

SUMMARY ADDENDUM
TO
PRELIMINARY ENGINEERING REPORT

DATED January 2021 Revised November 2022

FOR

Rattlesnake Ridge Water District – Phase 12 Water System Improvements Project
(Name of Project)

APPLICANT CONTACT PERSON Bill Gilbert, Chairman

APPLICANT PHONE NUMBER (606) 474-7570

APPLICANT TAX IDENTIFICATION NUMBER (TIN) 61-1037311

I. GENERAL

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

The proposed project is to replace approximately 4,000 water meters and the associated service lines. In total, about 7,000 feet of Blue-Max line will be replaced with PVC line along with 700 meter setters that have been problematic since installation. All new meters installed will be radio read. In addition to customer meters, five master meters will be installed at various points around the system to better monitor water loss. RTUs will also be used to provide new information in a more timely manner.

II. **FACILITY CHARACTERISTICS OF EXISTING SEWER SYSTEM** **N/A**

A. ***Sewage Treatment:***

1. Type _____
2. Method of Sludge Disposal _____
3. Cost per 1,000 gallons if sewage treatment is contracted:
\$ _____
4. Date Constructed _____

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

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

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

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

Lineal Feet of Collector Lines, by size 6" _____ 8" _____
10" _____ 12" _____, Larger _____
Date(s) Constructed _____

F. ***Conditions of Existing System: Briefly describe the conditions and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.***

III. FACILITY CHARACTERISTICS OF EXISTING WATER SYSTEM

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

The District operates its own 2.4 MGD capacity WTP. Currently the average production of the WTP is 1.3 MGD. The District currently purchases water from the City of Grayson and sells water to Big Sandy Water District, City of Vanceburg, Sandy Hook Water District and City of Olive Hill.

If the applicant purchases water:

Seller(s):

1. City of Grayson

Price/1,000 gallons:

1. \$4.20

Present Estimated Market Value of Existing System: \$ 20,947,176.00

B. Water Storage:

Type: Ground Storage Tank Elevated Tank

Standpipe Other

Number of Storage Structures 13

Total Storage Volume Capacity 2,074,000 Gallons

Date Storage Tank(s) Constructed 1985 to 2015

C. Water Distribution System:

Pipe Material PVC, Cast Iron

Lineal Feet of Pipe: 2,400,000 LF of 2, 3, 4, 6, 8, 10 and 12 inch pipe

All pipe footage is an estimate only.

Date(s) Water Lines Constructed 1985 - present

Number and Capacity of Pump Station(s) Eight (8) pump stations ranging from 10gpm to 350 gpm

D. Condition of Existing Water System:

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

The District currently has a high water loss which can be partly attributable to the poor condition of its customer service lines. A large portion of the service lines are comprised of polypropylene pipe which has become brittle and leads to many breaks and leaks. The water treatment plant was constructed in 2002 and upgraded in 2012. It is in good condition and is adequate for the foreseeable future. The system's storage tank and pump stations are in good condition.

E. Percentage of Water Loss Existing System 60%

IV. EXISTING LONG-TERM INDEBTEDNESS

A. List of Bonds and Notes:

DATE OF ISSUE	BOND HOLDER	PRINCIPAL BALANCE	PAYMENT DATE	BOND TYPE WATER/SEWER	AMOUNT ON DEPOSIT IN RESERVE ACCOUNT
1989	RD	\$ 82,000	June/Dec	100%	\$278,491 (per 2019 audit, this fund should be at \$808,680/it is underfunded by \$541,469)
1992	RD	\$ 190,500	June/Dec	100%	
1994-A	RD	\$ 264,000	June/Dec	100%	
1994-B	RD	\$ 116,500	June/Dec	100%	
1995-A	RD	\$ 275,000	June/Dec	100%	
1995-B	RD	\$ 62,500	June/Dec	100%	
2000-A	RD	\$ 676,000	June/Dec	100%	
2000-B	RD	\$ 318,000	June/Dec	100%	
2001-A	RD	\$ 646,000	June/Dec	100%	
2001-B	RD	\$ 45,600	June/Dec	100%	
2004-A	RD	\$ 1,101,500	June/Dec	100%	
2004-B	RD	\$ 451,000	June/Dec	100%	
2008-C	RD	\$ 285,000	June/Dec	100%	
2011-A	RD	\$ 1,202,000	June/Dec	100%	
2011-B	RD	\$ 1,022,500	June/Dec	100%	
2015	RD	\$ 192,000	June/Dec	100%	
2019	RD	\$ 2,490,000	June/Dec	100%	

