000		13,814,000	\$ 4.36	\$ 60,229
Next	6,000		16,443,000	\$ 4.07	\$ 66,923
Over	10,000		93,402,000	\$ 3.85	\$ 359,598
<b>TOTALS</b>			144,538,000		\$ 647,097

CONSUMPTION BY RATE INCREMENT      2 Inch

	Usage	Bills	Gallons	First 20000	Over 20,000	Total
First	20,000	14	74,000	74,000		74,000
Over	20,000	22	5,844,000	440,000	5,404,000	5,844,000
<b>TOTALS</b>		36	5,918,000	514,000	5,404,000	5,918,000

REVENUE BY RATE INCREMENT

	Usage	Bills	Gallons	Rate	Revenue
First	20,000	36	514,000	\$ 84.78	\$ 3,052
Over	20,000		5,404,000	\$ 3.85	\$ 20,805
<b>TOTALS</b>			5,918,000		\$ 23,857

# Attachment #6

2021 PROPOSED BILLING ANALYSIS Summary		Northeast Woodford County Water District Operating Ratio Method		
Customer Class	# of Bills	Gallons Sold	Revenue	
Residential/Commercial	12,239	150,456,000	\$ 779,362	
Less Adjustments			\$ (29,865)	
Net Total			\$ 749,497	
Revenue Required from New Rates			\$ 745,004	
Difference			4,493	
Percent			0.60%	

CONSUMPTION BY RATE INCREMENT

5/8X3/4 Inch and 1 Inch

	Usage	Bills	Gallons	First 2000	Next 2000	Next 6,000	Over 100,000	Total
First	2,000	4,275	5,023,000	5,023,000				5,023,000
Next	2,000	3,532	12,086,000	7,064,000	5,022,000			12,086,000
Next	6,000	2,749	17,557,000	5,498,000	5,498,000	6,561,000		17,557,000
Over	10,000	1,647	109,872,000	3,294,000	3,294,000	9,882,000	93,402,000	109,872,000
TOTALS	12,203	12,203	144,538,000	20,879,000	13,814,000	16,443,000	93,402,000	144,538,000

REVENUE BY RATE INCREMENT

	Usage	Bills	Gallons	Rate	Revenue
First	2,000	12,203	20,879,000	\$ 15.27	\$ 186,340
Next	2,000		13,814,000	\$ 5.07	\$ 70,037
Next	6,000		16,443,000	\$ 4.73	\$ 77,775
Over	10,000		93,402,000	\$ 4.47	\$ 417,507
TOTALS			144,538,000		\$ 751,659

CONSUMPTION BY RATE INCREMENT

2 Inch

	Usage	Bills	Gallons	First 20000	Over 20,000	Total
First	20,000	14	74,000	74,000		74,000
Over	20,000	22	5,844,000	440,000	5,404,000	5,844,000
TOTALS		36	5,918,000	514,000	5,404,000	5,918,000

REVENUE BY RATE INCREMENT

	Bills	Gallons	Rate	Revenue
First	20,000	36	514,000	\$ 98.52 \$ 3,547
Over	20,000		5,404,000	\$ 4.47 \$ 24,156
TOTALS			5,918,000	\$ 27,703

# Attachment #7



NORTH EAST WOODFORD WATER DISTRICT  
 Depreciation Schedule  
 31-Dec-21

Date	Description	Life	Cost/Price	2021 Depr Expense	Asset Class
03/09/20	Dell Desktop Computer and Accessories	7	2,743.00	391.86	2
03/08/21	Handheld Upgrade with Auxillary Comm	7	9,618.32	1,145.04	2
			12,361.32	1,536.90	<b>2 Total</b>
12/31/14	Woodlake Pump Station	40	77,222.00	1,930.55	9
			77,222.00	1,930.55	<b>9 Total</b>
12/31/14	Telemetry	10	16,464.00	1,646.40	10
			16,464.00	1,646.40	<b>10 Total</b>
01-01-82	COST OF SYSTEM	40	467,692.70	1,046.12	13
01-01-83	ADDITIONS	40	4,754.00	49.39	13
01-01-84	ADDITIONS	40	9,768.58	105.11	13
01-01-85	ADDITIONS	40	6,160.00	68.44	13
01-01-86	ADDITIONS	40	12,218.25	139.85	13
01-01-97	Paynes Mill Extension	40	11,085.41	163.64	13
01-01-97	additions	40	12,032.30	171.89	13
01-01-98	Paynes Mill	40	971.20	14.07	13
12-31-03	Redd Rd Extension	40	152,867.60	2,351.81	13
12-31-05	Other Additions	40	5,312.04	83.41	13
12-31-06	UK Pipeline/Hydrant Addition	40	65,700.00	1,041.59	13
12/31/07	Line Additions		6,014.00	96.22	13
12/31/2011	Frankfort Interconnect	40	494,733.00	13,128.03	13
11/5/2013	Line Addition	62.5	6,500.00	104.00	13
9/27/19	Waterline - Sugar Hill Road (part of KIA c	40	129,309.00	3,232.73	13
8/15/20	Old Frankfort Pike Rebuild (part of KIA c	40	137,930.00	3,448.25	13
	additions	40	32,074.58	464.63	13
			1,555,122.66	25,709.17	<b>13 Total</b>
12-31-06	UK Meter Addition	10	1,500.00	34.62	14
7/1/19	Meter Vault - Newtownanner Stud Farm	40	6,808.00	170.20	14
			8,308.00	204.82	<b>14 Total</b>
12/31/08	Meters	40	1,070.00	26.75	15
06/01/2010	Automated Meters - 176	40	39,342.00	983.55	15
07/01/2011	Automated Meters	40	32,673.00	770.10	15
7/1/2012	Automated Meters - 106	40	30,012.00	750.30	15
7/1/2012	Fencing of Spring Station	10	2,127.50	212.75	15
7/1/2013	Automated Meters - 107	40	27,077.00	676.93	15
12/31/14	Meters- 109	40	28,919.00	722.98	15
12/31/15	Meters- 55	40	16,148.00	403.70	15
12/31/16	Meters-	40	32,386.00	809.65	15
12/31/17	Meters -	40	100,681.00	2,517.03	15
12/31/18	Meters	40	588.00	14.70	15
12/31/19	Meters	40	4,487.00	112.18	15
12/31/20	Meters	40	7,271.00	181.78	15
12/31/21	Meters	40	1,764.00	44.10	15
			324,545.50	8,226.48	<b>15 Total</b>
8/1/2013	Privacy Fence - Dogwood	10	2,000.00	200.00	17
			2,000.00	200.00	<b>17 Total</b>
01-01-97	Tank # 2	40	849,758.63	24,391.22	19
			849,758.63	24,391.22	<b>19 Total</b>
07/01/2011	Paint Water Tower	10	56,600.00	2,830.00	20
			56,600.00	2,830.00	<b>20 Total</b>
			2,902,382.11	66,675.52	<b>Grand Total</b>

# Attachment #8

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF WOODFORD

REGISTERED

NORTHEAST WOODFORD COUNTY WATER DISTRICT

REGISTERED

NUMBER  
**R-1**

WATERWORKS REVENUE BONDS, SERIES 1995  
INTEREST RATE: 5.75%

PRINCIPAL AMOUNT  
**\$611,000**

KNOW ALL MEN BY THESE PRESENTS: That the Northeast Woodford County Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Woodford County, Kentucky, for value received, hereby promises to pay to UNITED STATES OF AMERICA, acting by and through the U.S. DEPARTMENT OF AGRICULTURE, 771 Corporate Drive, Suite 200, Lexington, Kentucky 40503-5477, the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

**SIX HUNDRED ELEVEN THOUSAND DOLLARS (\$611,000)**

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

Year	Principal	Year	Principal	Year	Principal
1998	\$4,000	2011	\$ 9,000	2024	\$21,000
1999	4,000	2012	10,000	2025	22,000
2000	5,000	2013	10,000	2026	23,000
2001	5,000	2014	11,000	2027	25,000
2002	5,000	2015	12,000	2028	26,000
2003	6,000	2016	12,000	2029	28,000
2004	6,000	2017	14,000	2030	30,000
2005	6,000	2018	14,000	2031	32,000
2006	7,000	2019	15,000	2032	34,000
2007	7,000	2020	16,000	2033	36,000
2008	8,000	2021	17,000	2034	38,000
2009	8,000	2022	18,000	2035	39,000
2010	9,000	2023	19,000		

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 under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 58, 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 ranks on a parity as to security and source of payment with certain outstanding Northeast Woodford County Water District Waterworks System Revenue Bonds, dated July 16, 1968 (the "Prior Bonds"), authorized by a Resolution adopted by the Commission of the District on March 22, 1968 (the "Prior Bond Resolution").

[FURTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF]

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 Northeast Woodford County 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 **December 17, 1996.**

NORTHEAST WOODFORD COUNTY  
WATER DISTRICT  
Woodford County, Kentucky

Attest: John Kitting  
Secretary

By: John Steele Davis  
Chairman

This Bond has been issued in full compliance with the Prior Bond Resolution; and this Bond, together with said Prior Bonds, and any bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions of the Current Bond Resolution and Prior Bond Resolution, are and will continue to be payable from and secured by a pledge of the gross revenues to be derived from the operation of said System, which revenues shall be sufficient to pay the principal of and interest on the Prior Bonds, this Bond and any additional bonds ranking on a parity therewith, as may be issued and outstanding under the conditions and restrictions set out in said Current Bond Resolution and the Prior Bond Resolution, as and when the same become due and payable, and a sufficient portion of which revenues shall be set aside in a fund for that purpose and identified as the "Waterworks Bond and Interest Sinking Fund", created in said Prior 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 Prior Bonds and/or this Bond, 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 Prior Bonds and of this Bond, 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 Prior Bonds, this Bond 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, provided the District has complied with the parity requirements of the Current Bond Resolu-

tion and the Prior Bond Resolution, and to finance future extensions, additions and improvements to the System, provided the necessary calculations as to the earnings coverage required by the Current Bond Resolution and the Prior Bond Resolution are in existence and properly certified.

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 his duly authorized attorney, which transfer shall be noted upon this Bond and upon the 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, 2005, 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 Thousand Dollars (\$1,000), 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 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 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 \$1,000, 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 his option, institute all rights and remedies provided by law or by said Current Bond Resolution.

LEGAL OPINION

Rubin Hays & Foley

ATTORNEYS AT LAW

First Trust Centre, 200 South Fifth Street, Louisville, Kentucky 40202  
Telephone (502) 569-7550 Telefax (502) 569-7555

December 17, 1996

Re: Northeast Woodford County Water District Waterworks Revenue Bonds, Series 1995, in the amount of \$611,000

We have acted as Bond Counsel in connection with the issuance by the Northeast Woodford County Water District of Woodford County, Kentucky (the "District") of \$611,000 of its Northeast Woodford County Water District Waterworks Revenue Bonds, Series 1995 (the "Current Bonds"), dated as of the date of this Legal Opinion, bearing interest at the interest rate specified in the Current Bonds, payable semiannually on January 1 and July 1 of each year, with principal amounts falling due on January 1 in each of the respective years, 1998 through 2035, inclusive.

Said Current Bonds are issued pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes and a Bond Resolution (the "Current Bond Resolution") duly adopted by the Commission of the District for the purpose of financing the cost of extensions, additions and improvements to the existing waterworks system (the "System") of the District.

We have examined the transcript of proceedings of the District in connection with the issuance of the Current Bonds and the executed single, fully registered bond, number R-1, representing the total authorized principal amount of said Current Bonds, as issued and delivered, and an executed counterpart of the Current Bond Resolution.

Based on such examination, we are of the opinion that the Current Bonds are valid and legally binding and enforceable upon the District according to the import thereof and rank on a parity as to security and source of payment with the outstanding Northeast Woodford County Water District Waterworks System Revenue Bonds, dated July 16, 1968 (the "Prior Bonds"), authorized by a Resolution adopted by the District on March 22, 1968 (the "Prior Bond Resolution"); and that the Current Bonds and the Prior Bonds are secured by and are payable from a pledge of a fixed portion of the gross revenues of the System, and that a sufficient portion of said gross revenues has been ordered by the Commission to be set aside at least semiannually and pledged to the payment of the interest on and principal of the Prior Bonds and the Current Bonds as the same become due. We express no opinion concerning the sufficiency of such revenues for that purpose.

The District has reserved the right to issue additional bonds ranking on a parity as to security and source of payment with the Prior Bonds and the Current Bonds, if necessary in order to complete the aforesaid extensions, additions and improvements to the System. The District has also reserved the right to issue additional parity bonds to finance

future extensions, additions and/or improvements to the System, provided the necessary showings as to the earnings coverage required by the Prior Bond Resolution and Current Bond Resolution are in existence and properly certified.

Based on current rulings and official interpretations, and assuming that the District complies with certain covenants contained in the Current Bond Resolution made with respect to compliance with the provisions of the Internal Revenue Code of 1986 (the "Code"), including a covenant to comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of America as to certain investment earnings on the proceeds of the Current Bonds, we are of the opinion that: (1) interest on the Current Bonds is excludable from gross income for federal income tax purposes; (2) the Current Bonds have been validly designated as "qualified tax-exempt obligations" by the District pursuant to the provisions of Section 265(b)(3) of the Code; (3) the Current Bonds are an issue of "state or local bonds" which are not "private activity bonds" within the meaning of Section 103 of the Code; (4) interest on the Current Bonds is not included as an item of tax preference in calculating the alternative minimum tax for individuals; (5) interest on the Current Bonds may be taken into account in the computation of certain taxes that may be imposed with respect to corporations, including, without limitation, the environmental tax, the branch profits tax on foreign corporations, the effect on certain Subchapter S Corporations with excess passive income, and other tax consequences to certain insurance companies; (6) interest on the Current Bonds will be included in adjusted current earnings when calculating the alternative minimum taxable income of corporations; (7) an individual who owns any of the Current Bonds may be required to include in gross income a portion of his or her social security or railroad retirement payments; (8) any taxpayer (individuals or corporations) owning the Current Bonds may have collateral tax consequences if they are deemed to have incurred or have continued to incur indebtedness to purchase or carry tax-exempt obligations; (9) interest on the Current Bonds is exempt from Kentucky income taxes; and (10) the principal of the Current Bonds is exempt from ad valorem taxation by the Commonwealth of Kentucky and all of its political subdivisions.

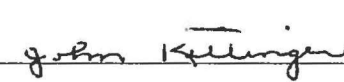
No opinion is expressed regarding other federal income tax consequences caused by the receipt of interest on the Current Bonds.

