



# NORTH MARSHALL WATER DISTRICT

96 Carroll Road, Benton, Kentucky 42025  
Telephone (270) 527-3208 . Fax (270) 527-3039  
Web Site: <http://www.northmarshallwater.com>

## ***North Marshall Water District Regular Monthly Meeting Minutes January 17, 2023***

### **Commissioners Present**

James Leonard, Chairman  
Kenneth Shadowen, Vice Chair  
Joe Draffen, Secretary  
Billy Driskill, Treasurer  
James Dossett

Roger Colburn, Manager

Guest: None

### **I. Call to Order**

The regular meeting of the North Marshall Water District Board was called to order by Chairman Leonard at 09:00 a.m. Chairman Leonard stated that all Commissioners and the District Manager were present.

### **II. Approval of Minutes from Last Meeting**

Chairman Leonard stated that all board members had received a copy of the December 20, 2022 Board Meeting Minutes prior to this meeting. If no changes or comments, we need a motion to accept the minutes as written. Commissioner Dossett made the motion to accept the minutes of the December 20, 2022 Board Meeting as written, second by Commissioner Shadowen, with all Commissioners voting “aye.”

### **III. Treasurer Report**

Commissioner Driskill gave the December Financial Report. Commissioner Draffen made the motion to accept the Financial Report as written, second by Commissioner Driskill, with all Commissioners voting “aye.”

**See Attachment I “North Marshall Water District Statement of Cash Flows Dec 31, 2022.”**

- IV. Chairman Leonard stated that all board members had also received a copy of the December Check Register Report, if no questions or comments, we need a motion to accept the report as written. Commissioner Shadowen made the motion to accept the December Check Register Report as written, second by Commissioner Draffen, with all Commissioners voting “aye.”

### **V. Manager's Report**

- a) Roger gave a report on the water district, stating that in December, we have repaired 6 leaks, 2 of which were main breaks, 2 service line repairs, made 3 new taps, 57 for the year, closed 105 line locates (2,386 YTD), with a total of 193 work orders closed in December (6,181 YTD).
- b) Roger said our water loss is getting better.
- c) Roger stated that Grand Rivers has been taking 2,000,000 gal per month.

#### VI. Public Session

None

#### VII. Old or Unfinished Business

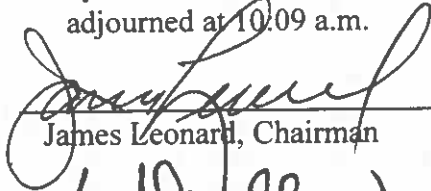
- a) Roger reported on the RD project stating that we are installing service lines on Salyer Creek Rd. He also stated that we need a motion to void Change Order No. 2 that was not implemented and pass a motion for Change Order No. 3, the final pay estimate for the project. Change Order No. 3 is for a total change of \$216,602.76. After some discussion, Commissioner Driskill made the motion to void Change Order No.2 and implement Change Order No. 3 for a total of \$216,602.76, second by Commissioner Draffen, with all Commissioners voting "aye". (See Attachment II "Change Order No. 3")
- b) Roger stated that we will probably advertise for bids for the Cambridge Shore Project by early next month. Commissioner Shadowen asked if we had enough funding for the project. Roger said the project estimate is \$915,000. We have \$848,000, and he is working on getting it fully funded.
- c) Roger went over the Capital Improvement Plan. He presented it in three different groups. They are Priority Facility Projects, Priority Replacement Projects and Priority Distribution Looping Projects. All projects are estimated to cost around 8.1 million. After some discussion, it was decided that we would use \$250,000 per year in capital improvements for this PSC rate analysis.
- d) Roger said he thinks they will have all the numbers for the PSC Alternate Rate Study by our next meeting.


#### VIII. New Business

- a) None

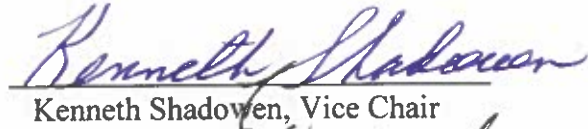
IX. **Adjournment**

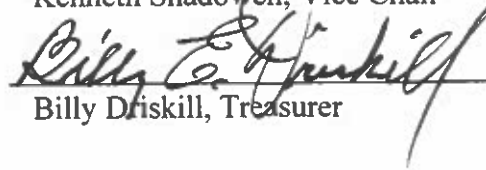
Motion was made by Commissioner Shadowen that the meeting be adjourned, second by Commissioner Driskill, with all Commissioners voting "aye". The meeting adjourned at 10:09 a.m.