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

DATE OF ISSUE	BOND HOLDER	PAYMENT YEAR: 2021		PAYMENT YEAR: 2022		PAYMENT YEAR: 2023	
		PRINCIPAL PAYMENT	INTEREST PAYMENT	PRINCIPAL PAYMENT	INTEREST PAYMENT	PRINCIPAL PAYMENT	INTEREST PAYMENT
1989	RD	\$ 7,800	\$ 3,540	\$ 8,200	\$ 3,140		
1992	RD	\$ 12,700	\$ 8,668	\$ 13,300	\$ 8,018		
1994-A	RD	\$ 13,000	\$ 10,778	\$ 13,600	\$ 10,179		
1994-B	RD	\$ 5,900	\$ 4,894	\$ 6,200	\$ 4,622		
1995-A	RD	\$ 12,100	\$ 12,071	\$ 12,600	\$ 11,516		
1995-B	RD	\$ 2,700	\$ 2,711	\$ 2,800	\$ 2,588		
2000-A	RD	\$ 11,000	\$ 15,282	\$ 11,500	\$ 14,776		
2000-B	RD	\$ 23,000	\$ 32,378	\$ 24,000	\$ 31,320		
2001-A	RD						
2001-B	RD	\$ 1,300	\$ 1,964	\$ 1,400	\$ 1,904		
2004-A	RD	\$ 26,000	\$ 46,856	\$ 28,000	\$ 45,675		
2004-B	RD	\$ 10,800	\$ 19,167	\$ 11,300	\$ 18,683		
2008-C	RD						
2011-A	RD						
2011-B	RD						
2015	RD						
2019	RD						

V. EXISTING SHORT-TERM INDEBTEDNESS

A. List of All Short Term Debts: (Do Not Show Any Debt Listed in Paragraph IV Above)

LENDOR OR LESSOR	DATE OF ISSUE (MONTH & YEAR)	PRINCIPAL BALANCE	PURPOSE (WATER AND/OR SEWER)	PAYMENT DATE	PRINCIPAL & INTEREST PAYMENT (P&I)	DATE TO BE PAID IN FULL
KADD Lease	Apr-05	\$ 75,000	Water	May-20	\$ 5,000	5/1/2025
Corps of Engineers	May-84	\$ 66,351	Water		\$ 2,133	

VI. LAND AND RIGHTS - EXISTING SYSTEM(S)

Number of Treatment Plant Sites: Water 1 Sewer N/A
 Number of Storage Tank Sites Water 13 Sewer N/A

Number of Pump Stations: Water 8 Sewer N/A
 Total Acreage: Water 20 Acres Sewer N/A Acres
 Purchase Price: Water \$ Sewer \$ N/A

VII. NUMBER OF EXISTING USERS

	Water	Sewer
Residential (In Town) *	_____	_____
Residential (Out of Town) *	<u>4,079</u>	_____
Non-Residential (In Town)	_____	_____
Non-Residential (Out of Town)	<u>10</u>	_____
Total	<u>4,089</u>	_____
Number to Total Potential Users Living in the Service Area	<u>250</u>	_____

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

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

Meter Size	Service Connection Fee
5/8" x 3/4"	\$700.00
3/4"	\$800.00
1"	\$1,100.00
1 1/2"	\$1,250.00
2"	\$1,500.00
3"	\$2,100.00
Larger than 3"	Actual Cost

IX. SEWER RATES - EXISTING SYSTEM N/A

Percentage of Water Bill _____ % Minimum Charge \$ _____

Other: (If Charge Not Based on Water Bill) _____

Date This Rate Went Into Effect _____

X. WATER RATES - EXISTING SYSTEM

Existing Rate Schedule:

<u>5/8" x 3/4" Meter</u>						
First	1,000	gallons			\$ 19.32	Minimum Bill
Next	4,000	gallons			14.40	per 1,000 gallons
Next	5,000	gallons			12.40	per 1,000 gallons
Next	10,000	gallons			11.10	per 1,000 gallons
Next	20,000	gallons			7.90	per 1,000 gallons
All Over	40,000	gallons			6.30	per 1,000 gallons
<u>3/4" Meter</u>						
First	5,000	gallons			\$ 76.92	Minimum Bill
Next	5,000	gallons			12.40	per 1,000 gallons
Next	10,000	gallons			11.10	per 1,000 gallons
Next	20,000	gallons			7.90	per 1,000 gallons
All Over	40,000	gallons			6.30	per 1,000 gallons
<u>1" Meter</u>						
First	10,000	gallons			\$ 138.92	Minimum Bill
Next	10,000	gallons			11.10	per 1,000 gallons
Next	20,000	gallons			7.90	per 1,000 gallons
All Over	40,000	gallons			6.30	per 1,000 gallons
<u>1 1/2" Meter</u>						
First	30,000	gallons			\$ 328.92	Minimum Bill
Next	10,000	gallons			7.90	per 1,000 gallons
All Over	40,000	gallons			6.30	per 1,000 gallons
<u>2" Meter</u>						
First	50,000	gallons			\$ 470.92	Minimum Bill
All Over	50,000	gallons			6.30	per 1,000 gallons
<u>3" Meter</u>						
First	100,000	gallons			\$ 785.92	Minimum Bill
All Over	100,000	gallons			6.30	per 1,000 gallons
<u>4" Meter</u>						
First	200,000	gallons			\$ 1,415.92	Minimum Bill
All Over	200,000	gallons			6.30	per 1,000 gallons
<u>6" Meter</u>						
First	500,000	gallons			\$ 3,305.92	Minimum Bill
All Over	500,000	gallons			6.30	per 1,000 gallons
Wholesale Rate						
Big Sandy Water District					\$ 4.30	per 1,000 gallons
City of Grayson					\$ 4.30	per 1,000 gallons
City of Vanceburg					\$ 3.82	per 1,000 gallons
<u>Wholesale Rate in Emergency Situations</u>						
City of Olive Hill					\$ 4.30	per 1,000 gallons
Kentucky Department of Parks (Golf Course Only)						
					\$ 4.63	per 1,000 gallons
Sandy Hook Water District						
First	50,000	gallons			\$ 145.15	Minimum Bill
All Over	50,000	gallons			2.90	per 1,000 gallons

XV. FACILITY CHARACTERISTICS OF PROPOSED WATER SYSTEM

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

Water Supply described in Section III-A.

B. Water Storage:

Type: Ground Storage Tank _____ Elevated Tank 1
Standpipe 4 Other _____

Number of Storage Structures 5

Total Storage Volume Capacity 988,000

C. Water Distribution System:

Pipe Material PVC, Cast Iron

Lineal Feet of Pipe: 2,400,000 LF of 2, 3, 4, 6, 8, 10 and 12 inch pipe

All pipe footage is an estimate only.

Date(s) Water Lines Constructed 1985 - present

Number and Capacity of Pump Station(s) Eight (8) pump stations ranging from
10gpm to 350 gpm

XVI. LAND AND RIGHTS - PROPOSED WATER SYSTEM

Number of Treatment Plant Sites 0

Number of Pump Sites 0

Number of Other Sites 0

Total Acreage 0 Acres

Purchase Price \$ 0

XIX. NUMBER OF NEW WATER USERS

Residential (In Town) *	<u>0</u>
Residential (Out of Town) *	<u>0</u>
Non-Residential (In Town)	<u>0</u>
Non-Residential (Out of Town)	<u>0</u>
Total	<u>0</u>
Number to Total Potential Users Living in the Service Area	<u>0</u>