It is to be understood that the rights of the holders of the Current Bonds and the enforceability of the Current Bonds and the Current Bond Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter adopted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

It is provided in the Consolidated Farm and Rural Development Act that if the Current Bonds are sold out of the Agricultural Credit Insurance Fund or out of the Rural Development Insurance Fund as an insured loan, the interest thereon paid to an insured owner shall be included in the taxable income of such owner.

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 his attorney, such transfer to be made on said book and endorsed hereon.

Date of Registration	Name of Registered Owner	Signature of Secretary of the Northeast Woodford County Water District Bond Registrar
December 17, 1996	UNITED STATES OF AMERICA, acting by and through the U.S. DEPARTMENT OF AGRICULTURE 771 Corporate Drive, Suite 200 Lexington, Kentucky 40503-5477	

ASSIGNMENT

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

ASSISTANCE AGREEMENT  
BETWEEN THE KENTUCKY INFRASTRUCTURE AUTHORITY  
AND  
NORTHEAST WOODFORD COUNTY WATER DISTRICT

---

TRANSCRIPT OF PROCEEDINGS

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Dinsmore and Shohl, LLP  
Covington, Kentucky

## **INDEX TO TRANSCRIPT OF PROCEEDINGS**

In re: Assistance Agreement between Kentucky Infrastructure Authority (the "Authority") and Northeast Woodford County Water District (the "Governmental Agency"), dated as of June 1, 2018

1. Opinion of Counsel to the Governmental Agency.
2. General Closing Certificate of the Governmental Agency.
3. Assistance Agreement.
4. PSC Hearing.
5. Resolution of the Governmental Agency authorizing the Assistance Agreement.
6. Extract of Minutes of the Meeting of the Agency adopting Resolution authorizing Assistance Agreement.
7. Extract of Minutes of the Authority authorizing the Assistance Agreement.
8. Commitment Letter, including Credit Analysis.

DISTRIBUTION LIST

Mr. John Steele Davis II, Chairman  
Northeast Woodford County Water District  
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Versailles, Kentucky 40383

Ms. Amanda Yeary  
Kentucky Infrastructure Authority  
1024 Capital Center Drive  
Suite 340  
Frankfort, Kentucky 40601

Mr. Buddy Griffin  
Water Infrastructure Branch  
Division of Water  
Energy and Environment Cabinet  
200 Fair Oaks, 4<sup>th</sup> Floor  
Frankfort, Kentucky 40601

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Dirk M. Bedarff, Esq.  
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100 United Drive, Suite 4B  
Versailles, Kentucky 40383  
Phone: (859) 873-5427  
Fax: (859) 873-1024

June 5, 2018

Kentucky Infrastructure Authority  
1024 Capital Center Drive  
Suite 340  
Frankfort, KY 40601

RE: Assistance Agreement by and between Kentucky Infrastructure Authority and Northeast Woodford County Water District dated as of June 1, 2018

Ladies and Gentlemen:

The undersigned is an Attorney at Law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the Northeast Woodford County Water District, hereinafter referred to as the "Governmental Agency". I am familiar with the organization and existence of the Governmental Agency and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the infrastructure project (the "Project") with respect to which the Assistance Agreement by and between the Kentucky Infrastructure Authority ("Authority") and the Governmental Agency is being authorized, executed and delivered.

I have reviewed the form of Assistance Agreement by and between the Authority and the Governmental Agency, the resolution or ordinance of the governing authority authorizing the execution and delivery of said Assistance Agreement and the plans, designs and specifications prepare by the Engineers for the Governmental Agency with respect to the Project.

Based upon my review I am of the opinion that:

1) The Governmental Agency is a duly organized and existing political subdivision or body politic of the Commonwealth of Kentucky validly existing under the Constitution and statutes of the Commonwealth of Kentucky.

2) The Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.



3) The Governmental Agency has all necessary power and authority (i) to enter into, perform and consummate all transactions contemplated by the Assistance Agreement, and (ii) to execute and deliver the documents and instruments to be executed and delivered by it in connection with the construction of the Project.

4) The Service Charges, as defined in the Assistance Agreement, are in full force and effect and have been duly and lawfully adopted by the Governmental Agency.

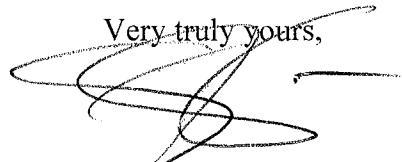
5) The execution and delivery of the Assistance Agreement and the performance by the Governmenta default under any court or administrative order, decree or ruling, or any law, statute, ordinance or regulation, or any agreement, indenture, mortgage, lease, note or other obligation or instrument, binding upon the Governmental Agency, or any of its properties or assets. The Governmental Agency has obtained each and every authorization, consent, permit, approval or license of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality, or any specifically granted exemption from any of the foregoing, that is necessary to the valid execution, delivery or performance by the Governmental Agency of the Assistance Agreement and the imposition of the Service Charges.

6) To the best of my knowledge after due inquiry there is no action, suit, proceedings or investigation at law or in equity before any court, public board or body pending or threatened against, affecting or questioning (i) the valid existence of the Governmental Agency, (ii) the right or title of the members and officers of the Governmental Agency to their respective positions, (iii) the authorization, execution, delivery or enforceability of the Assistance Agreement or the application of any monies or security therefor, (iv) the construction of the Project, (v) the validity or enforceability of the Service Charges or (vi) that would have a material adverse impact on the ability of the Governmental Agency to perform its obligations under the Assistance Agreement.

7) None of the proceedings or authority heretofore had or taken by the Governmental Agency for the authorization, execution or delivery of the Assistance Agreement has or have been repealed, rescinded, or revoked.

8) All proceedings and actions of the Governmental Agency with respect to which the Assistance Agreement is to be delivered were had or taken at meetings with property convened and held in substantial compliance with the applicable provisions of Sections 61.805 to 61.850 of the Kentucky Revised Statues.

Very truly yours,



Joseph M. Hoffman

Re: Assistance Agreement between the Kentucky Infrastructure Authority (“KIA”) and Northeast Woodford County Water District (the “Governmental Agency”)

### **GENERAL CLOSING CERTIFICATE OF GOVERNMENTAL AGENCY**

In connection with the above-captioned Assistance Agreement (the “Assistance Agreement”), the Governmental Agency, through its undersigned duly authorized officer hereby certifies, represents, warrants and covenants as follows:

1. No event of default exists, or with the passage of time will exist, under the Assistance Agreement and the representations and warranties set forth in the Assistance Agreement are true and correct as of the date hereof.

2. The Governmental Agency has examined and is familiar with proceedings of the governing body of the Governmental Agency approving the Assistance Agreement and authorizing its negotiation, execution and delivery and such proceedings were duly enacted or adopted at a meeting of the governing body of the Governmental Agency at which a quorum was present and acting throughout; such proceedings are in full force and effect and have not been superseded, altered, amended or repealed as of the date hereof; and such meeting was duly called and held in accordance with law.

3. The Governmental Agency is a duly organized and validly existing political subdivision of the Commonwealth of Kentucky with full power to own its properties, conduct its affairs, enter into the Assistance Agreement and consummate the transactions contemplated thereby.

4. The negotiation, execution and delivery of the Assistance Agreement by the Governmental Agency and the consummation of the transactions contemplated thereby by the Governmental Agency have been duly authorized by all requisite action of the governing body of the Governmental Agency.

5. The Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors’ rights or remedies generally.

6. There is no controversy or litigation of any nature pending, or to the knowledge of the Governmental Agency after diligent inquiry, threatened, in any court or before any board, tribunal or administrative body, to challenge in any manner the authority of the Governmental Agency or its governing body to make payments under the Assistance Agreement or to construct the Project, or to challenge in any manner the authority of the Governmental Agency or its governing body to take any of the actions which have been taken in the authorization or delivery of the Assistance Agreement or the construction of the Project, or in any way contesting or affecting the validity of the Assistance Agreement, or in any way questioning any proceedings taken with respect to the authorization or delivery by the Governmental Agency of the

Assistance Agreement, or the application of the proceeds thereof or the pledge or application of any monies or security provided therefor, or in any way questioning the due existence or powers of the Governmental Agency, or otherwise wherein an unfavorable decision would have an adverse impact on the transactions authorized in connection with the Assistance Agreement.

7. The authorization and delivery of the Assistance Agreement and the consummation of the transactions contemplated thereby will not constitute an event of default or violation or breach, nor an event which, with the giving of notice or the passage of time or both, would constitute an event of default or violation or breach, under any contract, agreement, instrument, indenture, lease, judicial or administrative order, decree, rule or regulation or other document or law affecting the Governmental Agency or its governing body.

8. All actions taken by the Governmental Agency in connection with the Assistance Agreement and the loan described therein and the Project, as defined in the Assistance Agreement, have been in full compliance with the provisions of the Kentucky Open Meetings Law, KRS 61.805 to 61.850.

9. The Governmental Agency has all licenses, permits and other governmental approvals required to own, occupy, operate and maintain the Project and to enter into the Assistance Agreement, is not in violation of and has not received any notice of an alleged violation of any zoning or land use laws applicable to the Governmental Agency Project, and has full right, power and authority to perform the acts and things as provided for in the Assistance Agreement.

10. The individuals named below are the duly elected or appointed qualified and acting incumbents in the office of the Governmental Agency indicated after their respective names and the signatures subscribed above their names are their genuine signatures.

WITNESS our signatures, this 5<sup>th</sup> day of June, 2018.

**GOVERNMENTAL AGENCY:**

**NORTHEAST WOODFORD COUNTY  
WATER DISTRICT**

By: John Steele Davis II  
Name: John Steele Davis II  
Title: Chairman

**ATTEST:**

By: Kenneth Brothers  
Name: Kenneth Brothers  
Title: Secretary

KENTUCKY INFRASTRUCTURE AUTHORITY

**ASSISTANCE AGREEMENT**

FUND B

PROJECT NUMBER	B17-007
BORROWER:	Northeast Woodford County Water District
BORROWER'S ADDRESS	225 South Main Street Versailles, Kentucky 40383
DATE OF ASSISTANCE AGREEMENT:	June 1, 2018

ASSISTANCE AGREEMENT

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## ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of the date set forth on the cover page hereof (the "Assistance Agreement") by and between the KENTUCKY INFRASTRUCTURE AUTHORITY, a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of the Kentucky (the "Authority") and the Governmental Agency identified on the cover of this Assistance Agreement (the "Governmental Agency"):

### WITNESSETH

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted legislature of Kentucky at its 1988 Regular Session, enacted House Bill 217 amending Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority has established its Program as hereinafter defined, for the purpose of providing financial assistance to Governmental Agencies, as defined in the Act, in connection with the acquisition and construction of Projects, as defined in the Act, in order to preserve, protect, upgrade, conserve, develop, utilize and manage the resources of the Commonwealth of Kentucky (the "Commonwealth") for the protection and preservation of the health, safety, convenience, and welfare of the Commonwealth and its citizens, and in that respect to assist and cooperate with Governmental Agencies in achieving such purposes; and

WHEREAS, the Authority has issued, and will issue from time to time, its revenue bonds pursuant to a General Trust Indenture dated as of September 1, 1989 (the "Indenture") between the Authority and U.S. Bank National Association (successor in interest to F/K/A First Kentucky Trust Company) (the "Trustee") in order to provide funding for its Program; and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable to acquire, construct, and finance the Project, as hereinafter defined, and the Authority has determined that the Project is a Project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Authority; and

WHEREAS, the Governmental Agency desires to enter into this Assistance Agreement with the Authority for the purpose of securing from the Authority the repayable Loan hereinafter identified; and

WHEREAS, the Authority 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 Project upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained to levy, collect, and enforce and remit adequate Service Charges, as hereinafter defined, for the services provided by the Governmental Agency's System, as hereinafter defined, and to apply the necessary portion of said Service Charges to the repayment of the Loan and the interest thereon, as hereinafter specifically provided; and

WHEREAS, the Authority 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 acquisition, construction, and financing of the Project and the repayment of the Loan and the interest thereon;



NOW, THEREFORE, FOR AN 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:

## ARTICLE I

### DEFINITIONS

All of the terms utilized in this Assistance Agreement will have the same definitions and meaning as ascribed to them in the Act and the Indenture, which Act and Indenture are hereby incorporated in this Assistance Agreement by reference, the same as if set forth hereby verbatim; provided, however, that those definitions utilized in the Act and the Indenture having general application are hereby modified in certain instances to apply specifically to the Governmental Agency and its Project.

"Act" shall mean Chapter 224A of the Kentucky Revised Statutes, as amended.

"Administrative Fee" means the charge of the Authority for the servicing of the Loan, which is the annual percentage charged against the unpaid principal balance of the Loan as identified in the Project Specifics.

"Assistance Agreement" shall mean this agreement made and entered into by and between a Governmental Agency and the Authority, as authorized by the Act, providing for a Loan to the Governmental Agency by the Authority, and for the repayment thereof to the Authority by the Governmental Agency.

"Authority" shall mean the Kentucky Infrastructure Authority created by the Act, a body corporate and politic, constituting a public corporation and a governmental agency and instrumentality of the Commonwealth of Kentucky, or such other designation as may be effected by future amendments to the Act.

"Bond" or "Bonds" or "Revenue Bonds" shall mean any Kentucky Infrastructure Authority Bond or Bonds, or the issue of such Bonds, as the case may be, authenticated and delivered under the Indenture.

"Business Day" shall mean any day other than a Saturday, Sunday or other legal holiday on which the general offices of the Commonwealth are closed.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and shall include the Regulations of the United States Department of the Treasury promulgated thereunder.

"Commonwealth" shall mean the Commonwealth of Kentucky.

"Construction" shall mean construction as defined in the Act.

"Debt Obligations" shall mean those outstanding obligations of the Governmental Agency identified in the Project Specifics outstanding as of the date of this Assistance Agreement or issued in the future in accordance with the terms hereof, payable from the revenues of the Project.

"Engineers" means the firm of consulting engineers employed by the Governmental Agency in connection with the Project identified in the Project Specifics.

"Governmental Agency" shall mean any agency or unit of government within the Commonwealth, now having or hereafter granted the authority and power to finance, acquire, construct, and operate a Project, including specifically but not by way of limitation, incorporated cities, counties, sanitation districts, water districts, public authorities, sewer construction districts, metropolitan sewer districts, sanitation taxing districts, and any other agencies, commissions, districts, or authorities (either acting alone, or in combination with one another pursuant to any regional or area compact, or multi-municipal agreement), now or hereafter established pursuant to the laws of the Commonwealth having and possessing such described powers; and for the purposes of this Assistance Agreement shall mean the Governmental Agency identified in the Project Specifics.