  
James Leonard, Chairman

  
Joe Draffen, Secretary

  
James Dossett

  
Kenneth Shadowen, Vice Chair

  
Billy Driskill, Treasurer

**ATTACHMENT I**

**NORTH MARSHALL WATER DISTRICT  
STATEMENT OF CASH FLOWS  
DECEMBER 31, 2022**

	Current	YTD
<b>Cash flows from operating activities:</b>		
Cash received from RD Capital Investment	\$-	\$2,702,405.83
Cash received from Emergency Management	\$9,930.09	\$457,938.50
Cash received from consumers	\$54,136.94	\$2,424,589.17
Cash paid to suppliers of goods and services	\$(112,148.84)	\$(1,965,741.02)
Cash paid to suppliers for RD Project	\$-	\$(2,661,891.62)
Cash paid to employees for services	\$(47,040.73)	\$(449,010.02)
Change in customer deposits	<u>\$28.40</u>	<u>\$(4,855.42)</u>
Net cash from customers less operating (expenses)	<u>\$(95,094.14)</u>	<u>\$503,435.42</u>
<b>Cash flows from investing activities:</b>		
Interest received from investments	<u>\$1,064.30</u>	\$7,298.93
Net cash from investing activities	<u>\$1,064.30</u>	
<b>Cash flows from capital and related financing activities:</b>		
Payment on long-term debt	\$-	\$-
Payment on short-term debt	\$-	\$-
Payment on capital asset items	\$(25,315.53)	\$(317,166.92)
CFSB Line of Credit	\$-	
Contributed capital from grants and consumers	\$2,800.00	\$44,150.00
Interest and other non-operating expenses	<u>\$-</u>	<u>\$(39,830.62)</u>
Net cash from grants/consumers less financing (expenses)	<u>\$(22,515.53)</u>	<u>\$(312,847.54)</u>
<b>Cash and cash equivalents – beginning</b>	<b>\$1,544,309.50</b>	
<b>Increase (decrease) in cash and cash equivalents</b>	<b><u>\$(116,545.37)</u></b>	<b>\$197,886.81</b>
<b>Cash and cash equivalents - ending</b>	<b><u>\$1,427,764.13</u></b>	
<b>Cash and cash equivalents:</b>		
Unrestricted cash in bank (RD Capital Expenditure)	\$6,191.25	
Restricted cash in bank (Emergency Management)	\$458,659.93	
Restricted cash in bank (Escrow Account)	\$50,521.06	
Unrestricted cash on hand (Cash in office drawers)	\$1,000.00	
Unrestricted cash in Operation Account	\$225,477.75	
Unrestricted cash in Depreciation Account	\$260,170.09	
Unrestricted cash in Tank Maint Account	\$292,451.05	
Unrestricted cash in RD Sinking Fund Account	\$128,694.93	
Unrestricted cash in FSA/HRA Account	<u>\$4,598.07</u>	
Net cash and cash equivalents	<u>\$1,427,764.13</u>	

# ATTACHMENT II

## CHANGE ORDER NO. 3

Owner: North Marshall Water District      Owner's Project No.:  
 Engineer: Paul Cloud Engineering      Engineer's Project No.: 2004  
 Contractor: Youngblood Excavating & Contracting      Contractor's Project No.: 2116  
 Project: North Marshall Water Waterline Upgrades 2021  
 Contract Name:  
 Date Issued: 1/10/2023      Effective Date of Change Order: 1/16/2023

The Contract is modified as follows upon execution of this Change Order:

Description:

- A. All work is completed, and all lines are operational. This retainage has been moved to 0% and the stored materials have been transferred to YEC. All future site disturbances shall be backfilled, graded, seeded, and mulched as needed under warranty work.
- B. Extend the Substantial Completion Date to 01/10/23 and being ready for final payment on 01/31/23.

Attachments: None

Change in Contract Price	Change in Contract Times
Original Contract Price: \$ 2,036,636.50	Original Contract Times: Substantial Completion: 6/13/22 Ready for final payment: 7/13/22
<b>[Increase]</b> from previously approved Change Orders No. 1 to No. 2 : \$ 296,061.00	<b>[Increase]</b> from previously approved Change Orders No.1 to No. 2 : Substantial Completion: 10/31/22 Ready for final payment: 11/30/22
Contract Price prior to this Change Order: \$ 2,334,538.50	Contract Times prior to this Change Order: Substantial Completion: 10/31/22 Ready for final payment: 11/30/22
<b>[Increase]</b> this Change Order: \$ 216,602.76	<b>[Increase]</b> this Change Order: Substantial Completion: 10/31/22 Ready for final payment: 11/30/22
Contract Price incorporating this Change Order: \$ 2,551,141.26	Contract Times with all approved Change Orders: Substantial Completion: 01/10/23 Ready for final payment: 01/31/23



# NORTH MARSHALL WATER DISTRICT

96 Carroll Road, Benton, Kentucky 42025  
Telephone (270) 527-3208 . Fax (270) 527-3039  
Web Site: <http://www.northmarshallwater.com>

## *North Marshall Water District Special Called Meeting Minutes February 09, 2023*

### **Commissioners Present**

James Leonard, Chairman  
Kenneth Shadowen, Vice Chair  
Joe Draffen, Secretary  
Billy Driskill, Treasurer  
James Dossett

Roger Colburn, Manager

Guest: None

### **I. Call to Order**

The regular meeting of the North Marshall Water District Board was called to order by Chairman Leonard at 09:00 a.m. Chairman Leonard stated that all Commissioners and the District Manager were present. He also stated that this is a special called meeting and it will also suffice for our regular February Board Meeting.