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

XX. PROPOSED WATER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION:

Meter Size	Service Connection Fee
5/8" x 3/4"	\$700.00
3/4"	\$800.00
1"	\$1,100.00
1 1/2"	\$1,250.00
2"	\$1,500.00
3"	\$2,100.00
Larger than 3"	Actual Cost

XXII. WATER RATES - PROPOSED

A. Proposed Rate Schedule without RUS Grant:

PROPOSED RATES					
<u>5/8" x 3/4" Meter</u>					
First	1,000	gallons		\$ 21.64	Minimum Bill
Next	4,000	gallons		16.13	per 1,000 gallons
Next	5,000	gallons		13.89	per 1,000 gallons
Next	10,000	gallons		12.43	per 1,000 gallons
Next	20,000	gallons		8.85	per 1,000 gallons
All Over	40,000	gallons		7.06	per 1,000 gallons
<u>3/4" Meter</u>					
First	5,000	gallons		\$ 86.15	Minimum Bill
Next	5,000	gallons		13.89	per 1,000 gallons
Next	10,000	gallons		12.43	per 1,000 gallons
Next	20,000	gallons		8.85	per 1,000 gallons
All Over	40,000	gallons		7.06	per 1,000 gallons
<u>1" Meter</u>					
First	10,000	gallons		\$ 155.59	Minimum Bill
Next	10,000	gallons		12.43	per 1,000 gallons
Next	20,000	gallons		8.85	per 1,000 gallons
All Over	40,000	gallons		7.06	per 1,000 gallons
<u>1 1/2" Meter</u>					
First	30,000	gallons		\$ 368.39	Minimum Bill
Next	10,000	gallons		8.85	per 1,000 gallons
All Over	40,000	gallons		7.06	per 1,000 gallons
<u>2" Meter</u>					
First	50,000	gallons		\$ 527.43	Minimum Bill
All Over	50,000	gallons		7.06	per 1,000 gallons
<u>3" Meter</u>					
First	100,000	gallons		\$ 880.23	Minimum Bill
All Over	100,000	gallons		7.06	per 1,000 gallons
<u>4" Meter</u>					
First	200,000	gallons		\$ 1,585.83	Minimum Bill
All Over	200,000	gallons		7.06	per 1,000 gallons
<u>6" Meter</u>					
First	500,000	gallons		\$ 3,702.63	Minimum Bill
All Over	500,000	gallons		7.06	per 1,000 gallons
<u>Wholesale Rate</u>					
Big Sandy Water District				\$ 4.30	per 1,000 gallons
City of Grayson				\$ 4.30	per 1,000 gallons
City of Vanceburg				\$ 3.82	per 1,000 gallons
<u>Wholesale Rate in Emergency Situations</u>					
City of Olive Hill				\$ 4.30	per 1,000 gallons
Kentucky Department of Parks (Golf Course Only)				\$ 4.63	per 1,000 gallons
Sandy Hook Water District					
First	50,000	gallons		\$ 145.15	Minimum Bill
All Over	50,000	gallons		2.90	per 1,000 gallons