"Indenture" shall mean the General Trust Indenture dated as of September 1, 1989 between the Authority and the Trustee.

"Loan" shall mean the loan effected under this Assistance Agreement from the Authority to the Governmental Agency in the principal amount set forth in the Project Specifics, for the purpose of defraying the costs incidental to the Construction of the Project.

"Loan Rate" means the rate of interest identified in the Schedule of Payments.

"Person" shall mean any individual, firm, partnership, association, corporation or Governmental Agency.

"Program" shall mean the program authorized by KRS 224A.112 and the Indenture as the "infrastructure revolving fund" for financing Projects through Loans by the Authority to Governmental Agencies and shall not be deemed to mean or include any other programs of the Authority.

"Project" shall mean, when used generally, an infrastructure project as defined in the Act, and when used in specific reference to the Governmental Agency, the Project described in the Project Specifics.

"Project Specifics" means those specific details of the Project identified in Exhibit A hereto, all of which are incorporated by reference in this Assistance Agreement.

"Requisition for Funds" means the form attached hereto as Exhibit B to be utilized by the Governmental Agency in obtaining disbursements of the Loan from the Authority as construction of the Project progresses.

"Schedule of Payments" means the principal and interest requirements of the Loan as set forth in Exhibit F hereto, to be established and agreed to upon or prior to the completion of the Project.

"Schedule of Service Charges" shall mean those revenues identified in Exhibit C from which the Loan is to be repaid, which Schedule of Service Charges shall be in full force and effect to the satisfaction of the Authority prior to the disbursement of any portion of the Loan hereunder.

"Service Charges" shall mean any monthly, quarterly, semi-annual, or annual charges, surcharges or improvement benefit assessments to be imposed by a Governmental Agency, or by

the Authority, in respect of the Project which Service Charges arise by reason of the existence of, and requirement of, any Assistance Agreement and for the purposes of this Assistance Agreement said Service Charge shall be no less than those set forth in the Schedule of Service Charges.

"System" shall mean the utility system of which the Project shall become a part.

[End of Article I]

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of Authority. The Authority represents and warrants for the benefit of the Governmental Agency as follows:

(A) The Authority is a body corporate and politic constituting a governmental agency and instrumentality of the Commonwealth, has all necessary power and Authority to enter into, and perform its obligations under, this Assistance Agreement, and has duly authorized the execution and delivery of this Assistance Agreement.

(B) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing.

(C) To the knowledge of the Authority, there is no litigation or proceeding pending or threatened against the Authority or any other person affecting the right of the Authority to execute or deliver this Assistance Agreement or to comply with its obligations under this Assistance Agreement. Neither the execution and delivery of this Assistance Agreement by the Authority, nor compliance by the Authority with its obligations under this Assistance Agreement, require the approval of any regulatory body, or any other entity, which approval has not been obtained.

(D) The authorization, execution and delivery of this Assistance Agreement and all actions of the Authority with respect thereto, are in compliance with the Act and any regulations issued thereunder.

Section 2.2. Representations and Warranties of the Governmental Agency. The Governmental Agency hereby represents and warrants for the benefit of the Authority as follows:

(A) The Governmental Agency is a duly organized and validly existing Governmental Agency, as described in the Act, with full power to own its properties, conduct its affairs, enter into this Assistance Agreement and consummate the transactions contemplated hereby.

(B) The negotiation, execution and delivery of this Assistance Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the governing body of the Governmental Agency.

(C) This Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability hereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.

(D) There is no controversy or litigation of any nature pending or threatened, in any court or before any board, tribunal or administrative body, to challenge in any manner the

authority of the Governmental Agency or its governing body to make payments under this Assistance Agreement or to construct the Project, or to challenge in any manner the authority of the Governmental Agency or its governing body to take any of the actions which have been taken in the authorization or delivery of this Assistance Agreement or the construction of the Project, or in any way contesting or affecting the validity of this Assistance Agreement, or in any way questioning any proceedings taken with respect to the authorization or delivery by the Governmental Agency of this Assistance Agreement, or the application of the proceeds thereof or the pledge or application of any monies or security provided therefor, or in any way questioning the due existence or powers of the Governmental Agency, or otherwise wherein an unfavorable decision would have an adverse impact on the transactions authorized in connection with this Assistance Agreement.

(E) The authorization and delivery of this Assistance Agreement and the consummation of the transactions contemplated hereby will not constitute an event of default or violation or breach, nor an event which, with the giving of notice or the passage of time or both, would constitute an event of default or violation or breach, under any contract, agreement, instrument, indenture, lease, judicial or administrative order, decree, rule or regulation or other document or law affecting the Governmental Agency or its governing body.

(F) Attached hereto as Exhibit D is a true, accurate and complete copy of the resolution or ordinance of the governing body of the Governmental Agency approving and authorizing the execution and delivery of this Assistance Agreement. Such resolution or ordinance was duly enacted or adopted at a meeting of the governing body of the Governmental Agency at which a quorum was present and acting throughout; such resolution or ordinance is in full force and effect and has not been superseded, altered, amended or repealed as of the date hereof; and such meeting was duly called and held in accordance with law.

(G) All actions taken by the Governmental Agency in connection with this Assistance Agreement and the Loan described herein and the Project have been in full compliance with the provisions of the Kentucky Open Meeting Law, KRS 61.805 to 61.850.

(H) The Governmental Agency has all licenses, permits and other governmental approvals (including but not limited to all required approvals of the Kentucky Public Service Commission) required to own, occupy, operate and maintain the Project, to charge and collect the Service Charges and to enter into this Assistance Agreement, is not in violation of and has not received any notice of an alleged violation of any zoning or land use laws applicable to the Project, and has full right, power and authority to perform the acts and things as provided for in this Assistance Agreement.

(I) Legal counsel to the Governmental Agency has duly executed and delivered the opinion of legal counsel substantially in the form set forth in Exhibit E hereto.

[End of Article II]

## ARTICLE III

### AUTHORITY'S AGREEMENT TO MAKE LOAN; TERMS

Section 3.1. Determination of Eligibility. Pursuant to the terms of the Act and the Indenture, the Authority has determined that the Governmental Agency's Project is a Project under the Act and the Governmental Agency is entitled to financial assistance from the Authority in connection with financing the Construction of the Project.

Section 3.2. Principal Amount of Loan Established; Loan Payments; Disbursement of Funds. The principal amount of the Loan shall be the Loan Amount as identified in the Project Specifics, subject to such adjustments as may be set forth in the Schedule of Payments. Principal payments shall be made semiannually in the amounts and on the dates to be established by the Schedule of Payments, which Schedule of Payments shall provide for approximately level debt service payments over the Repayment Term set forth in the Project Specifics, commencing with the Amortization Commencement Date set forth in the Project Specifics.

The Loan shall bear interest, payable on the Interest Payment Dates set forth in the Project Specifics, at the Loan Rate identified in the Project Specifics, and after the Amortization Commencement Date, in the amounts (based on such Loan Rate) and on the dates set forth in the Schedule of Payments; provided that, should an Event of Default occur, such payments of interest shall be made on the first day of each month during the continuation of such Event of Default.

The Authority shall advance the proceeds of the Loan as Construction of the Project progresses upon the submission by the Governmental Agency of a Requisition for Funds in substantially the same form as Exhibit B hereto. Each disbursement under a Requisition for Funds representing a portion of the principal amount of the Loan shall bear interest at the Loan Rate from the date of the disbursement; subject to the requirements set forth in Article IV hereof.

Payments of principal and interest on the Loan shall be made at the principal office of the Authority or the Trustee, as designated by the Authority.

Section 3.3. Governmental Agency's Right to Repay Loan. The Governmental Agency shall have the right to prepay and retire the entire amount of the Loan at any time without penalty upon written notice to the Authority no less than five (5) Business Days in advance of said prepayment.

Notwithstanding the foregoing, upon the determination by the Authority that it intends to issue revenue bonds secured by a pledge of the payments on the Loan, the Authority shall advise the Governmental Agency (i) of its intention to proceed with the authorization of such bonds (ii) of the limitation on prepayments after such bonds are issued and (iii) that the Governmental Agency has thirty (30) days from its receipt of said notice to exercise its option to prepay the Loan. Upon the expiration of said thirty day period the Governmental Agency's right to prepay the Loan shall be limited to the terms described in such notice.

Section 3.4. Subordination of Loan. The Authority hereby agrees that the security interest and source of payment for the Loan shall be inferior and subordinate to the security interest and source of payment for the Debt Obligations of the Governmental Agency payable

from the revenues of the Project outstanding at the time this Assistance Agreement is executed as identified in the Project Specifics; provided, however, the Authority shall receive notice of any additional financings in accordance with Section 5.5(D) hereof.

[End of Article III]



## ARTICLE IV

### CONDITIONS PRECEDENT TO DISBURSEMENT; REQUISITION FOR FUNDS

Section 4.1. Covenants of Governmental Agency and Conditions of Loan. By the execution of this Assistance Agreement, the Governmental Agency agrees that prior to any requests for the disbursement of all or a portion of the Loan made hereunder, the Governmental Agency shall supply the Authority, if requested, appropriate documentation, satisfactory to the Authority, in its sole discretion, indicating the following:

(A) That the Authority and any appropriate regulatory agency of the Commonwealth as may be designated by the Authority, and their respective duly authorized agents, shall have the right at all reasonable times, subject to prior notice to the Governmental Agency, to enter upon the Project and to examine and inspect same.

(B) All real estate and interest in real estate and all personal property constituting the Project and the Project sites heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency and constitute a part of the System.

(C) In the event the Governmental Agency is required to provide financing for the Project from sources other than the Authority (as described in the Project Specifics) the Authority shall have the right to receive such reasonable proofs as it may require of the ability of the Governmental Agency to finance the costs of Construction of the Project over and above the Loan, prior to the disbursement by the Authority of any portion of the Loan.

(D) The Governmental Agency shall do all things necessary to acquire all proposed and necessary sites, easements and rights of way necessary or required in respect of the Project and demonstrate its ability to construct the Project in accordance with the plans, design and specifications prepared for the Governmental Agency by the Engineers.

(E) Actual construction and installation incident to the Project shall be performed by either the lump-sum (fixed price) or unit price contract method, and adequate legal methods of obtaining public, competitive bidding will be employed prior to the awarding of the construction contract for the Project in accordance with Kentucky law.

(F) Unless construction of the Project has already been initiated as of the date of this Assistance Agreement, pursuant to due compliance with state law and applicable regulations, the Project will not be advertised or placed on the market for construction bidding by the Governmental Agency until the final plans, designs and specifications therefor have been approved by such state and federal agencies and authorities as may be legally required, and until written notification of such approvals has been received by the Governmental Agency and furnished to the Authority.

(G) Duly authorized representatives of the Authority and such other agencies of the Commonwealth as may be charged with responsibility will have reasonable access to the construction work whenever it is in preparation or progress, and the Governmental Agency will assure that the contractor or contractors will provide facilities for such access and inspection.

(H) The construction contract or contracts shall require the contractor to comply with all provisions of federal and state law legally applicable to such work, and any amendments or modifications thereto, together with all other applicable provisions of law, to cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all subcontractors subject thereto, and to be responsible for the submission of any statements required of subcontractors thereunder.

(I) A work progress schedule utilizing a method of standard acceptance in the engineering community shall be prepared prior to the institution of construction in connection with each construction contract, or, if construction has already been initiated as of the date of this Assistance Agreement, at the earliest practicable date, to indicate the proposed schedule as to completion of the Project, and same shall be maintained monthly thereafter to indicate the actual construction progress of the Project.

(J) Prior to the award of the construction contract and prior to the commencement of construction, the Governmental Agency will arrange and conduct a conference as to the Project said conference to include representatives of the Authority, the Governmental Agency, and any other participating federal or state agency, the Engineers, and all construction contractors. A written brief of said conference summarizing the construction schedule, fund requirements schedule, payment authorizations, responsible parties for approval of all facets of the construction work and payment therefor, and other pertinent matters shall be prepared and distributed to each agency involved, and all construction contractors and Engineers. Provided, however, that in the event construction shall have been initiated as of the date of this Assistance Agreement, this provision may be waived.

(K) All construction contracts will be so prepared that federal participation costs, if any, and state participation costs may be readily segregated from local participation costs, if any, and from each other, and in such manner that all materials and equipment furnished to the Governmental Agency may be readily itemized.

(L) Any change or changes in a construction contract will be promptly submitted to the Authority and any state or federal agencies.

(M) The Construction, including the letting of contracts in connection therewith, will conform in all respects to applicable requirements of federal, state and local laws, ordinances, rules and regulations.

(N) The Governmental Agency will proceed expeditiously with and complete the Project in accordance with the approved surveys, plans specifications and designs or amendments thereto, prepared by the Engineers to the Governmental Agency and approved by state and federal agencies, but only to the extent such approvals may be required.

(O) If requested, the Governmental Agency will erect at the Project sites, signs satisfactory to the Authority noting the participation of the Authority in the financing of the Project.

(P) Except as otherwise provided in this Assistance Agreement, the Governmental Agency shall have the sole and exclusive charge of all details of the Construction.

(Q) The Governmental Agency shall keep complete and accurate records of the costs of acquiring the Project sites and the costs of Construction. The Governmental Agency shall permit the Authority, acting by and through its duly authorized representatives, and the duly authorized representatives of state and/or federal agencies to inspect all books, documents, papers and records relating to the Project at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority such documents and information as such public bodies may reasonably require in connection with the administration of any federal or state grants.

(R) The Governmental Agency shall require that any bid for any portion of the Construction of the Project be accompanied by a bid bond, certified check or other negotiable instrument payable to the Governmental Agency, as assurance that the bidder will, upon acceptance of such bid, execute the necessary contractual documents within the required time.

(S) The Governmental Agency shall require that each construction contractor or contractors furnish a performance and payment bond in an amount at least equal to one hundred percent (100%) of the contract price or the portion of the Project covered by the particular contract as security for the faithful performance of such contract.

(T) The Governmental Agency shall require that each of its contractors and all subcontractors maintain during the life of the construction contract, worker's compensation insurance, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed and accepted by the Governmental Agency, the contractor, shall maintain builders risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor, and all subcontractors, as their interests may appear.

(U) The Governmental Agency shall provide and maintain competent and adequate resident engineering services covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that Construction conforms to the approved plans, specifications and designs prepared by the Engineers. Such resident engineer shall certify to the Authority, any involved state or federal agencies, and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or, approved amendments thereto.