### **II. Approval of Minutes from Last Meeting**

Chairman Leonard stated that all board members had received a copy of the January 17, 2023 Board Meeting Minutes prior to this meeting. If no changes or comments, we need a motion to accept the minutes as written. Commissioner Dossett made the motion to accept the minutes of the January 17, 2023 Board Meeting as written, second by Commissioner Shadowen, with all Commissioners voting "aye."

### **III. Treasurer Report**

Commissioner Driskill gave the January Financial Report. Commissioner Shadowen made the motion to accept the January Financial Report as written, second by Commissioner Draffen, with all Commissioners voting "aye."

**See Attachment I "North Marshall Water District Statement of Cash Flows January 31, 2023."**

### **IV. Check Register Approval**

Chairman Leonard stated that all board members had also received a copy of the January Check Register Report, if no questions or comments, we need a motion to accept the report as written. Commissioner Draffen made the motion to accept the January Check Register

Report as written, second by Commissioner Shadowen, with all Commissioners voting “aye.”

#### V. Manager's Report

- a) Roger gave a report on the water district, stating that in December, we have repaired 10 leaks, 3 of which were main breaks, 3 service line repairs, made 5 new taps, closed 151 line locates (151 YTD), with a total of 286 work orders closed in January.
- b) Roger said that they were preparing for a system wide flush. He will notify customers prior to the flush.
- c) Roger stated that he still needs to spend \$50,000 on new meters. He will hold up spending the money until we get the RD Project closed to improve our cash flow.

#### VI. Public Session

None

#### VII. Old or Unfinished Business

- a) Roger reported on the RD project, stating that he and the engineer will be doing a comprehensive work list, to let the contractor know what work needs to be completed to close out the RD Project. If the weather cooperates, we should have the yard work completed in April. We are working on connecting service lines to the new main on the Griggstown road.
- b) Roger said that the Ford truck dealer is having trouble getting the truck we ordered a few months ago. He asked the dealer if he could find something else from another dealer, because we were having some issues with our old truck. The dealer found another truck that was \$3,000 higher than the original bid. After some discussion, Commissioner Dossett made a motion to increase the original bid for the vehicle by \$3,000 and purchase this truck, second by Commissioner Draffen, with all Commissioners voting “aye”.
- c) Roger stated that we received a Conditional Commitment Letter from the State, that we must agree to, before we receive the \$480,779 grant for the Cambridge Shore Project. He read the conditions stated in the letter and said that we could meet all of them. (See **Attachment II “Grant Terms and Conditions”**) Chairman Leonard noted that Roger has done an outstanding job getting grant money for this project. After some discussion about the Cambridge Shore Project, Commissioner Shadowen made a motion to accept the Grant Terms and Conditions Letter and authorize the signing of the agreement, second by Commissioner Driskill, with all Commissioners voting “aye”.
- d) Roger talked about the Capital Improvement Plan and the PSC Alternate Rate Study. Our Capital Improvement needs as we see them today total an estimated \$12 million. After discussion in the January meeting, the Board had provided to direction that limited additional capital outlays for improvements to no more than an additional \$250,000 annually. Roger suggested looking at two alternate capital improvement strategies with the alternate rate analysis. Alternate 1 would be the scenario as directed by the Board of Commissioners in the January meeting. Alternate 2 would be based on the capital outlay requirements to implement a 5 Year program recommended by management. The Board agreed in principle to proceed as recommended. Roger indicated his previous estimates of the extra revenue required to meet the cash flow recommendations could be as high as

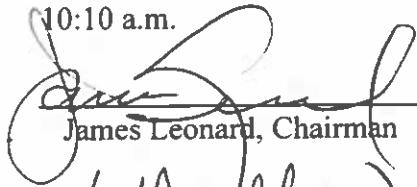
25%. The two alternate capital improvement/rate scenarios will give the board a good basis for the recommended rate for the PSC Alternate Rate Study.

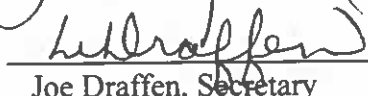
VIII. New Business

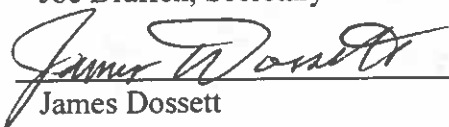
a) Roger brought up the possible need for an inclement weather policy. After some discussion, Roger said he will research what is typical for the industry.

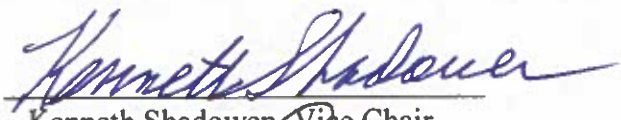
IX. Adjournment

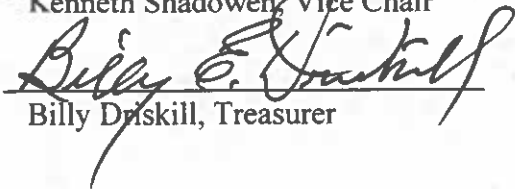
Motion was made by Commissioner Draffen that the meeting be adjourned, second by Commissioner Driskill, with all Commissioners voting "aye". The meeting adjourned at 10:10 a.m.