B. Recommended Rate Schedule with RUS Grant:

PROPOSED RATES				
<u>5/8" x 3/4" Meter</u>				
First	1,000	gallons	\$ 20.48	Minimum Bill
Next	4,000	gallons	15.26	per 1,000 gallons
Next	5,000	gallons	13.14	per 1,000 gallons
Next	10,000	gallons	11.77	per 1,000 gallons
Next	20,000	gallons	8.37	per 1,000 gallons
All Over	40,000	gallons	6.68	per 1,000 gallons
<u>3/4" Meter</u>				
First	5,000	gallons	\$ 81.54	Minimum Bill
Next	5,000	gallons	13.14	per 1,000 gallons
Next	10,000	gallons	11.77	per 1,000 gallons
Next	20,000	gallons	8.37	per 1,000 gallons
All Over	40,000	gallons	6.68	per 1,000 gallons
<u>1" Meter</u>				
First	10,000	gallons	\$ 147.26	Minimum Bill
Next	10,000	gallons	11.77	per 1,000 gallons
Next	20,000	gallons	8.37	per 1,000 gallons
All Over	40,000	gallons	6.68	per 1,000 gallons
<u>1 1/2" Meter</u>				
First	30,000	gallons	\$ 348.66	Minimum Bill
Next	10,000	gallons	8.37	per 1,000 gallons
All Over	40,000	gallons	6.68	per 1,000 gallons
<u>2" Meter</u>				
First	50,000	gallons	\$ 499.18	Minimum Bill
All Over	50,000	gallons	6.68	per 1,000 gallons
<u>3" Meter</u>				
First	100,000	gallons	\$ 833.08	Minimum Bill
All Over	100,000	gallons	6.68	per 1,000 gallons
<u>4" Meter</u>				
First	200,000	gallons	\$ 1,500.88	Minimum Bill
All Over	200,000	gallons	6.68	per 1,000 gallons
<u>6" Meter</u>				
First	500,000	gallons	\$ 3,504.28	Minimum Bill
All Over	500,000	gallons	6.68	per 1,000 gallons
<u>Wholesale Rate</u>				
Big Sandy Water District			\$ 4.56	per 1,000 gallons
City of Grayson			\$ 4.56	per 1,000 gallons
City of Vanceburg			\$ 4.05	per 1,000 gallons
<u>Wholesale Rate in Emergency Situations</u>				
City of Olive Hill			\$ 4.56	per 1,000 gallons
Kentucky Department of Parks (Golf Course Only)			\$ 4.91	per 1,000 gallons
Sandy Hook Water District				
First	50,000	gallons	\$ 153.86	Minimum Bill
All Over	50,000	gallons	3.07	per 1,000 gallons

XXV. FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM									
MONTHLY WATER USAGE									
			Residential				Commercial		
	AVERAGE	AVERAGE RATE	No. of Users	Usage 1,000	Income	No. of Users	Usage 1,000	Income	
0 - 1,000 Gal.	300	\$ 20.48	539	162	\$ 11,039	0	0	\$ -	
1,001 - 2,000 Gal.	1,119	\$ 22.30	645	722	\$ 14,381	0	0	\$ -	
2,001 - 3,000 Gal.	2,249	\$ 39.54	698	1,570	\$ 27,599	0	0	\$ -	
3,001 - 4,000 Gal.	3,100	\$ 52.53	752	2,331	\$ 39,500				
4,001 - 5,000 Gal.	4,300	\$ 70.84	539	2,318	\$ 38,182				
5,001 - 6,000 Gal.	5,250	\$ 85.14	341	1,790	\$ 29,033				
6,001 - 7,000 Gal.	6,400	\$ 101.70	245	1,568	\$ 24,917				
7,001 - 8,000 Gal.	7,350	\$ 115.38	120	882	\$ 13,846				
8,001 - 9,000 Gal.	8,100	\$ 126.18	83	672	\$ 10,473				
9,001 - 10,000 Gal.	9,400	\$ 144.90	39	367	\$ 5,651				
10,001 - 11,000 Gal.	10,300	\$ 150.98	44	453	\$ 6,643				
11,001 - 12,000 Gal.	11,250	\$ 162.76	21	236	\$ 3,418				
12,001 - 13,000 Gal.	12,200	\$ 174.54	13	159	\$ 2,269				
13,001 - 14,000 Gal.	0								
14,001 - 15,000 Gal.	0								
15,001 - 16,000 Gal.	0								
16,001 - 17,000 Gal.	0								
17,001 - 18,000 Gal.	0								
18,001 - 19,000 Gal.	0								
19,001 - 20,000 Gal.	0								
20,001 & Over	0								
			Subtotal	4079	13,229	\$226,949	0	0	\$0
Average Monthly Rate									
Average Monthly Usage									
			Totals	4079	13,229	\$226,949	0	0	\$0
1 inch	128,572	\$ 203.18				6	771	\$ 1,219	
2 inch	21,682	\$ 499.18				2	43	\$ 998	
3 inch	104,679	\$ 1,050.60				2	209	\$ 2,101	
4 inch	42,762	\$ 1,500.88				1	43	\$ 1,501	
6 inch	1,118,000	\$ 3,504.28				1	1,118	\$ 3,504	
Resale									
Vanceburg	259,350					1	259	1,050	
Big Sandy	259,350					1	259	1,183	
Grayson	155,320					1	155	708	
Sub-Total			4,079	13,229	\$226,949	15	2,859	\$ 12,265	
Totals			4,079	13,229	\$ 226,949	15	2,859	\$ 12,265	