(V) The Governmental Agency shall demonstrate to the satisfaction of the Authority the legal capability of the Governmental Agency to enact, adopt, levy, charge, collect, enforce and remit to the Authority the Service Charges of the Governmental Agency described in the Schedule of Service Charges attached to and made a part of this Assistance Agreement as Exhibit C and submit proof satisfactory to the Authority that the Service Charges are in full force and effect as of the submission of the initial Requisition for Funds.

Section 4.2. Disbursements of Loan; Requisition for Funds. The Governmental Agency may submit to the Authority (or the Trustee acting on behalf of the Authority, if so designated) a Requisition for Funds during the first ten days of each month (or such other designated period as is acceptable to the Authority), in substantially the same form as that attached to this Assistance

Agreement as Exhibit B and made a part hereof, accompanied by, to the extent requested by the Authority, the following documentation:

(A) A full and complete accounting of the costs of the Project to be obligated by contract or otherwise during the month in question, or already obligated and not included in any previous accounting;

(B) A full and complete accounting of any costs of the Project paid by the Governmental Agency from its own funds with the approval of the Authority and not included in any previous accounting for which it seeks reimbursement;

(C) A full and complete accounting of any costs of the Project paid or requisitioned under any other financing, loan, bond, grant or similar agreement or paid from its own funds for which it does not seek reimbursement and which have not been identified in any previous requisition form.

(D) The contractor's estimate of work performed during the preceding month pursuant to construction contracts for the Project and payment thereunder due, together with the Engineer's and Governmental Agency's approval thereof for payment by the Authority directly to the contractor.

Upon the Authority's receipt of the Requisition for Funds, and such additional documentation as it may require, the Authority may direct the Trustee to remit the amount requested to the Governmental Agency as a draw upon the Loan.

[End of Article IV]

## ARTICLE V

### **CERTAIN COVENANTS OF THE GOVERNMENTAL AGENCY; PAYMENTS TO BE MADE BY GOVERNMENTAL AGENCY TO THE AUTHORITY**

Section 5.1. Imposition of Service Charges. The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Assistance Agreement, pursuant to which the Loan is to be made by the Authority to the Governmental Agency as specified herein and in the Act and the Indenture. The Governmental Agency hereby further irrevocably covenants and agrees that it already has, or will, to the extent necessary, immediately impose the Service Charges set forth in Exhibit C annexed hereto. If so required, such Service Charges shall be in addition to all other rates, rentals and service charges of a similar nature of the Governmental Agency now or hereafter authorized by law, and now or hereafter being levied and collected by the Governmental Agency and shall be levied and collected solely for the purpose of repaying to the Authority all sums received from the Authority as representing the Loan in respect of the Project.

Section 5.2. Governmental Agency's Obligation to Repay Loan. The obligation of the Governmental Agency to repay to the Authority the amount of the Loan from the Service Charges shall not be revocable, and in the event that services supplied by the Project shall cease, or be suspended for any reason, the Governmental Agency shall continue to be obligated to repay the Loan from the Services Charges. In the event the Governmental Agency defaults in the payment of any Service Charges to the Authority, the amount of such default shall bear interest at the per annum rate equal to the Default Rate set forth in the Project Specifics, from the date of the default until the date of the payment thereof.

Section 5.3. Covenant to Adjust Service Charges. In the event, for any reason, the Schedule of Service Charges shall prove to be insufficient to provide to the Authority the minimum sums set forth in the Schedule of Payments, the Governmental Agency hereby covenants and agrees that it will, upon notice by the Authority, to the full extent authorized by law, both federal and state, immediately adjust and increase such Schedule of Service Charges, so as to provide funds sufficient to pay to the Authority the minimum sums set forth in the Schedule of Payments.

Section 5.4. Adequacy of Service Charges. The Service Charges herein covenanted to be imposed by the Governmental Agency shall be fixed at such rate or rates (and it is represented that the Schedule set forth in Exhibit C hereto so qualifies), as shall be at least adequate to make the payments at the times and in the amounts set forth in the Schedule of Payments, subject to necessary governmental and regulatory approvals.

The Service Charges imposed by the Governmental Agency shall be paid not less frequently than the Service Charge Payment period set forth in the Project Specifics, and shall be remitted to the Authority by the Governmental Agency with a report showing collections and any delinquencies. A report of all collections and delinquencies shall be made at least semi-annually on or before each Payment Date identified in the Schedule of Payments.

Section 5.5. Covenant to Establish Maintenance and Replacement Reserve. The Governmental Agency shall establish a special account identified as a "Maintenance and Replacement Reserve". The Governmental Agency shall deposit into the Maintenance and

Replacement Reserve an amount equal to the amount set forth in the Project Specifics at the times set forth in the Project Specifics. Amounts in the Maintenance and Replacement Reserve may be used for extraordinary maintenance expenses related to the Project or for the unbudgeted costs of replacing worn or obsolete portions of the Project.

Section 5.6. Covenant to Charge Sufficient Rates; Reports; Inspection. The Governmental Agency hereby irrevocably covenants and agrees with the Authority:

(A) That, as aforesaid, it will at all times impose, prescribed, charge and collect the Service Charges set forth in Exhibit C hereto as shall result in net revenues to the Governmental Agency at least adequate to provide for the payments to the Authority required by this Assistance Agreement.

(B) That it will furnish to the Authority not less than annually reports of the operations and income and revenues of the Project, and will permit authorized agents of the Authority to inspect all records, accounts and data of the Project at all reasonable times.

(C) That it will collect, account for and promptly remit to the Authority those specific revenues, funds, income and proceeds derived from Service Charges incident to this Assistance Agreement.

(D) That it will notify the Authority in writing of its intention to issue bonds or notes payable from the revenues of the Project not less than thirty (30) days prior to the sale of said obligations.

Section 5.7. Segregation of Funds. The Governmental Agency shall at all times account for the income and revenues of the System and distinguish same from all other revenues, moneys and funds of the Governmental Agency, if any.

Section 5.8. Mandatory Sewer Connection. In the event that the Project consists of sanitary sewer facilities, the Governmental Agency hereby irrevocably covenants and agrees with the Authority that it will, to the maximum extent permitted by Kentucky law, and by means of ordinance, or other appropriate legislative order or action, mandatorily require the connection to and use of, the sanitary sewers constituting the Project by all persons owning, renting or occupying premises generating pollutants where such sanitary sewers are reasonably available to such premises, and to exhaust, at the expense of the Governmental Agency, all remedies for the collection of Service Charges, including, either directly or indirectly, pursuant to authority granted by Sections 96.930 to 96.943, inclusive, of the Kentucky Revised Statutes, and the Act, causing termination of water services to any premises where the bill for sewer services is delinquent and foreclosure and decretal sale in respect of improvement benefit assessments which are delinquent.

Section 5.9. Termination of Water Services to Delinquent Users. In the event the Project consists of water facilities the Governmental Agency covenants and agrees that it shall, pursuant to applicable provisions of law, to the maximum extent authorized by law, enforce and collect the Service Charges imposed, and will promptly cause water service to be discontinued to any premises where any billing for such facilities and services shall not be paid in a timely manner.

[End of Article V]

## ARTICLE VI

### OTHER COVENANTS OF THE GOVERNMENTAL AGENCY

Section 6.1. Further Assurance. At any time and all times the Governmental Agency shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, assets and revenues herein pledged or assigned, or intended so to be, or which the Governmental Agency may hereafter become bound to pledge or assign.

Section 6.2. Completion of Project. The Governmental Agency hereby covenants and agrees to proceed expeditiously with and promptly complete the Project in accordance with the plans, designs and specifications prepared by the Engineers for the Governmental Agency.

Section 6.3. Establishment of Completion Date. The completion date for the Project shall be evidenced to the Authority by a certificate signed by the Engineer and an authorized representative of the Governmental Agency stating that, except for amounts retained by the Authority for costs of the Project not then due and payable, (i) the Construction has been completed and all labor, services, materials, supplies, machinery and equipment used in such Construction have been paid for, (ii) all other facilities necessary in connection with the Project have been acquired, constructed, equipped and installed and all costs and expenses incurred in connection therewith have been paid, (iii) the Project and all other facilities in connection therewith have been acquired, constructed, equipped and installed to his satisfaction.

Section 6.4. Commitment to Operate. The Governmental Agency hereby covenants and agrees to commence operation of the Project immediately on completion of construction and not to discontinue operations or dispose of such Project without the approval of the Authority.

Section 6.5. Continue to Operate. The Governmental Agency hereby covenants and agrees to continuously operate and maintain the Project in accordance with applicable provisions of federal and state law and to maintain adequate records relating to said operation; said records to be made available to the Authority upon its request at all reasonable times.

Section 6.6. Tax Covenant. In the event the Authority issues Bonds which are intended to be excludable from gross income for federal income tax purposes to provide the funds for the Loan, the Governmental Agency shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure such exclusion and shall take such actions as may be directed by the Authority in order to accomplish the foregoing. The Governmental Agency shall not permit (i) the proceeds of the Loan to be used directly or indirectly in any trade or business, (ii) its payments hereunder to be secured directly or indirectly by property to be used in a trade or business, (iii) any management agreement for the operation of the System or (iv) any federal guarantee of its obligations hereunder without the prior written consent of the Authority. The Governmental Agency will not acquire or pledge any obligations which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code.

Section 6.7. Accounts and Reports. The Governmental Agency shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries

shall be made of all its transactions relating to the System, which shall at all reasonable times be subject to the inspection of the Authority.

Section 6.8. Financial Statements. Within ninety (90) days after the end of each fiscal year of the Governmental Agency, the Governmental Agency shall provide to the Authority, itemized financial statements of income and expense and a balance sheet in reasonable detail, certified as accurate by a firm of independent certified public accountants or the Auditor of Public Accounts of the Commonwealth. All financial information must be satisfactory to the Authority as to form and content and be prepared in accordance with generally accepted accounting principals on a basis consistent with prior practice unless specifically noted thereon. With such financial statements, the Governmental Agency shall furnish to the Authority a certificate stating that, to the best knowledge of the authorized representative signing such certificate, no default under this Assistance Agreement exists on the date of such certificate, or if any such default shall then exist, describing such default with specificity.

Section 6.9. General Compliance With All Duties. The Governmental Agency shall faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth, and by the terms and provisions of the this Assistance Agreement and any other Debt Obligations.

Section 6.10. Project Not to Be Disposed Of. The Governmental Agency covenants and agrees that, until satisfaction in full of its obligations hereunder, it will not sell, mortgage, or in any manner dispose of, or surrender control or otherwise dispose of any of the facilities constituting the Project or any part thereof (except that the Governmental Agency may retire obsolete and worn out facilities, and sell same, if appropriate).

Section 6.11. General. The Governmental Agency shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Governmental Agency under the provisions of the Act and this Assistance Agreement in accordance with the terms of such provisions including the Additional Covenants and Agreements, if any, set forth in Exhibit G hereto.

[End of Article VI]



## ARTICLE VII

### MAINTENANCE, OPERATION, INSURANCE AND CONDEMNATION

Section 7.1. Maintain Project. The Governmental Agency agrees that during the entire term of this Assistance Agreement, it will keep the Project, including all appurtenances thereto, and the equipment and machinery therein, in good and sound repair and good operating condition at its own cost so that the completed Project will continue to provide the services for which it is designed.

Section 7.2. Additions and Improvements. The Governmental Agency shall have the privilege of making additions, modifications and improvements to the sites of the Project, and to the Project itself from time to time provided that said additions, modifications and improvements do not impair the operation or objectives of the Project. The Cost of such additions, modifications and improvements shall be paid by the Governmental Agency, and the same shall be the property of the Governmental Agency and shall be included under the terms of this Assistance Agreement as part of the site of the Project, or the Project, as the case may be. Nothing herein contained shall be construed as precluding the Authority and the Governmental Agency from entering into one or more supplementary Assistance Agreements providing for an additional Loan or Loans in respect of additional Projects undertaken by the Governmental Agency.

Section 7.3. Compliance with State and Federal Standards. The Governmental Agency agrees that it will at all times provide operation and maintenance of the Project to comply with the water quality standards, if any, established by any state or federal agency. The Governmental Agency agrees that qualified operating personnel properly certified by the Commonwealth will be retained to operate the Project during the entire term of this Assistance Agreement.

Section 7.4. Access to Records. The Governmental Agency agrees that it will permit the Authority and any state or federal agency and their respective agents to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the Project at any reasonable time following completion of construction of the Project, and commencement of operations thereof.

Section 7.5. Covenant to Insure - Casualty. The Governmental Agency agrees to insure the Project facilities in such amount as like properties are similarly insured by political subdivisions similarly situated, against loss or damage of the kinds usually insured against by political subdivisions similarly situated, by means of policies issued by reputable insurance companies duly qualified to do such business in the Commonwealth.

Section 7.6. Authority as Named Insured. Any insurance policy issued pursuant to Section 7.5 hereof, shall be so written or endorsed as to make losses, if any, payable to the Governmental Agency, and to the Authority, as their interests may appear.

Section 7.7. Covenant to Insure - Liability. The Governmental Agency agrees that it will carry public liability insurance with reference to the Project with one or more reputable insurance companies duly qualified to do business in the Commonwealth, insuring against such risks (including but not limited to personal injury, death and property damage) and in such amounts as are set forth in the Project Specifics, and naming the Authority as an additional insured.

Section 7.8. Covenant Regarding Worker's Compensation. Throughout the entire term of this Assistance Agreement, the Governmental Agency shall maintain worker's compensation coverage, or cause the same to be maintained.

Section 7.9. Application of Casualty Insurance Proceeds. If, prior to the completion of the term of this Assistance Agreement, the Project shall be damaged or partially or totally destroyed by fire, windstorm or other casualty, there shall be no abatement or reduction in the amount payable by the Governmental Agency pursuant to the terms of this Assistance Agreement, and the Governmental Agency will (1) promptly repair, rebuild or restore the Project damaged or destroyed; and (2) apply for such purpose so much as may be necessary of any net proceeds of insurance resulting from claims for such losses, as well as any additional moneys of the Governmental Agency necessary therefor. All net proceeds of insurance resulting from claims for such losses shall be paid to the Governmental Agency, and shall be promptly applied as herein provided.

Section 7.10. Eminent Domain. In the event that title to, or the temporary use of, the Project, or any part thereof, shall be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, there shall be no abatement or reduction in the minimum amounts payable by the Governmental Agency to the Authority pursuant to the terms of this Assistance Agreement, and any and all net proceeds received from any award made in such eminent domain proceedings shall be paid to and held by the Governmental Agency in a separate condemnation award account and shall be applied by the Governmental Agency in either or both of the following ways, as shall be determined by the Governmental Agency in its sole discretion:

(A) The restoration of the improvements located on the Project sites to substantially the same condition as prior to the exercise of said power of eminent domain; or

(B) The acquisition of additional property, if necessary, and the acquisition of additional facilities by construction or otherwise, equivalent to the Project facilities, which property and facilities shall be deemed to be a part of the Project sites and a part of the Project facilities and to be substituted for Project facilities so taken by eminent domain, without the payment of any amount other than herein provided, to the same extent as if such property and facilities were specifically described herein.