  
James Leonard, Chairman

  
Joe Draffen, Secretary

  
James Dossett

  
Kenneth Shadowen, Vice Chair

  
Billy Driskill, Treasurer



**ATTACHMENT I**

**NORTH MARSHALL WATER DISTRICT  
STATEMENT OF CASH FLOWS  
JANUARY 31, 2022**

	Current	YTD
<b>Cash flows from operating activities:</b>		
Cash received from RD Capital Investment	\$-	\$-
Cash received from Emergency Management	\$-	\$-
Cash received from consumers	\$263,328.02	\$263,328.02
Cash paid to suppliers of goods and services	\$(179,952.87)	\$(179,952.87)
Cash paid to suppliers for RD Project	\$-	\$-
Cash paid to employees for services	\$(38,825.90)	\$(38,825.90)
Change in customer deposits	<u>\$1,806.54</u>	<u>\$1,806.54</u>
Net cash from customers less operating (expenses)	<u>\$46,355.79</u>	<u>\$46,355.79</u>
<b>Cash flows from investing activities:</b>		
Interest received from investments	<u>\$566.85</u>	\$566.85
Net cash from investing activities	<u>\$566.85</u>	
<b>Cash flows from capital and related financing activities:</b>		
Payment on long-term debt	\$(117,500.00)	\$(117,500.00)
Payment on short-term debt	\$-	\$-
Payment on capital asset items	\$(10,523.62)	\$(10,523.62)
CFSB Line of Credit	\$-	\$-
Contributed capital from grants and consumers	\$5,600.00	\$5,600.00
Interest and other non-operating expenses	<u>\$(47,975.62)</u>	<u>\$(47,975.62)</u>
Net cash from grants/consumers less financing (expenses)	<u>\$(170,399.24)</u>	<u>\$(170,399.24)</u>
<b>Cash and cash equivalents – beginning</b>	<b>\$1,427,764.13</b>	
<b>Increase (decrease) in cash and cash equivalents</b>	<u><b>\$(123,476.60)</b></u>	<b>\$(123,476.60)</b>
<b>Cash and cash equivalents - ending</b>	<u><b>\$1,304,287.53</b></u>	
<b>Cash and cash equivalents:</b>		
Unrestricted cash in bank (RD Capital Expenditure)	\$6,194.67	
Restricted cash in bank (Emergency Management)	\$448,980.75	
Restricted cash in bank (Escrow Account)	\$52,573.43	
Unrestricted cash on hand (Cash in office drawers)	\$1,000.00	
Unrestricted cash in Operation Account	\$108,661.93	
Unrestricted cash in Depreciation Account	\$260,302.67	
Unrestricted cash in Tank Maint Account	\$292,451.05	
Unrestricted cash in RD Sinking Fund Account	\$130,141.03	
Unrestricted cash in FSA/HRA Account	<u>\$3,982.00</u>	
Net cash and cash equivalents	<u>\$1,304,287.53</u>	

**ATTACHMENT A**  
**GRANT TERMS AND CONDITIONS**

**North Marshall Water District**

The Conditional Commitment Letter and a subsequent Assistance Agreement between the Grantee and the Kentucky Infrastructure Authority shall be subject, but not limited, to the timely compliance with the following terms and conditions.

**Terms**

1. The grant award shall not exceed \$480,779 and shall be used solely for the designated project, unless otherwise permitted in writing by the Authority. Any reallocation requests should request signature approval by the original consensus approval group.
2. The grant funds shall be obligated by December 31, 2024. Any grant funds not obligated by December 31, 2024 will not be available for use by the Grantee and will not be available for the project.
3. Grant funds obligated by December 31, 2024 must be expended by the Grantee by December 31, 2026. Any obligated funds not fully expended by December 31, 2026 will not be available for use by the Grantee and will not be available for the project.
4. The grant must be reviewed and approved by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the Authority's execution of the Assistance Agreement.
5. The Assistance Agreement must be executed within six (6) months from project bid opening.
6. Grant funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
7. All approvals required by the Kentucky Division of Water (DOW), if any, shall be obtained by the Grantee prior to project bid. All approvals required by the Kentucky Public Service Commission, if any, shall be obtained prior to commencement of project construction.
8. All acquisitions of easements or purchases of land shall be completed prior to commencement of construction.
9. Cleaner Water Program grant funds are federal funds. If more than \$750,000 of federal funds including all sources are disbursed to the Grantee in any one fiscal year, the Grantee is required to have a single or program-specific audit conducted

for that year in accordance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

10. If the grant funds are used in conjunction with any other federal funds including but not limited to programs of the EPA, USDA, HUD, CDBG, ARC or other federal agencies, the Cleaner Water Program funds shall comply with these agencies' program requirements, regulations, and laws such as compliance with the Davis-Bacon Act, the Federal Environmental Protection Act and others.
11. SAM.gov Requirements. Grantees are required to have an active registration with the System for Award Management (SAM) (<https://www.sam.gov>).
12. All correspondence and document sharing between the Authority and the Grantee shall be by email and portable document format (.pdf) attached to email.

#### Conditions

The following is a list of the standard conditions to be satisfied either prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. The Grantee shall provide completed documentation marked with the corresponding Exhibit Number related to each condition. Forms and document templates for each condition are provided in Attachment C. All required documentation must be submitted to the staff member of the Authority assigned to the Grantee.