XXXVI. CURRENT OPERATING BUDGET - (WATER SYSTEM) -				Year Ending 2019
A.	Operating Income:			
	Water Sales			\$ 2,687,920
	Disconnect/Reconnect/Late Charge Fees/Customer Tap			\$ 3,680
	Other (Describe)			
	Less Allowances and Deductions			
	Total Operating Income			\$ 2,691,600
B.	Operation and Maintenance Expenses: (Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)			
	Operation Expense			
	Utilities & Telephone			\$ 333,355
	Misc. Expense			\$ 4,462
	Taxes Other Than Income			\$ 89,823
	Vehicle Expense			\$ 35,332
	Testing Expense			\$ 26,159
	Maintenance Expense			
	Materials & Supplies			\$ 314,934
	Customer Accounts Expense			
	Bad Debt Expense			\$ 49,363
	Administrative and General Expense			
	Salaries & Wages			\$ 667,296
	Employee Benefits			\$ 544,657
	Office Supplies			\$ 32,630
	Accounting & Legal			\$ 31,676
	Insurance			\$ 45,959
	Total Operating Expenses			\$ 2,175,646
	Net Operating Income			\$ 515,954
C.	Non-Operating Income:			
	Interest Income			\$ 833
	Interest Expense			\$ -
	Total Non-Operating Income			\$ 833
D.	Net Income			\$ 516,787
E.	Debt Repayment:			
	RUS Interest			\$ 243,351
	RUS Principal			\$ 242,685
	Non-RUS Interest			\$ 6,500
	Non-RUS Principal			\$ 13,500
	Total Debt Repayment			\$ 506,036
F.	Balance Available for Coverage			\$ 10,751
	Short Lived Assets			
	Debt Reserve			
	Existing Debt Reserve			
	Balance Available			\$ 10,751
	Coverage Ratio			(21) 1.02

XXXVII. PROPOSED OPERATING BUDGET - (WATER SYSTEM)		
	(1st Full Year of Operation)	Year Ending 2022
A.	Operating Income:	
	Water Sales	\$ 2,870,568
	Disconnect/Reconnect/Late Charge Fees	\$ 5,000
	Other (Describe) customer tap fees	
	Less Allowances and Deductions	
	Total Operating Income	\$ 2,875,568
B.	Operation and Maintenance Expenses: (Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)	
	Operation Expense	
	Utilities & Telephone	\$ 343,456
	Misc. Expense	\$ 4,597
	Taxes Other Than Income	\$ 92,545
	Vehicle Expense	\$ 36,403
	Testing Expense	\$ 26,952
	Maintenance Expense	
	Materials & Supplies	\$ 324,477
	Customer Accounts Expense	
	Bad Debt Expense	\$ 50,859
	Administrative and General Expense	
	Salaries & Wages	\$ 687,516
	Employee Benefits	\$ 561,161
	Office Supplies	\$ 33,619
	Accounting & Legal	\$ 32,636
	Insurance	\$ 47,352
	Total Operating Expenses	\$ 2,241,570
	Net Operating Income	\$ 633,998
C.	Non-Operating Income:	
	Interest Income	\$ 1,000
	Interest Expense	\$ -
	Total Non-Operating Income	\$ 1,000
D.	Net Income	\$ 634,998
E.	Debt Repayment:	
	RUS Interest	\$ 309,646
	RUS Principal	\$ 317,200
	Non-RUS Interest	\$ 4,097
	Non-RUS Principal	\$ 13,340
	Total Debt Repayment	\$ 644,283
F.	Balance Available for Coverage	\$ (9,285)
	Short Lived Assets	\$ -
	Debt Reserve	\$ 6,700
	Balance Available	\$ (15,985)
	Coverage Ratio	(32) 0.99