Any balance of the net proceeds of the award in such eminent domain proceedings after the carrying out of the mandatory proceedings stipulated in (A) and (B) of this Section 7.10, shall be paid to the Governmental Agency upon delivery to the Authority of a certificate signed by an authorized officer of the Governmental Agency to the effect that the Governmental Agency has complied with either subparagraph (A) or (B), or both, of this Section, and written approval of such certificate by an authorized officer of the Authority. In no event will the Governmental Agency voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Authority.

[End of Article VII]

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. The following will be "Events of Default" under this Assistance Agreement and the term "Event of Default" or "Default" will mean, whenever it is used in this Assistance Agreement, any one or more of the following events:

(A) Failure by the Governmental Agency to pay any payments at the times specified herein.

(B) Failure by the Governmental Agency to observe or perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (A) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied will have been given to the Governmental Agency by the Authority unless the Authority agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Authority will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Governmental Agency within the applicable period and diligently pursued until such failure is corrected.

(C) The dissolution or liquidation of the Governmental Agency, or the voluntary initiation by the Governmental Agency of any proceeding under any federal or state law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Governmental Agency of any such proceeding which will remain undismissed for sixty (60) days, or the entry by the Governmental Agency into an agreement of composition with creditors or the failure generally by the Governmental Agency to pay its debts as they become due.

(D) A default by the Governmental Agency under the provisions of any agreements relating to its Debt Obligations.

Section 8.2. Remedies on Default. Whenever any Event of Default referred to in Section 8.1 has occurred and is continuing, the Authority may, without any further demand or notice, take one or any combination of the following remedial steps:

(A) Declare all payments due hereunder, as set forth in the Schedule of Payments to be immediately due and payable.

(B) Exercise all the rights and remedies of the Authority set forth in the Act.

(C) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Assistance Agreement.

Section 8.3. Appointment of Receiver. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Authority under this Assistance Agreement, the Authority shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the System and all receipts therefrom, pending such proceedings, with such power as the court making such appointment shall confer;

provided, however, that the Authority may, with or without action under this Section, pursue any available remedy to enforce the payment obligations hereunder, or to remedy any Event of Default.

Section 8.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority 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 8.5. Consent to Powers of Authority Under Act. The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges in respect of the Project upon the occurrence of an Event of Default, and the Governmental Agency hereby covenants and agrees that if the Authority should in the future have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Assistance Agreement.

Section 8.6. 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 8.7. Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto will default under any of the provisions hereof and the nondefaulting 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 therefor to the nondefaulting party the fees of such attorneys and such other expenses so incurred by the nondefaulting party.

[End of Article VIII]

## ARTICLE IX

### MISCELLANEOUS PROVISIONS

Section 9.1. Approval not to be Unreasonably Withheld. Any approval of the Authority required by this Assistance Agreement shall not be unreasonably withheld and shall be deemed to have been given on the thirtieth (30th) day following the submission of any matter requiring approval to the Authority, unless disapproved in writing prior to such thirtieth (30th) day. Any provision of this Assistance Agreement requiring the approval of the Authority or the satisfaction or the evidence of satisfaction of the Authority shall be interpreted as requiring action by an authorized officer of the Authority granting, authorizing or expressing such approval or satisfaction, as the case may be, unless such provision expressly provides otherwise.

Section 9.2. Approval. This Agreement is made subject to, and conditioned upon, the approval of this Assistance Agreement by the Secretary of the Finance and Administration Cabinet.

Section 9.3. Effective Date. This Assistance Agreement shall become effective as of the date first set forth hereinabove and shall continue to full force and effect until the date the obligations of the Governmental Agency pursuant to the provisions of this Assistance Agreement have been fully satisfied.

Section 9.4. Binding Effect. This Assistance Agreement shall be binding upon, and shall inure to the benefit of the parties hereto, and to any person, officer, board, department, agency, municipal corporation, or body politic and corporate succeeding by operation of law to the powers and duties of either of the parties hereto. This Assistance Agreement shall not be revocable by either of the parties, nor assignable by either parties without the written consent of the other party.

Section 9.5. Severability. In the event that any provision of this Assistance Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 9.6. Execution in Counterparts. This Assistance Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 9.7. Applicable Law. This Assistance Agreement will be governed by and construed in accordance with the laws of the Commonwealth.

Section 9.8. Venue. The parties hereto agree that in the event of a default by the Governmental Agency pursuant to the provisions of Article 8 of this Agreement, the Authority shall, to the extent permitted under the laws of the Commonwealth, have the right to file any necessary actions with respect thereto in Franklin Circuit Court.

Section 9.9. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Assistance Agreement.

[End of Article IX]

IN WITNESS WHEREOF, the parties hereto have caused this Assistance Agreement to be executed by their respective duly authorized officers as of the day and year above written.

ATTEST:

KENTUCKY INFRASTRUCTURE  
AUTHORITY

Margaret J. Link  
Title: SECRETARY

By: Donna McNeil  
Title: EXECUTIVE DIRECTOR

ATTEST:

GOVERNMENTAL AGENCY:  
NORTHEAST WOODFORD COUNTY  
WATER DISTRICT

By: Ken Brothers  
Title: Secretary

By: John S. Davis  
Title: Chairman

APPROVED:

William M. Raudum  
SECRETARY/FINANCE AND  
ADMINISTRATION CABINET OF THE  
COMMONWEALTH OF KENTUCKY

EXAMINED:

Dunmore & Shafel  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE  
AUTHORITY

APPROVED AS TO FORM AND LEGALITY

Patrick M. Dea  
APPROVED  
FINANCE AND ADMINISTRATION CABINET

**EXHIBIT A**  
**NORTHEAST WOODFORD COUNTY WATER DISTRICT**  
**PROJECT SPECIFICS**  
**B17-007**

**GOVERNMENTAL AGENCY:**

Name: Northeast Woodford County Water District  
225 South Main Street  
Versailles, KY 40383

Contact

Person: John Davis  
Chairman

**SYSTEM:** Infrastructure

**PROJECT:**

This project will replace a 35 year old aging booster pump station with a new booster pump station containing SCADA. This project also consists of a one mile waterline extension along Sugar Hill Road that will add an additional 2 customers as well as the replacement of 5,000 linear feet of water main along Old Frankfort Pike. This improvement will affect 50 underserved customers.

**PROJECT BUDGET:**

	<u>Total</u>
Administrative Expenses	\$ 2,500
Legal Expenses	5,000
Planning	5,000
Engineering Fees - Design / Const	33,750
Engineering Fees - Inspection	26,400
Construction	300,000
Contingency	27,350
<b>Total</b>	<b>\$ 400,000</b>

**FUNDING SOURCES:**

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 400,000	100%
<b>Total</b>	<b>\$ 400,000</b>	<b>100%</b>

**KIA DEBT SERVICE:**

Amortized Loan Amount	\$ 400,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	<u>\$ 23,790</u>
Administrative Fee (0.20%)	800
<b>Total Estimated Annual Debt Service</b>	<b>\$ 24,590</b>

**AMORTIZATION COMMENCEMENT DATE:** June 1 and December 1

Interest payments will commence within six months from first draw of funds (estimated 12/01/18).

Full principal and interest payments will commence within one year of initiation of operation (estimated 06/01/19).

<b>REPLACEMENT RESERVE ACCOUNT:</b>	\$ 1,000 ANNUAL AMOUNT
	\$ 20,000 TOTAL AMOUNT

The annual replacement cost is \$1,000. This amount should be added to the replacement account each December 1 until the balance reaches \$20,000 and maintained for the life of the loan.

**ADMINISTRATIVE FEE:** 0.20%

**DEFAULT RATE:** 8.00%

**DEBT OBLIGATIONS CURRENTLY OUTSTANDING:**

	<u>Outstanding</u>	<u>Maturity</u>
Water Revenue Bonds 1995	\$ 367,000	2034
<b>Total</b>	<b>\$ 367,000</b>	

**LIABILITY INSURANCE COVERAGE:** *WITH POLICY OF ASSURED PARTNERS INSURANCE*

Death or Personal Injury (per person)	<u>\$ 1,000,000.00</u>
Death or Personal Injury (per occurrence)	<u>\$ 1,000,000.00</u>
Property Damage on System	<u>\$ 1,000,000.00</u>



**EXHIBIT B**  
**REQUEST FOR PAYMENT AND PROJECT STATUS REPORT**

Borrower: \_\_\_\_\_

WX/SX Number: \_\_\_\_\_  
 Draw Number \_\_\_\_\_

KIA Loan # \_\_\_\_\_  
 Date: \_\_\_\_\_

The above identified Governmental Agency has entered into an Assistance Agreement with the Kentucky Infrastructure Authority (the "Authority") for the acquisition and construction of facilities described in the Assistance Agreement as the "Project."

Pursuant to the Assistance Agreement, we hereby certify that we have incurred the following expenses in connection with the Project and that the Authority's funding share of these expenses is in the amount so denoted in this request.

Documentation supporting the expenses incurred and identified per this request are attached.

**Funds Requested:** \_\_\_\_\_

**Project Budget and Expenses**

Line Item	Cost	Expenses This Request	Expenses to Date	Project Budget	Balance
1	Administrative				
2	Legal				
3	Land, Appraisals, Easements				
4	Relocation Expense				
5	Planning				
6	Engineering Fees – Design				
7	Engineering Fees - Construction				
8	Engineering Fees – Inspection				
9	Construction				
10	Equipment				
11	Contingency				
12	Other				
	<b>TOTAL</b>				

If expenses to date exceed project budget a revised budget must be submitted to and approved by the Authority before funds will be released.

**Project Funding**

Funding Agency	Expenses This Request	Expenses to Date	Project Budget	Balance
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
	<b>TOTAL</b>			

We certify that the expenses in this draw request were incurred pursuant to local procurement policies which conform to KRS 45A.

Borrower Signature: \_\_\_\_\_

Project Administrator: \_\_\_\_\_

Draw # \_\_\_\_\_

STATUS REPORT:

PROJECT IS:	On schedule	_____
	Ahead of schedule	_____
	Behind schedule	_____
	If ahead or behind, please explain	_____

**PROJECT EXPENSES THIS DRAW REQUEST**

(Include Invoices for Expenses Listed Below)

<b>Line Item</b>	<b>Draw #</b>	<b>Vender</b>	<b>Amount</b>
------------------	---------------	---------------	---------------

Certificate of Consulting Engineers as to  
Payment Request

The undersigned, a duly qualified and licensed Engineer hereby certifies that he or she represents the Governmental Agency submitting this request in connection with the "Eligible Project" and that all expenses represented in this request were duly incurred for the Construction of the "Project," that the Authority's funding share of these expenses is accurately represented and that such expenses have not been the subject of any request for disbursement previously submitted.

\_\_\_\_\_  
Engineer/Consultant

\_\_\_\_\_  
Firm Name

EXHIBIT C

SCHEDULE OF SERVICE CHARGES

See Attached Rate Schedule

FOR Entire Service Area  
Community, Town or City

P.S.C. KY. NO. 2017-00414

Amended SHEET NO. 1

Northeast Woodford Water District  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2016-00443

Amended SHEET NO. 1

RATES AND CHARGES

Rates

5/8" x 3/4" Meter

First	2,000	Gallons	\$12.92	Minimum Bill	(1)
Next	2,000	Gallons	4.25	Per 1,000 Gallons	
Next	6,000	Gallons	3.96	Per 1,000 Gallons	
Over	10,000	Gallons	3.74	Per 1,000 Gallons	

2-Inch Meter

First	20,000	Gallons	\$82.58	Minimum Bill
Over	20,000	Gallons	3.74	per 1,000 Gallons

DATE OF ISSUE February 5, 2018  
Month / Date / Year

DATE EFFECTIVE November 12, 2017  
Month / Date / Year

ISSUED BY John S. Daniel  
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2017-00414 DATED November 29, 2017

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
<u>Gwen R. Pinson</u>
EFFECTIVE <b>11/12/2017</b>
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

EXHIBIT D

RESOLUTION

RESOLUTION OF THE NORTHEAST WOODFORD COUNTY WATER DISTRICT APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN THE NORTHEAST WOODFORD COUNTY WATER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY

WHEREAS, the Board of Commissioners, ("governing authority") of the Northeast Woodford County Water District, ("Governmental Agency") has previously determined that it is in the public interest to acquire and construct certain water facilities and improvements to the Water System being maintained and operated by the Governmental Agency (the "Project"); and

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the "Authority") for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Northeast Woodford County Water District, as follows:

SECTION 1. That the governing authority hereby approves and authorizes of the Assistance Agreement between the Governmental Agency and the Authority substantially in the form on file with the Governmental Agency for the purpose of providing the necessary financing to the Governmental Agency for the Project.

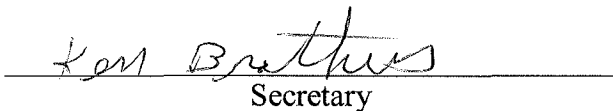
SECTION 2. That any officer of the Governmental Agency be and hereby is authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on June 5<sup>th</sup>, 2018.

  
Chairman

Attest:

  
Secretary

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Northeast Woodford County Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the governing authority of said Agency at a meeting duly held on \_\_\_\_\_, 2018; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

  
\_\_\_\_\_  
Secretary

EXHIBIT E

OPINION OF COUNSEL

[Letterhead of Counsel to Governmental Agency]

[Date]

Kentucky Infrastructure Authority  
1024 Capital Center Drive  
Suite 340  
Frankfort, Kentucky 40601

RE: Assistance Agreement by and between Kentucky Infrastructure Authority and the  
Northeast Woodford County Water District, dated as of June 1, 2018

Ladies and Gentlemen:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the Northeast Woodford County Water District, hereinafter referred to as the "Governmental Agency". I am familiar with the organization and existence of the Governmental Agency and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the infrastructure project (the "Project") with respect to which the Assistance Agreement by and between the Kentucky Infrastructure Authority ("Authority") and the Governmental Agency is being authorized, executed and delivered.

I have reviewed the form of Assistance Agreement by and between the Authority and the Governmental Agency, the resolution or ordinance of the governing authority authorizing the execution and delivery of said Assistance Agreement and the plans, designs and specifications prepared by the Engineers for the Governmental Agency with respect to the Project.