1. The Project Profile (WX21157063) shall be updated to accurately reflect project data, including the budget and mapping information, effective as of the date certified in Exhibit 1.

Documentation of final funding commitments from all parties other than the Authority as identified on the Project Budget (Attachment B) and in the Budget Tab of the updated Project Profile shall be provided prior to execution of the Assistance Agreement and disbursement of grant funds. Any subsequent changes in the anticipated project funding shall be immediately reported to the Authority and may cause this grant to be subject to further consideration.

2. The Grantee shall obtain a Vendor Number from the Finance and Administration Cabinet of the Commonwealth of Kentucky and provide that Vendor Number to the Authority as Exhibit 2.
3. The project shall comply with the reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA). The Grantee shall complete the Transparency Act Reporting Information Form and return it to the Authority as Exhibit 3.

**Exhibits 1 – 3 must be completed and returned to the Authority with this signed Conditional Commitment Letter.**

After providing the Authority with the signed Conditional Commitment Letter and Exhibits 1 through 3, the Authority will forward to the Grantee the Grant Assistance Agreement. Upon completion by the Grantee of Exhibits 4, 5, and 7, the Authorized Official shall sign the Assistance Agreement and forward the Exhibits, with supporting documentation, and the signed Assistance Agreement to the Authority for execution. The Grantee shall continue to complete the remaining Exhibits (6 and 8 through 10).

4. After receiving the Grant Assistance Agreement: At an official meeting of its governing body, the Grantee shall approve acceptance of the Grant and the Assistance Agreement, amend its annual budget accordingly, and designate an Authorized Official to sign all appropriate documents. The resolution and the certificate of Recording Officer are submitted as **Exhibit 4**.
5. After receiving the Grant Assistance Agreement: Legal Counsel for the Grantee must provide an opinion to the Authority as to the legality of Grantee accepting the grant and approving the Assistance Agreement as **Exhibit 5**.
6. The Grantee shall contract with an Engineer licensed in Kentucky **Exhibit 6A** and agree to the fee amount limitation as determined by the most recent USDA Rural Development Utility Program Fee Guide by jointly signing **Exhibit 6B**.

The Grantee may request 50% of the engineering design fee as budgeted in the Project Profile when the Project plans and specifications are submitted to the Kentucky Division of Water (DOW). The balance of that fee may be requested once the Grantee provides a copy of the plans approval letter from DOW to the Authority.

7. The Grantee shall provide documentation of Kentucky eClearinghouse Endorsement and eClearinghouse Comments as **Exhibit 7**.

Any significant changes or additions to the Project, deviating from the original scope of work described in the Project Profile, may require a new or amended eClearinghouse Endorsement, as determined by the eClearinghouse or the Authority.

8. The Grantee shall submit the DOW Plans approval letter to the Authority as **Exhibit 8**.
9. The Grantee shall complete and submit the bid package (**Exhibit 9**) to the Authority within 14 days of bid opening, which bid package shall include:
  - a. Engineer's Approval of "as-bid" project budget, with Engineer's signature;
  - b. Affidavit of Publication with Tear Sheet of Advertisement;
  - c. Certified Bid Tabs with Engineer's seal, number and signature;
  - d. Clear Site Certificates for each parcel of real property and easements, with date and signatures of the Grantee (**Exhibit 9A**) and Title Counsel (**Exhibit 9B**).

10. The Grantee shall certify that its accounting system for water treatment and distribution and sewer service is maintained separately from its accounting for all other operations, and that its service rates are based on the cost of providing the service and, that its utility operations are audited at least every two years as **Exhibit 10**.
11. Upon project completion, the Grantee shall submit, to the Authority, the Certificate of Project Completion, signed by the project Engineer, the Authorized Official and the Project Administrator as **Exhibit 11**.



# NORTH MARSHALL WATER DISTRICT

96 Carroll Road, Benton, Kentucky 42025  
Telephone (270) 527-3208 . Fax (270) 527-3039  
Web Site: <http://www.northmarshallwater.com>

## ***North Marshall Water District Regular Monthly Meeting Minutes March 21, 2023***

### **Commissioners Present**

James Leonard, Chairman  
Kenneth Shadowen, Vice Chair  
Joe Draffen, Secretary  
Billy Driskill, Treasurer  
James Dossett

Roger Colburn, Manager

Guest: None

### **I. Call to Order**

The regular meeting of the North Marshall Water District Board was called to order by Chairman Leonard at 9:00 a.m. Chairman Leonard stated that all Commissioners and the District Manager were present.

### **II. Approval of Minutes from Last Meeting**

Chairman Leonard stated that all board members had received a copy of the March 09, 2023 Board Meeting Minutes prior to this meeting. If no changes or comments, we need a motion to accept the minutes as written. Commissioner Dossett made the motion to accept the minutes of the March 09, 2023 Board Meeting as written, second by Commissioner Shadowen, with all Commissioners voting “aye.”

### **III. Treasurer Report**

Commissioner Driskill gave the February Financial Report. Commissioner Draffen made the motion to accept the February Financial Report as written, second by Commissioner Shadowen, with all Commissioners voting “aye.”