RRWD Water System Improvements rev. 11_23_22
Summary Addendum
Funding Option 1 - 40 year Payback Schedule with Grant
First Year of Operation - Year Ending in 2022

Total Project Cost rev.					\$4,662,500
Proposed Funding					
CDBG					\$1,000,000
ARC Grant Funds Committed					\$500,000
RD Grant Funds Committed			\$ 816,000		
Proposed Bond Amount - Committed			\$1,906,000		
Total RD Proposed Bond Amount					\$2,722,000
KIA Cleaner Water Grant - Committed					\$440,500
Proposed Debt Service					
RD Loan Annual Debt Service (Original Committed)					\$62,300
40 years @ 1.375%					
RD Loan Debt Service Coverage (10% of Annual Debt Service)					\$6,230
				<i>Total New Project Debt Service</i>	\$68,530
Additional Expenses & Anticipated Debt Service					
Estimated Annual O & M Increase					\$65,924
Short-Lived Assets					\$10,000
Debt Reserve					\$6,600
				+	
				<i>Total Additional Expenses & Anticipated Debt Service</i>	\$82,524
Total Annual Increase (Total New Project Debt Service + Total Additional Expenses)					\$151,054
Balance Available for Coverage (For Planned & Ongoing Immediate Projects)				-	\$10,751
				Total Additional Annual Revenue Required	\$140,303
Total Additional Annual Revenue Required					\$140,303
Total 2019 Billed Water Revenue				÷	\$2,691,600
				<i>Percentage Rate Increase</i>	6.00%

<i>In Gallons</i>	2019 Existing Rates	Proposed Rates
<i>5/8" x 3/4" Meter</i>		
First 1,000	\$19.32	\$20.48
Next 4,000	\$14.40	\$15.26
Next 5,000	\$12.40	\$13.14
Next 10,000	\$11.10	\$11.77
Next 20,000	\$7.90	\$8.37
All Over 40,000	\$6.30	\$6.68
<i>3/4" Meter</i>		
First 5,000	\$76.92	\$81.54
Next 5,000	\$12.40	\$13.14
Next 10,000	\$11.10	\$11.77
Next 20,000	\$7.90	\$8.37
All Over 40,000	\$6.30	\$6.68
<i>1" Meter</i>		
First 10,000	\$138.92	\$147.26
Next 10,000	\$11.10	\$11.77
Next 20,000	\$7.90	\$8.37
All Over 40,000	\$6.30	\$6.68
<i>1 1/2" Meter</i>		
First 30,000	\$328.92	\$348.66
Next 10,000	\$7.90	\$8.37
All Over 40,000	\$6.30	\$6.68
<i>2" Meter</i>		
First 50,000	\$470.92	\$499.18
All Over 50,000	\$6.30	\$6.68
<i>3" Meter</i>		
First 100,000	\$785.92	\$833.08
All Over 100,000	\$6.30	\$6.68
<i>4" Meter</i>		
First 200,000	\$1,415.92	\$1,500.88
All Over 200,000	\$6.30	\$6.68
<i>6" Meter</i>		
First 500,000	\$3,305.92	\$3,504.28
All Over 500,000	\$6.30	\$6.68
Wholesale Rate		
Big Sandy WD	\$4.30 per 1,000	\$4.56 per 1,000
City of Grayson	\$4.30 per 1,000	\$4.56 per 1,000
City of Vanceburg	\$3.82 per 1,000	\$4.05 per 1,000
Wholesale Rate in Emergency Situations		
City of Olive Hill	\$4.30 per 1,000	\$4.56 per 1,000
Ky Dept. of Parks (Golf Course Only)	\$4.63 per 1,000	\$4.91 per 1,000
Sandy Hook WD		
First 50,000	\$145.15	\$153.86
All Over 50,000	(34) 90	\$3.07