Based upon my review I am of the opinion that:

1) The Governmental Agency is a duly organized and existing political subdivision or body politic of the Commonwealth of Kentucky validly existing under the Constitution and statutes of the Commonwealth of Kentucky.

2) The Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.

3) The Governmental Agency has all necessary power and authority (i) to enter into, perform and consummate all transactions contemplated by the Assistance Agreement, and (ii) to



execute and deliver the documents and instruments to be executed and delivered by it in connection with the construction of the Project.

4) The Service Charges, as defined in the Assistance Agreement, are in full force and effect and have been duly and lawfully adopted by the Governmental Agency.

5) The execution and delivery of the Assistance Agreement and the performance by the Governmental Agency of its obligations thereunder does not and will not conflict with, violate or constitute a default under any court or administrative order, decree or ruling, or any law, statute, ordinance or regulation, or any agreement, indenture, mortgage, lease, note or other obligation or instrument, binding upon the Governmental Agency, or any of its properties or assets. The Governmental Agency has obtained each and every authorization, consent, permit, approval or license of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality, or any specifically granted exemption from any of the foregoing, that is necessary to the valid execution, delivery or performance by the Governmental Agency of the Assistance Agreement and the imposition of the Service Charges.

6) To the best of my knowledge after due inquiry there is no action, suit, proceedings or investigation at law or in equity before any court, public board or body pending or threatened against, affecting or questioning (i) the valid existence of the Governmental Agency, (ii) the right or title of the members and officers of the Governmental Agency to their respective positions, (iii) the authorization, execution, delivery or enforceability of the Assistance Agreement or the application of any monies or security therefor, (iv) the construction of the Project, (v) the validity or enforceability of the Service Charges or (vi) that would have a material adverse impact on the ability of the Governmental Agency to perform its obligations under the Assistance Agreement.

7) None of the proceedings or authority heretofore had or taken by the Governmental Agency for the authorization, execution or delivery of the Assistance Agreement has or have been repealed, rescinded, or revoked.

8) All proceedings and actions of the Governmental Agency with respect to which the Assistance Agreement is to be delivered were had or taken at meetings properly convened and held in substantial compliance with the applicable provisions of Sections 61.805 to 61.850 of the Kentucky Revised Statutes.

Very truly yours,

EXHIBIT F

TO ASSISTANCE AGREEMENT BETWEEN  
THE NORTHEAST WOODFORD COUNTY WATER DISTRICT  
("GOVERNMENTAL AGENCY") AND  
THE KENTUCKY INFRASTRUCTURE AUTHORITY

Total Loan to be Repaid by  
Governmental Agency to  
Kentucky Infrastructure Authority \$ \_\_\_\_\_

Principal and Interest Payable  
on Each \_\_\_\_\_ and

It is understood and agreed by the parties to this Assistance Agreement that this Exhibit F is an integral part of the Assistance Agreement between the Governmental Agency and the Kentucky Infrastructure Authority.

IN WITNESS WHEREOF, the parties have caused this Exhibit F to Assistance Agreement to be executed by their respective duly authorized officers as of the date of said Assistance Agreement.

KENTUCKY INFRASTRUCTURE AUTHORITY

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

Title: \_\_\_\_\_

NORTHEAST WOODFORD COUNTY WATER DISTRICT, GOVERNMENTAL AGENCY

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

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT G

ADDITIONAL COVENANTS AND AGREEMENTS

NONE

12972898v1



**GERALD WUETCHER**  
DIRECT DIAL: (859) 231-3017  
DIRECT FAX: (859) 258-3517  
gerald.wuetcher@skofirm.com

2000 PNC PLAZA  
500 WEST JEFFERSON STREET  
LOUISVILLE, KY 40202-2828  
MAIN: (502) 333-6000  
FAX: (502) 333-6099

November 13, 2018

Ms. Donna McNeil  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, KY 40601

**Re: *Northeast Woodford County Water District  
Loan B17-007***

Dear Ms. McNeil:

Please be advised that the Public Service Commission of Kentucky has entered an Order authorizing Northeast Woodford County Water District to enter the above-referenced loan with the Kentucky Infrastructure Authority and granting it a certificate of public convenience and necessity to construct the waterworks project that the proceeds of the proposed loan will finance. A copy of the Public Service Commission's Order of November 6, 2018 is enclosed.

Very truly yours,

Stoll Keenon Ogden PLLC

A handwritten signature in cursive script that reads "Gerald Wuetcher".

Gerald Wuetcher

GEW

Enclosure

Cc: John S. Davis (w/o encl)  
Joseph M. Hoffman, Esq. (w/o)

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF THE	)	
NORTHEAST WOODFORD COUNTY WATER	)	
DISTRICT FOR A CERTIFICATE OF PUBLIC	)	
CONVENIENCE AND NECESSITY FOR	)	CASE NO.
PROPOSED WATERWORKS IMPROVEMENTS	)	2018-00351
AND FOR AUTHORIZATION TO EXECUTE AN	)	
ASSISTANCE AGREEMENT WITH THE	)	
KENTUCKY INFRASTRUCTURE AUTHORITY	)	
TO FINANCE THOSE IMPROVEMENTS	)	

ORDER

On October 15, 2018, Northeast Woodford County Water District (Northeast Woodford District), pursuant to KRS 278.020(1) and KRS 278.300, filed an application (Application) for the issuance of a Certificate of Public Convenience and Necessity (CPCN) to construct new water mains, and to replace existing water mains and a pumping station. Northeast Woodford District also requests approval to borrow up to \$400,000 from the Kentucky Infrastructure Authority (KIA) to finance the proposed construction. Northeast Woodford District requests a final Order no later than November 15, 2018, in order to timely meet the conditions established by KIA in a conditional commitment letter.

Northeast Woodford District, a water district organized under KRS Chapter 74, provides retail water service to approximately 1,033 customers in Woodford and Fayette counties, Kentucky.<sup>1</sup> Northeast Woodford District purchases its water requirements from the city of Versailles and Frankfort Electric and Water Plant Board.

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<sup>1</sup> Application at paragraph 4.

The Commission notes that in its 2017 Annual Report, Northeast Woodford District reported a water loss of 1.9675 percent.<sup>2</sup>

In the present case, Northeast Woodford District requests a CPCN for the following proposed projects:

- Construct approximately 4,800 linear feet of four-inch polyvinylchloride (PVC) water main to extend water service to two customers.
- Replace existing smaller water mains with approximately 3,343 linear feet of six-inch PVC and 2,843 linear feet of four-inch PVC water main to improve the quality of service to approximately 50 current customers.
- Install a pumping station to replace an existing pumping station that is near the end of its 35-year useful life. Northeast Woodford District explains that the replacement pumping station will have updated supervisory control and a data acquisition system that will improve system efficiency.

The Kentucky Division of Water (KDOW) reviewed and approved the sanitary features and specifications of the proposed water mains. Northeast Woodford District states that KDOW approval is not required for the proposed replacement pumping station because it has the same characteristics at the same location of the existing pumping station, and thus is not a modification of the existing station. Kentucky Transportation Cabinet approval of an encroachment permit is pending.

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<sup>2</sup> 2017 Annual Report of Northeast Woodford District (filed July 23, 2018) at page 56 of 60.

The total capital cost of the proposed project is approximately \$440,600.<sup>3</sup> Northeast Woodford District states that it does not anticipate any annual cost to operate the proposed water main and that the annual operation and maintenance (O&M) cost for the replacement pumping station will be the same or slightly less than the current O&M cost to operate the existing pumping station.<sup>4</sup> Northeast Woodford District further states that it will finance the proposed project with a \$400,000 loan from KIA and with \$40,600 of internal funds. The proposed loan will be repaid over a 20-year term at an interest rate of 1.75 percent per annum.<sup>5</sup>

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. The proposed construction will not result in wasteful duplication of existing facilities.
2. The proposed construction does not conflict with any existing certificates or service of any other utility operating in the area.
3. Public convenience and necessity require the proposed construction, which will allow Northeast Woodford District to provide reliable and adequate water services to its customers.
4. KDOW has approved the plans and specifications for this proposed project.
5. The proposed Assistance Agreement with KIA is for lawful objects within Northeast Woodford District's corporate purpose. It is necessary and appropriate for, and

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<sup>3</sup> Application at paragraph 17.

<sup>4</sup> *Id.* at paragraph 20.

<sup>5</sup> *Id.* at paragraph 23.



consistent with, the proper performance of Northeast Woodford District's service to the public, will not impair Northeast Woodford District's ability to perform that service, and is reasonably necessary and appropriate for such purpose.

6. The project will be funded from a KIA Fund B loan of \$400,000 and \$40,600 of internal funds.

7. Northeast Woodford District should be authorized to utilize \$400,000 of the Assistance Agreement on the project approved herein.

8. Northeast Woodford District's application does not include a proposal to adjust rates.

IT IS THEREFORE ORDERED that:

1. Northeast Woodford District is granted a CPCN to construct the proposed projects as set forth in its Application.

2. Northeast Woodford District shall notify the Commission prior to performing any additional construction not expressly approved by this Order.

3. Any deviation from the construction approved by this Order shall be undertaken only with the prior approval of the Commission.

4. Northeast Woodford District shall require construction to be inspected under the general supervision of a licensed professional engineer with a Kentucky registration in civil or mechanical engineering to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

5. Northeast Woodford District shall file the encroachment permit with the Commission within ten days of the Kentucky Transportation Department approving the permit.

6. Northeast Woodford District is authorized to enter the proposed Assistance Agreement with KIA and, under the terms of the Assistance Agreement, to borrow from KIA an amount not to exceed \$400,000 to be repaid over a 20-year period at an interest rate of 1.75 percent per annum.

7. Northeast Woodford District shall file with the Commission documentation of the total costs of this project, including the cost of construction and all other capitalized costs, within 60 days of the date that construction authorized under this CPCN is substantially completed. Construction costs shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for water utilities prescribed by the Commission.

8. Northeast Woodford District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction authorized under this CPCN.

9. Any documents filed in the future pursuant to ordering paragraphs 5, 7, and 8 shall reference this case number and shall be retained in the post-case correspondence file.

10. The Executive Director is delegated authority to grant reasonable extensions of time for filing any documents required by this Order upon Northeast Woodford District's showing of good cause for such extension.

11. This case is hereby closed and will be removed from the Commission's docket.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any other agency as to the securities authorized in this Order.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission

ENTERED  
NOV 06 2018  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2018-00351

\*Gerald E Wuetcher  
Attorney at Law  
STOLL KEENON OGDEN PLLC  
300 West Vine Street  
Suite 2100  
Lexington, KENTUCKY 40507-1801

\*Joseph M Hoffman  
Joseph M. Hoffman and Associates  
100 United Drive  
Suite 4B  
Versailles, KENTUCKY 40383

\*Northeast Woodford County Water District  
225A South Main Street  
Versailles, KY 40383

\*John S Davis  
Chairman  
Northeast Woodford County Water District  
225A South Main Street  
Versailles, KY 40383

## RESOLUTION

RESOLUTION OF THE NORTHEAST WOODFORD COUNTY WATER DISTRICT APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN THE NORTHEAST WOODFORD COUNTY WATER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY.

WHEREAS, the Board of Commissioners, ("governing authority") of the Northeast Woodford County Water District, ("Governmental Agency") has previously determined that it is in the public interest to acquire and construct certain water facilities and improvements to the Water System being maintained and operated by the Governmental Agency (the "Project"); and

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the "Authority") for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Northeast Woodford County Water District, as follows:

SECTION 1. That the governing authority hereby approves and authorizes of the Assistance Agreement between the Governmental Agency and the Authority substantially in the form on file with the Governmental Agency for the purpose of providing the necessary financing to the Governmental Agency for the Project.

SECTION 2. That any officer of the Governmental Agency be and hereby is authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on June 5, 2018

  
Chairman

Attest:

  
Secretary

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Northeast Woodford County Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the governing authority of said Agency at a meeting duly held on \_\_\_\_\_, 20\_\_\_\_; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this 5<sup>th</sup> day of June, 20\_\_\_\_.

Kenneth Brothers  
Secretary

12973019v1

# NORTHEAST WOODFORD WATER DISTRICT

## JUNE MEETING MINUTES

JUNE 5, 2018

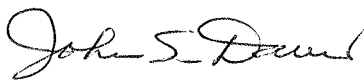
- I. Call to order  
John Davis called to order the meeting of the Northeast Woodford Water District at the district office @10:01am
- II. Attendees  
John Davis, Chairman  
Larry Moore, Treasurer  
Ken Brothers, Secretary  
Fred Faust, Biller  
Dale Gatewood, Manager  
Sandy Broughman, Engineer
- III. Approval of minutes from the last meeting  
Northeast Woodford Water District read the minutes from the May's regular meeting. Larry Moore made a motion to accept the minutes and Ken Brothers second. Minutes approved.
- IV. Current Issues
- Fred
- a) Cut Off June 18th
  - b) Sign Checks June 8th
  - c) Board approves Fred to pay the interest on Farmers Home Loan
  - d) Sandy and Dale have responded to Larry Stones letter he brought to the office.
  - e) Discussed Angela Tucker continued water leak, and 704 Old Frankfort Pike - doesn't have a leak.
  - f) Kentucky River Authority pass thru will affect our August bills, board passes resolution for chairman to sign required documents.
- Dale
- g) Division of water was in to audit district and found no deficiencies.
  - h) Working of the overhearing issue, possibly putting an axillary fan under the unit.
- Sandy
- i) Water tank is being repaired this week. Storm that came thru on 5/31 caused some tree damage and that had to be cleared first. Will be getting a bill for the tree removal and fence.
  - j) 4200 Old Frankfort Pike has requested service. Right past the Headley Whitley property, We can provide water at his cost.
  - h) Board has approved the Resolution: Assistance Agreement by and between Kentucky Infrastructure Authority and Northeast Woodford Water District dates as of June 1, 2018, No. B17-007 assistance agreement, copy
- John
- i) John will be submitting Assistance agreement to attorneys today.

Commission approves to pay the bills.