**See Attachment I “North Marshall Water District Statement of Cash Flows  
February 28, 2023.”**

### **IV. Check Register Approval**

Chairman Leonard stated that all board members had also received a copy of the February Check Register Report, if no questions or comments, we need a motion to accept the report as written. Commissioner Draffen made the motion to accept the February Check Register Report as written, second by Commissioner Dossett, with all Commissioners voting “aye.”

## V. Manager's Report

- a) Roger gave a report on the water district, stating that in February, we have repaired 7 leaks, 6 of which were main breaks, 1 service line repairs, made 1 new tap, closed 129 line locates (286 YTD), with a total of 510 work orders closed, and 36 opened work order at the end of February.
- b) Roger said that they have been flushing the system.
- c) Roger stated that our operations account was down to \$115,000 at the end of February.
- d) The Board talked a little about the banking issue in the country. Roger said he would get Kimberly to talk to the bank about our accounts.

## VI. Public Session

None

## VII. Old or Unfinished Business

- a) Roger reported on the RD project, stating all the bills have come in on the project. He and Paul Cloud have made a punch list for the contractor to finish the landscaping issues. Roger stated that this project has helped with our tank cycling and pressure in the Sharpe area.
- b) Roger talked about the ongoing rate analysis for the PSC. Kentucky Rural Water is helping us with our rate analysis. The gentlemen helping us worked for the PSC in the past and knows the process very well. He has done a Cost of Service budget based on 2021 cost of operations and has given the Board three options: Option 1. Using Debt Service Coverage for Revenue Requirements would be a 12% increase. Option 2. Using Operating Margin for Revenue Requirements at Low Range 20% increase. Option 3. Use Operating Margin for Revenue Requirements at High Range 22% increase. In all these options, for the average customers bi-monthly water usage (10,200 gallons) the bill would be less than \$35.00 per month. Roger said he thought we would still be in the low 5 percentile in the state. After some discussion, the Board decided to go with 20% or 22% because there is a lot of capital improvement we need to do, since we have an aging system.
- c) Roger said he would like to have a special called meeting on March 31 to discuss the Cambridge Shores bids and the Alternate Rate Study.
- d) Roger said that Paul Cloud had finished the estimate on the Cambridge Shores Main Replacement Project, with an estimate of 1.1 million dollars. Roger is looking at ways to cut that cost. We have assured \$881,000 for the project, he is trying to get more, but for now we have that amount. The bids will be opened on March 30<sup>th</sup>, then we will know what the construction cost will be.
- e) Roger said that he was going to leave the capital plan as presented. No. 1 Cambridge Shores Project, No. 2 Oak Valley Road, No. 3 Little Bear Road, No. 4 White Dove Road, No. 5 One new truck.
- f) Roger talked about the meter testing program. We now have our testing program started and will be testing 600 meters per year, that amount will satisfy the PSC requirement. We will also have 280 meters on the shelf, ready for service.

VIII. New Business

- a) Roger said he was going to hire a temporary laborer this summer to clean and paint the 650 fire hydrants.
- b) Roger said he was contacted by Mr. Jason Story about a water line extension on Elk Lane. The extension would be about 1000 ft. with a time and material cost of \$33,000. Roger said he would follow up with Mr. Story and talk about the cost.

IX. Adjournment

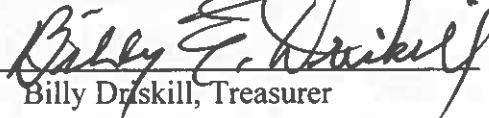
Motion was made by Commissioner Draffen that the meeting be adjourned, second by Commissioner Driskill, with all Commissioners voting "aye". The meeting adjourned at 09:54 a.m.