### Adjournment

John Davis called the meeting to adjourn. Ken Brothers made action and Larry Moore second the motion @10:52am

Minutes submitted by Fred Faust

  
JOHN S. DAVIS  
CHAIRMAN



**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**Minutes of the Full Board**

**Meeting Date/Location: October 27, 2016 – 1:00 p.m.**  
**Kentucky Infrastructure Authority**  
**1024 Capital Center Drive, Suite 340, Frankfort**

**Members present:**

Mr. Mark Bunning, Finance and Administration Cabinet  
(proxy for Secretary William Landrum, FAC)  
Mr. John Fischer, (proxy for Acting Secretary Erik Dunnigan), Cabinet for Economic Development  
Ms. Talina Mathews, Executive Director, Public Service Commission  
Mr. Paul Lashbrooke, representing the Kentucky Rural Water Association  
Ms. Linda C. Bridwell, representing for-profit private water companies  
Mr. Bruce Scott, Energy and Environment Cabinet  
(proxy for Secretary Charles Snavelly, EEC)  
Mr. C. Ronald Lovan, representing the American Water Works Association  
Mr. David A. Voegelé, representing Kentucky Association of Counties  
Mr. Claude Christensen, representing Kentucky League of Cities  
Mr. Robert A. Amato, representing Kentucky Municipal Utilities Association

**Members absent:**

Ms. Sandra Dunahoo, Commissioner, Department for Local Government

**Guests:**

Mr. Matt Baker, Cann-Tech, LLC  
Mr. Jory Becker, Division of Water  
Mr. Larry Cann, Cann-Tech, LLC  
Mr. David Cartmell, Mayor, City of Maysville  
Mr. Mike Flynn, Winchester Municipal Utilities  
Mr. Darren Garrison, City of Maysville  
Ms. Laura Jefferson, Buffalo Trace Area Development District  
Mr. Bryan Kirby, Community Economic Development Associates, Inc.  
Mr. Patrick Kirby, Community Economic Development Associates, Inc.  
Mr. Gary Larimore, Kentucky Rural Water  
Mr. Phil Meador, Kenvirons, Inc.  
Mr. Paul Nesbitt, Nesbitt Engineering, Inc.  
Mr. Joe Pfeffer, Mason County Judge Executive  
Ms. Denise Pitts, Office of Financial Management  
Mr. Roy Sawyers, Mountain Water District  
Mr. Andrew Schachtner, Department for Local Government

Ms. Jennifer Sparks, Winchester Municipal Utilities  
Ms. Penny Stanfield, City of Maysville  
Mr. Matt Wallingford, City of Maysville  
Ms. Rose Wolfe, Mayor, City of Jackson

## **PROCEEDINGS**

Vice Chair Linda Bridwell called the meeting of the Kentucky Infrastructure Authority (KIA) Board to order. Ms. Bridwell asked board members and guests to introduce themselves. A quorum was confirmed. It was also noted that the press had been notified regarding the meeting.

### **I. BUSINESS (Board Action Required)**

#### **A. 1. APPROVAL OF MINUTES**

**For: KIA Regular Board Meeting of September 1, 2016**

*Mr. Paul Lashbrooke moved to approve the minutes of the September 1, 2016, regular board meeting. Mr. Bruce Scott seconded, and the motion carried unanimously.*

#### **B. NEW PROJECTS/ACTION ITEMS**

##### **1. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-077) INCREASING THE AMOUNT TO \$3,472,921 TO THE MOUNTAIN WATER DISTRICT, PIKE COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Jami Johnson, KIA, discussed the Mountain Water District's (District) request for an increase to a Fund A loan in the amount of \$370,000 to make the total loan requested \$3,472,921 for the Douglas Wastewater Treatment Plant Project. The District initially opened bids June 2016 which resulted in a rejection of all bids due to them coming in excessively higher than estimated. The excessive increase is believed to be attributed to the new membrane technology being the first installed in the Commonwealth.

The District re-bid the project in August 2016 with modifications to the grading and odor control roof which resulted in lower bids. The District decided to add three alternates including Penny Road Lift Station Renovation, Lick Branch Lift Station Renovation and a 400 KW Diesel

Stationary Standby Generator. The original loan amount of \$3,102,921 and project scope, which was approved by the KIA board on April 2, 2015, is as follows:

The project will construct a new wastewater treatment plant to replace its existing plant using membrane technology. The plant will increase capacity from 200,000 gallons per day (GPD) to 300,000 GPD and add headwork designed to expand capacity to 400,000 GPD. The plant is currently at maximum capacity and the expansion will allow more customers to be added to the service.

Another component to this project is rehabilitation to the lift stations to efficiently serve customers and increase reliability of the sewer collection system. The District will install high efficiency pumps and motors in conjunction with advanced electrical controllers for best optimization of the station. Odor and corrosion control systems will be installed at the lift stations upstream of the new treatment plant that will assist in minimizing hydrogen sulfide issues to the more developed area.

The District serves the area of Pike County and has approximately 17,200 water and 2,400 sewer customers. Elkhorn City purchases approximately six million gallons of water annually from the District.

***Ms. Talina Mathews abstained from voting. Mr. Mark Bunning moved to approve the Fund "A" Loan, (A15-077) in the amount of \$3,472,921 to the Mountain Water District with the standard conditions. Mr. Ron Lovan seconded, and the motion was unanimously approved.***

**2. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A17-010) IN THE AMOUNT OF \$1,404,000 TO THE CITY OF WINCHESTER, CLARK COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Mr. Brandi Norton, KIA, discussed the City of Winchester's request for a fund "A" loan in the amount of \$1,404,000 for the Hampton Manor Outfall Sewer project. This project will eliminate two sanitary sewer overflows and will include improvements to the sanitary sewer collection system in the upper reaches of the Lower Howards Creek sewer shed. The proposed project scope includes replacement of approximately 3,200 LF of 24-inch aged gravity sanitary sewer, 14 manholes, 300 ft of road bore and other appurtenant structures.

This project is needed to comply with a Consent Decree issued by the US Environmental Protection Agency (EPA Consent Decree #06-102-KSF).

***Mr. Mark Bunning moved to approve the Fund “A” Loan, (A17-010) in the amount of \$1,404,000 to the City of Winchester with the standard conditions. Mr. Bruce Scott seconded, and the motion was unanimously approved.***

**3. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A17-011) IN THE AMOUNT OF \$4,000,000 TO THE CITY OF MAYSVILLE, MASON COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Debbie Landrum, KIA, discussed the City of Maysville’s request for a fund “A” loan in the amount of \$4,000,000 for the Wastewater Treatment Plant Upgrade project. This project consists of modifications at the wastewater treatment plant including improvements to the grit chamber, screens, clarifier and influent pumps. These improvements will allow the wastewater treatment facility to better accommodate additional flows generated due to the elimination of sewer overflows throughout the system. The system is currently under federal consent judgment with the EPA to eliminate combined sewer overflows.

***Mr. Paul Lashbrooke moved to approve the Fund “A” Loan, (A17-011) in the amount of \$4,000,000 to the City of Maysville with the standard conditions. Ms. Talina Mathews seconded, and the motion was unanimously approved.***

**4. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND LOAN (A17-015) IN THE AMOUNT OF \$593,000 TO THE CITY OF JACKSON, BREATHITT COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Ashley Adams, KIA, discussed the City of Jackson’s request for a Fund “A” loan in the amount of \$593,000 for the Lift Station Rehabilitation Project Phase II. This project will rehabilitate seven duplex lift stations, replace four residential grinder stations, and replace three influent pumps at the wastewater treatment plant that are in frequent need of repair due to age. In addition, approximately 2,500 linear feet of 4 inch force main will be upsized and replaced with 6 inch in order

to reduce friction loss and increase flow in the area. The project will reduce the likelihood that wastewater contaminants are released directly into the raw water source for the City's Water Treatment plant.

The system serves approximately 1,456 households in Breathitt County.

***Mr. Claude Christensen moved to approve the Fund "A" Loan, (A17-015) in the amount of \$593,000 to the City of Jackson with the standard conditions. Mr. Paul Lashbrooke seconded, and the motion was unanimously approved.***

**5. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B17-007) OF \$400,000 TO THE NORTHEAST WOODFORD COUNTY WATER DISTRICT, WOODFORD COUNTY, KENTUCKY**

Ms. Brandi Norton, KIA, discussed the Northeast Woodford County Water District's request a Fund "B" loan in the amount of \$400,000 for the Northeast Woodford County Improvement project. This project will replace a 35 year old aging booster pump station with a new booster pump station containing SCADA. This project also consists of a one mile waterline extension along Sugar Hill Road that will add an additional 2 customers as well as the replacement of 5,000 linear feet of water main along Old Frankfort Pike. This improvement will affect 50 underserved customers.

The Northeast Woodford County Water District serves approximately 983 homes within Woodford and Fayette counties. The District purchases approximately 124 million gallons of water annually from Versailles Municipal Water System and is subject to the Public Service Commission jurisdiction.

***Ms. Talina Mathews abstained from voting. Mr. Ron Lovan moved to approve the Fund "B" Loan, (B17-007) in the amount of \$400,000 to the Northeast Woodford County Water District with the standard conditions. Mr. John Fischer seconded, and the motion was unanimously approved.***

**6. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F17-007) IN**

**THE AMOUNT OF \$883,000 TO THE CITY OF OLIVE HILL, CARTER COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Ashley Adams, KIA, discussed the City of Olive Hill’s request for a Fund “F” loan in the amount of \$883,000 for the Olive Hill Downtown Area Waterline Replacement Project. This project will replace approximately 5,900 linear feet of failing cast iron water lines in the downtown area of Olive Hill with new PVC lines. The area covered in this project has been determined by water loss studies to have an estimated 50% loss and is also the oldest part of the system. In addition to the line replacement, the project will replace twelve hydrants as well as facilitate the inspection, rehabilitation, and recommission of the Tick Ridge standpipe water tank. The recommission of the existing tank will add 250,000 gallons to the current storage capacity of the City's water system as well as stabilize the available volume and pressure for the downtown area.

The system serves approximately 2,338 households in Carter County.

***Mr. Mark Bunning moved to approve the Fund “F” Loan, (F17-007) in the amount of \$883,000 to the City of Olive Hill with the standard conditions and the following special condition: The City of Olive Hill will increase rates 2.5% effective July 1, 2018 and another 2.5% by July 1, 2019. The City must pass the rate ordinance by January 31, 2017. Mr. Claude Christensen seconded, and the motion was unanimously approved.***

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

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

<b>APPLICANT</b>	<b>FUND</b>	<b>AMOUNT</b>
Mountain Water District (Increase)	A15-077	\$ 3,472,921
City of Winchester	A17-010	\$ 1,404,000
City of Maysville	A17-011	\$ 4,000,000
City of Jackson	A17-015	\$ 593,000

Northeast Woodford County Water District	B17-007	\$ 400,000
City of Olive Hill	F17-007	\$ 883,000

***Mr. John Fischer moved to approve the resolution. Mr. Bruce Scott seconded, and the motion carried unanimously.***

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

#### **I. DISCUSSION**

DLG Staff Attorney, Bill Pauley had no updates to provide.

Mark Bunning inquired about staff providing a periodic update on loans and their draw down amounts. Jeff Abshire confirmed that would be no problem and could be provided on a monthly basis.

### **IV. ANNOUNCEMENTS/NOTIFICATIONS**

- Next scheduled KIA board meeting:  
Thursday, December 1, 2016, 1:00 p.m.  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky

***There being no further business, Ms. Talina Mathews moved to adjourn. Mr. Paul Lashbrooke seconded and the motion carried unanimously. The October 27 2016, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.***

Submitted by:



Brandi Norton, Secretary  
Kentucky Infrastructure Authority

November 21, 2016

Date



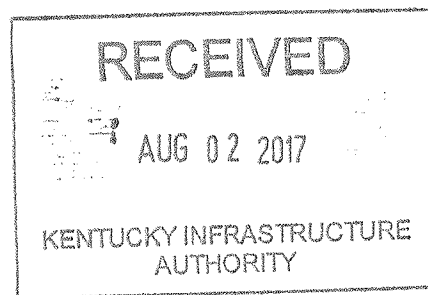
## KENTUCKY INFRASTRUCTURE AUTHORITY

**Matthew G. Bevin**  
Governor

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

November 3, 2016

Honorable John Davis, Chairman  
Northeast Woodford County Water District  
225 South Main Street  
Versailles, KY 40383



### KENTUCKY INFRASTRUCTURE AUTHORITY INFRASTRUCTURE REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (B17-007)

Dear Chairman Davis:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On October 27, 2016, the Authority approved your loan for the Northeast Woodford County Improvement Project, subject to the conditions stated below. The total cost of the project shall not exceed \$400,000 of which the Authority loan is the sole source of the funding. The final loan amount will be equal to the Authority's portion of estimated project cost applied to the actual project cost. Attachment A incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Northeast Woodford County Water District upon satisfactory performance of the conditions set forth in this letter. You must meet the conditions set forth in this letter and enter into an Assistance Agreement by November 3, 2017 (twelve months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

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

1. The Authority project loan shall not exceed \$400,000.
2. The loan shall bear interest at the rate of 1.75 percent per annum commencing



with the first draw of funds.

3. The loan shall be repaid over a period not to exceed 20 years from the date of the last draw of funds.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid.
5. Full principal payments will commence on June 1, or December 1, immediately succeeding the date of the last draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the last draw of funds, then the first principal payment date shall be the June 1, or December 1, which is at least six months from the date of the last draw of funds. Full payments will be due each six months thereafter until the loan is repaid.
6. A loan servicing fee of 0.20% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
7. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
8. The Authority requires that an annual financial audit be provided for the life of the loan.
9. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.

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

1. Upon completion of final design of the facilities in the attached project description, favorable approval shall be obtained of such design by all appropriate parties as required by Kentucky statute or administrative regulation.
2. Applicant must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable state and local procurement laws.
3. Documentation of final funding commitments from all parties other than the

Authority as reflected in the Attachment A description shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding, or any new funding sources not reflected in Attachment A shall be immediately reported and may cause this loan to be subject to further consideration.

4. Upon receipt of construction bids a tabulation of such bids and engineer's recommendations on compliance with bid specifications and recommendation for award, shall be forwarded to the Authority for final approval and sizing of this loan and the project.
5. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the state's execution of the Assistance Agreement. The Committee meets monthly on the third Tuesday. Any special conditions listed in Attachment A must be satisfied before the project is presented before the Committee.
6. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.
7. Based on the final "as bid" project budget, the borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by your consultant engineer.
8. All easements or purchases of land shall be completed prior to commencement of construction. Certification of all land or easement acquisitions shall be provided to the Authority.
9. Documentation of Clearinghouse Endorsement and Clearinghouse Comments.
10. The Borrower must complete and return the attached "Authorization for Electronic Deposit of Vendor Payment" form to the Authority.
11. Implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
12. Final Design Plans in an AutoCAD Drawing File Format (DWG), referenced to the appropriate (North, South or Single) Kentucky State Plane Coordinate System (NAD83-Survey Feet) on a Compact Disc (CD). The recipient shall provide the Authority a digital copy (pdf) of the record drawings from the project

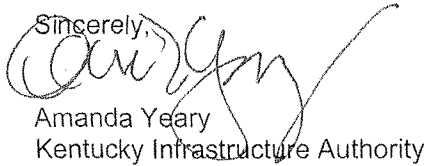
Chairman Davis  
November 3, 2016  
Page 4

within three months of construction completion.