  
James Leonard, Chairman

Joe Draffen, Secretary

  
James Dossett

  
Kenneth Shadowen, Vice Chair

  
Billy Driskill, Treasurer



# ATTACHMENT I

## NORTH MARSHALL WATER DISTRICT STATEMENT OF CASH FLOWS February 28, 2023

	<b>Current</b>	<b>YTD</b>
<b>Cash flows from operating activities:</b>		
Cash received from RD Capital Investment	\$18,638.85	\$18,638.85
Cash received from Emergency Management	\$-	\$-
Cash received from consumers	\$60,892.05	\$324,220.07
Cash paid to suppliers of goods and services	\$(179,506.88)	\$(359,459.75)
Cash paid to suppliers for RD Project	\$(24,833.52)	\$(24,833.52)
Cash paid to employees for services	\$(38,733.29)	\$(77,559.19)
Change in customer deposits	<u>\$667.09</u>	<u>\$2,473.63</u>
Net cash from customers less operating (expenses)	<u>\$(162,875.70)</u>	<u>\$(116,519.91)</u>
<b>Cash flows from investing activities:</b>		
Interest received from investments	<u>\$486.67</u>	\$1,053.52
Net cash from investing activities	<u>\$486.67</u>	
<b>Cash flows from capital and related financing activities:</b>		
Payment on long-term debt	\$-	\$(117,500.00)
Payment on short-term debt	\$-	\$-
Payment on capital asset items	\$(38,772.00)	\$(49,295.62)
CFSB Line of Credit	\$-	\$-
Contributed capital from grants and consumers	\$2,800.00	\$8,400.00
Interest and other non-operating expenses	<u>\$-</u>	<u>\$(47,975.62)</u>
Net cash from grants/consumers less financing (expenses)	<u>\$(35,972.00)</u>	<u>\$(206,371.24)</u>
<b>Cash and cash equivalents – beginning</b>	<b>\$1,304,287.53</b>	
<b>Increase (decrease) in cash and cash equivalents</b>	<b><u>\$(198,361.03)</u></b>	<b>\$(321,837.63)</b>
<b>Cash and cash equivalents - ending</b>	<b><u>\$1,105,926.50</u></b>	
<b>Cash and cash equivalents:</b>		
Unrestricted cash in bank (RD Capital Expenditure)	\$4.21	
Restricted cash in bank (Emergency Management)	\$449,204.62	
Restricted cash in bank (Escrow Account)	\$53,249.40	
Unrestricted cash on hand (Cash in office drawers)	\$1,000.00	
Unrestricted cash in Operation Account	\$115,146.10	
Unrestricted cash in Depreciation Account	\$160,387.96	
Unrestricted cash in Tank Maint Account	\$192,451.05	
Unrestricted cash in RD Sinking Fund Account	\$131,581.38	
Unrestricted cash in FSA/HRA Account	<u>\$2,901.78</u>	
Net cash and cash equivalents	<u>\$1,105,926.50</u>	



# NORTH MARSHALL WATER DISTRICT

96 Carroll Road, Benton, Kentucky 42025  
Telephone (270) 527-3208 . Fax (270) 527-3039  
Web Site: <http://www.northmarshallwater.com>

## ***North Marshall Water District Special Called Meeting Minutes April 14, 2023***

### **Commissioners Present**

James Leonard, Chairman  
Kenneth Shadowen, Vice Chair  
Billy Driskill, Treasurer  
James Dossett  
Joe Draffen, Secretary - ABSENT

Roger Colburn, Manager

Guest: None

### **I. Call to Order**

The special called meeting of the North Marshall Water District Board was called to order by Chairman Leonard at 10:00 a.m. Chairman Leonard acknowledged that it was his understanding that notice had been provided as required for the Special Called Meeting. Chairman Leonard stated Commissioner Draffen had a previous commitment and was unable to attend. All other members of the board were in attendance as was the Manager.

### **II. Approval of Minutes from Last Meeting**

Chairman Leonard stated that all board members had received a copy of the March 21, 2023 Board Meeting Minutes prior to this meeting. If no changes or comments, a motion is needed to accept the minutes as written. Commissioner Shadowen made the motion to accept the minutes of the March 21, 2023 Board Meeting as written, second by Commissioner Dossett, with all Commissioners voting "aye."

### **III. Treasurer Report**

Commissioner Driskill gave the March Financial Report. Chairman Leonard requested the Manager's comments concerning on the outflow of cash for capital assets. The costs were associated with relocation of water services along the RD project limits. Commissioner Shadowen made the motion to accept the March Financial Report as written, second by Commissioner Dossett, with all Commissioners voting "aye."

**See Attachment I "North Marshall Water District Statement of Cash Flows March 31, 2023."**

#### IV. Check Register Approval

Chairman Leonard stated that all board members had also received a copy of the March Check Register Report, if no questions or comments, we need a motion to accept the report as written. Commissioner Driskill made the motion to accept the March Check Register Report as written, second by Commissioner Shadowen, with all Commissioners voting "aye."

#### V. Manager's Report

- a) Monthly reports were included in the Board packet.
- b) Two main break repairs were reported for the period.
- c) There were several angle valve and service line repairs.
- d) System flushing operations have continued and progressed through Gilbertsville, KenBar, Tatumsville, Moors, and work is now in the Big Bear area.
- e) Six new taps were made during the March reporting period.

#### VI. Public Session

There were no members of the public in attendance at the meeting.

#### VII. Old or Unfinished Business

- a) Cambridge Shores Water Main Replacement Bids – Three bids were received for the Cambridge Shores Water Main Replacement project held at 10:00 a.m. at the District Office. Copies of the bid tabulation sheet were in the Board Packet. The low bid was presented by Murtco Mechanical Contractors in the amount of \$784,699.00. The next lowest bidder was DPort Construction in the amount of \$789,760.80. Youngblood Excavating's bid was \$958,670.00. Engineer's estimate was \$782,400.00. Project budget is \$881,000 leaving a total of \$96,000 to address the remaining project expense. The expenditure for design phase engineering services is \$36,500 leaving \$59,500 for other project related expenses. Manager Colburn indicated additional thought and discussion is needed before moving forward. Commission Driskill made the motion to accept the low bid of Murtco Mechanical Contractors in the amount of \$784,699.00. Commissioner Shadowen seconded the motion. All voted "aye." The next item involved approval of the Engineering Services Agreement authorizing approval through the bid procurement phase which per the agreement is \$36,500 and authorizing the manager to negotiate additional services provided funds budgeted for the project are available. A motion was made by Commissioner Dossett and second by Commissioner Shadowen. All members voted "aye."
- b) Alternate Rate Study – Roger provided an overview of the alternate rate analysis. Before discussion he discussed the origin of the request of PSC to conduct the alternate rate analysis per an order issued by the PSC Executive Director on February 21, 2022. PSC in the order noted the Commission's concern regarding the ability of the District to adequately meet expenses even with the rate increase approved by the Commission per the Section 23 request rate increase. A copy of the report was provided in each board member's packet. After discussion of the contents of the report, Chairman Leonard asked Manager Colburn to explain the differences of the two methods used to determine the revenue requirements of