Any special conditions listed below and/or stated in Attachment A must be resolved.

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

Sincerely,



Amanda Yeary  
Kentucky Infrastructure Authority

Attachments

cc: Warner Broughman, Warner Broughman & Associates

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Also attach the completed "Authorization for Electronic Deposit of Vendor Payment" Form.



Accepted

November 3, 2016  
Date

# Attachment #9

Northeast Water District

TOTAL BOND AND INTEREST REQUIREMENTS PAYABLE  
December 31, 2020

Northeast Woodford Water  
SCHEDULE OF BOND AND INTEREST REQUIREMENTS

December 31, 2020

FISCAL YEAR ENDING Dec 31	BOND PRIN. DUE	INTEREST -----		TOTAL INTEREST -----	TOTAL REQUIREMENTS -----	
-----	-----	-----		-----	-----	
2012						
2013						
2014						
2015						
2016						
2017				0	0	353,000
2018			0.00	0	0	339,000
2019				0	0	324,000
2020				0	0	308,000
2021	17,000	8,855.00	8,366.25	17,221	34,221	291,000
2022	18,000	8,366.25	7,848.75	16,215	34,215	273,000
2023	19,000	7,848.75	7,302.50	15,151	34,151	254,000
2024	21,000	7,302.50	6,698.75	14,001	35,001	233,000
2025	22,000	6,698.75	6,066.25	12,765	34,765	211,000
2026	23,000	6,066.25	5,405.00	11,471	34,471	188,000
2027	25,000	5,405.00	4,686.25	10,091	35,091	163,000
2028	26,000	4,686.25	3,938.75	8,625	34,625	137,000
2029	28,000	3,938.75	3,133.75	7,073	35,073	109,000
2030	30,000	3,133.75	2,271.25	5,405	35,405	79,000
2031	32,000	2,271.25	1,351.25	3,623	35,623	47,000
2032	34,000	1,351.25	373.75	1,725	35,725	13,000
2033	13,000	373.75	0.00	374	13,374	0
2034		0.00	0.00	0	0	0
2035						
TOTAL	308,000	66,298	57,443	123,740	431,740	

KENTUCKY INFRASTRUCTURE AUTHORITY  
 LOAN #B17-007  
 NORTHEAST WOODFORD COUNTY WATER DISTRICT

UNOFFICIAL

1.75% Interest  
 \$11,895.12 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$400,000.00		
12/01/22	\$8,395.12	\$3,500.00	1.75%	\$11,895.12	\$400.00	\$0.00	\$12,295.12	\$391,604.88	\$1,000.00	\$1,000.00
06/01/23	\$8,468.58	\$3,426.54	1.75%	\$11,895.12	\$391.60	\$0.00	\$12,286.72	\$383,136.30	\$0.00	\$1,000.00
12/01/23	\$8,542.68	\$3,352.44	1.75%	\$11,895.12	\$383.14	\$0.00	\$12,278.26	\$374,593.62	\$1,000.00	\$2,000.00
06/01/24	\$8,617.43	\$3,277.69	1.75%	\$11,895.12	\$374.59	\$0.00	\$12,269.71	\$365,976.19	\$0.00	\$2,000.00
12/01/24	\$8,692.83	\$3,202.29	1.75%	\$11,895.12	\$365.98	\$0.00	\$12,261.10	\$357,283.36	\$1,000.00	\$3,000.00
06/01/25	\$8,768.89	\$3,126.23	1.75%	\$11,895.12	\$357.28	\$0.00	\$12,252.40	\$348,514.47	\$0.00	\$3,000.00
12/01/25	\$8,845.62	\$3,049.50	1.75%	\$11,895.12	\$348.51	\$0.00	\$12,243.63	\$339,668.85	\$1,000.00	\$4,000.00
06/01/26	\$8,923.02	\$2,972.10	1.75%	\$11,895.12	\$339.67	\$0.00	\$12,234.79	\$330,745.83	\$0.00	\$4,000.00
12/01/26	\$9,001.09	\$2,894.03	1.75%	\$11,895.12	\$330.75	\$0.00	\$12,225.87	\$321,744.74	\$1,000.00	\$5,000.00
06/01/27	\$9,079.85	\$2,815.27	1.75%	\$11,895.12	\$321.74	\$0.00	\$12,216.86	\$312,664.89	\$0.00	\$5,000.00
12/01/27	\$9,159.30	\$2,735.82	1.75%	\$11,895.12	\$312.66	\$0.00	\$12,207.78	\$303,505.59	\$1,000.00	\$6,000.00
06/01/28	\$9,239.45	\$2,655.67	1.75%	\$11,895.12	\$303.51	\$0.00	\$12,198.63	\$294,266.14	\$0.00	\$6,000.00
12/01/28	\$9,320.29	\$2,574.83	1.75%	\$11,895.12	\$294.27	\$0.00	\$12,189.39	\$284,945.85	\$1,000.00	\$7,000.00
06/01/29	\$9,401.84	\$2,493.28	1.75%	\$11,895.12	\$284.95	\$0.00	\$12,180.07	\$275,544.01	\$0.00	\$7,000.00
12/01/29	\$9,484.11	\$2,411.01	1.75%	\$11,895.12	\$275.54	\$0.00	\$12,170.66	\$266,059.90	\$1,000.00	\$8,000.00
06/01/30	\$9,567.10	\$2,328.02	1.75%	\$11,895.12	\$266.06	\$0.00	\$12,161.18	\$256,492.80	\$0.00	\$8,000.00
12/01/30	\$9,650.81	\$2,244.31	1.75%	\$11,895.12	\$256.49	\$0.00	\$12,151.61	\$246,841.99	\$1,000.00	\$9,000.00
06/01/31	\$9,735.25	\$2,159.87	1.75%	\$11,895.12	\$246.84	\$0.00	\$12,141.96	\$237,106.74	\$0.00	\$9,000.00
12/01/31	\$9,820.44	\$2,074.68	1.75%	\$11,895.12	\$237.11	\$0.00	\$12,132.23	\$227,286.30	\$1,000.00	\$10,000.00
06/01/32	\$9,906.36	\$1,988.76	1.75%	\$11,895.12	\$227.29	\$0.00	\$12,122.41	\$217,379.94	\$0.00	\$10,000.00
12/01/32	\$9,993.05	\$1,902.07	1.75%	\$11,895.12	\$217.38	\$0.00	\$12,112.50	\$207,386.89	\$1,000.00	\$11,000.00
06/01/33	\$10,080.48	\$1,814.64	1.75%	\$11,895.12	\$207.39	\$0.00	\$12,102.51	\$197,306.41	\$0.00	\$11,000.00
12/01/33	\$10,168.69	\$1,726.43	1.75%	\$11,895.12	\$197.31	\$0.00	\$12,092.43	\$187,137.72	\$1,000.00	\$12,000.00
06/01/34	\$10,257.66	\$1,637.46	1.75%	\$11,895.12	\$187.14	\$0.00	\$12,082.26	\$176,880.06	\$0.00	\$12,000.00
12/01/34	\$10,347.42	\$1,547.70	1.75%	\$11,895.12	\$176.88	\$0.00	\$12,072.00	\$166,532.64	\$1,000.00	\$13,000.00
06/01/35	\$10,437.96	\$1,457.16	1.75%	\$11,895.12	\$166.53	\$0.00	\$12,061.65	\$156,094.68	\$0.00	\$13,000.00
12/01/35	\$10,529.29	\$1,365.83	1.75%	\$11,895.12	\$156.09	\$0.00	\$12,051.21	\$145,565.39	\$1,000.00	\$14,000.00
06/01/36	\$10,621.42	\$1,273.70	1.75%	\$11,895.12	\$145.57	\$0.00	\$12,040.69	\$134,943.97	\$0.00	\$14,000.00
12/01/36	\$10,714.36	\$1,180.76	1.75%	\$11,895.12	\$134.94	\$0.00	\$12,030.06	\$124,229.61	\$1,000.00	\$15,000.00
06/01/37	\$10,808.11	\$1,087.01	1.75%	\$11,895.12	\$124.23	\$0.00	\$12,019.35	\$113,421.50	\$0.00	\$15,000.00
12/01/37	\$10,902.68	\$992.44	1.75%	\$11,895.12	\$113.42	\$0.00	\$12,008.54	\$102,518.82	\$1,000.00	\$16,000.00
06/01/38	\$10,998.08	\$897.04	1.75%	\$11,895.12	\$102.52	\$0.00	\$11,997.64	\$91,520.74	\$0.00	\$16,000.00
12/01/38	\$11,094.31	\$800.81	1.75%	\$11,895.12	\$91.52	\$0.00	\$11,986.64	\$80,426.43	\$1,000.00	\$17,000.00
06/01/39	\$11,191.39	\$703.73	1.75%	\$11,895.12	\$80.43	\$0.00	\$11,975.55	\$69,235.04	\$0.00	\$17,000.00
12/01/39	\$11,289.31	\$605.81	1.75%	\$11,895.12	\$69.24	\$0.00	\$11,964.36	\$57,945.73	\$1,000.00	\$18,000.00
06/01/40	\$11,388.09	\$507.03	1.75%	\$11,895.12	\$57.95	\$0.00	\$11,953.07	\$46,557.64	\$0.00	\$18,000.00
12/01/40	\$11,487.74	\$407.38	1.75%	\$11,895.12	\$46.56	\$0.00	\$11,941.68	\$35,069.90	\$1,000.00	\$19,000.00
06/01/41	\$11,588.26	\$306.86	1.75%	\$11,895.12	\$35.07	\$0.00	\$11,930.19	\$23,481.64	\$0.00	\$19,000.00
12/01/41	\$11,689.66	\$205.46	1.75%	\$11,895.12	\$23.48	\$0.00	\$11,918.60	\$11,791.98	\$1,000.00	\$20,000.00
06/01/42	\$11,791.98	\$103.14	1.75%	\$11,895.12	\$11.79	\$0.00	\$11,906.91	\$0.00	\$0.00	\$20,000.00
<b>Totals</b>	<b>\$400,000.00</b>	<b>\$75,804.80</b>		<b>\$475,804.80</b>	<b>\$8,663.42</b>	<b>\$0.00</b>	<b>\$484,468.22</b>		<b>\$20,000.00</b>	

# Attachment #10

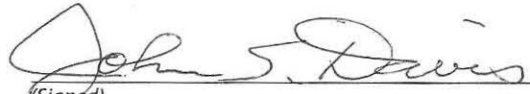
**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

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 Northeast Woodford County 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

- 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."

John Davis  
(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 Woodford

Subscribed and sworn to before me by John S. Davis  
(Name)

this 5<sup>th</sup> day of July, 2022.

Mary A. Faust  
NOTARY PUBLIC  
State-at-Large



**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 Northeast Woodford County 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

- 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."

Ken Brothers  
(Print Name)

Ken Brothers  
(Signed)

Secretary  
(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 Woodford

Subscribed and sworn to before me by Ken Brothers  
(Name)

this 12<sup>th</sup> day of July, 2022.

Mary A. Faust  
NOTARY PUBLIC  
State-at-Large



**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 Northeast Woodford County 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

- 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."

LAWRENCE W. MOORE  
(Print Name)

Lawrence W Moore  
(Signed)

TREASURER  
(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 Woodford

Subscribed and sworn to before me by Lawrence W. Moore  
(Name)

this 12<sup>th</sup> day of July, 2023.

Mary A. Faust  
NOTARY PUBLIC  
State-at-Large



# Attachment #11

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
NORTHEAST WOODFORD WATER DISTRICT PROPOSING  
ADJUSTMENTS TO ITS WATER RATES AND CHARGES AND  
AUTHORIZING ITS CHAIRMAN TO FILE AN APPLICATION  
WITH THE PSC SEEKING APPROVAL OF THE PROPOSED  
RATE ADJUSTMENT**

**WHEREAS**, the Northeast Woodford Water District (“District”) is a water district created and organized under the provisions of KRS Chapter 74. The District is subject to the jurisdiction of the Kentucky Public Service Commission (“PSC”);

**WHEREAS**, prudent financial management dictates that the District take appropriate action to adjust its water rates and charges; and

**WHEREAS**, KRS 278.180 and 807 KAR 5:076 provide the legal mechanism for the District to propose adjustments to its water rates and charges;

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF NORTHEAST WOODFORD 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 District proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in **Appendix A** are subject to any minor adjustments that may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

**Section 3.** The Chairman and Manager are hereby authorized and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing (“ARF”) Application, Tariff Sheets, and all other documents that may be required by the PSC.


**Section 4.** The Chairman, Manager, and all others to whom the Chairman may delegate certain responsibilities are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

**Section 5.** This Resolution shall take effect upon its adoption.

**ADOPTED BY THE COMMISSION OF NORTHEAST WOODFORD WATER DISTRICT** at a meeting held on July 5, 2022, signed by the Chairman, and attested by the Secretary.

  
\_\_\_\_\_  
**CHAIRMAN**

ATTEST:

  
\_\_\_\_\_  
**SECRETARY**

**CERTIFICATION**

I, Secretary of the Northeast Woodford Water District (the “District”), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the District at a meeting properly held on July 5, 2022, signed by the Chairman of the District, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 5th day of July 2022.

  
\_\_\_\_\_  
**SECRETARY**



**APPENDIX A**

**CURRENT AND PROPOSED RATES**  
**NORTHEAST WOODFORD WATER DISTRICT**

**5/8X3/4 Inch**

<u>Rate per Thousand Gallons</u>								
	<u>per Month</u>		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>			
First	2,000	gallons	\$ 13.14	\$ 15.27	\$ 2.13		16.21%	
Next	2,000	gallons	\$ 4.36	\$ 5.07	\$ 0.71		16.28%	
Next	6,000	gallons	\$ 4.07	\$ 4.73	\$ 0.66		16.22%	
Over	100,000	gallons	3.85	\$ 4.47	\$ 0.62		16.10%	

**2 Inch**

<u>Rate per Thousand Gallons</u>								
	<u>per Month</u>		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>			
First	20,000	gallons	\$ 84.78	\$ 98.52	\$ 13.74		16.21%	
Over	20,000	gallons	3.85	\$ 4.47	\$ 0.62		16.10%	