the system once the cost of service is determined. The debt service coverage method resulted in a projection of a 15% rate increase for the system and the operating revenue ratio method yielded a 23.4% rate increase. The difference in revenue for the two options is roughly \$170,000 annually. The difference would negatively impact the District's ability to replace the lines that are prioritized for replacement in the Capital Improvement Plan. Manager Colburn read the resolution provided with the rate study authorizing submittal of the report to the PSC for approval in amending the rates of the district. Motion to adopt the resolution made by Commissioner Dossett and seconded by Commissioner Shadowen. All members vote "aye."

c) Manager Colburn discussed the annual CCR report and provided information concerning three Notice of Violations that were included in the report. A violation with Disinfectant Byproducts was issued because the District failed to sample in a week specified by the Division of Water. The other two violations were related to SOC testing. The district failed to obtain samples in the same year during the 3 year window. The other SOC violation was related to the lab's failure to report results for two of the contaminants listed in the SOC group.

d) Manager Colburn followed up on a Board request to review the security held by the bank against the District's deposits. In addition to the FDIC insurance of \$250,000 per account the Bank has purchased government securities and pledged the purchased securities against the deposits of the bank.

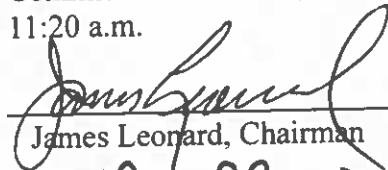
#### VIII. New Business

a) The Board had a discussion concerning new testing requirements and emerging regulations. EPA has passed the unregulated contaminant monitoring rule for contaminants 5 which is an additional testing primarily associated with testing for the presence of Per and Polyfluoroalkyl Substances (PFAS).

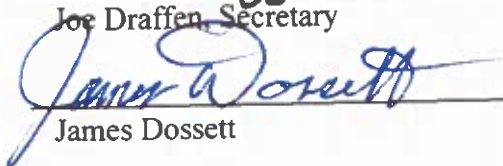
b) The Board has been asked to change the date and time of the regularly scheduled meeting. The Board discussed the issue and Commissioner Driskill made the motion to move the meeting to the third Thursday of each month at 9:00 a.m. The motion was seconded by Commissioner Shadowen and all members voted "aye."

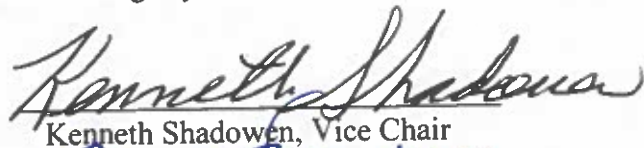
#### IX. Adjournment

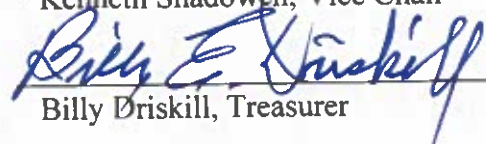
Motion was made by Commissioner Driskill that the meeting be adjourned, second by Commissioner Dossett, with all Commissioners voting "aye". The meeting adjourned at 11:20 a.m.

  
James Leonard, Chairman

  
Joe Draffen, Secretary

  
James Dossett

  
Kenneth Shadowen, Vice Chair

  
Billy Driskill, Treasurer

**ATTACHMENT I**

**NORTH MARSHALL WATER DISTRICT  
STATEMENT OF CASH FLOWS**

	Current	YTD
<b>Cash flows from operating activities:</b>		
Cash received from RD Capital Investment	\$-	\$18,638.85
Cash received from Emergency Management	\$-	\$-
Cash received from consumers	\$289,765.49	\$613,985.56
Cash paid to suppliers of goods and services	\$(217,398.34)	\$(576,858.09)
Cash paid to suppliers for RD Project	\$-	\$(24,833.52)
Cash paid to employees for services	\$(46,415.60)	\$(123,974.79)
Change in customer deposits	<u>\$(3,372.13)</u>	<u>\$(898.50)</u>
Net cash from customers less operating (expenses)	<u>\$22,579.42</u>	<u>\$(93,940.49)</u>
 <b>Cash flows from investing activities:</b>		
Interest received from investments	<u>\$908.27</u>	\$1,961.79
Net cash from investing activities	<u>\$908.27</u>	
 <b>Cash flows from capital and related financing activities:</b>		
Payment on long-term debt	\$-	\$(117,500.00)
Payment on short-term debt	\$-	\$-
Payment on capital asset items	\$(73,821.74)	\$(123,117.36)
CFSB Line of Credit	\$-	\$-
Contributed capital from grants and consumers	\$5,600.00	\$14,000.00
Interest and other non-operating expenses	<u>\$-</u>	<u>\$(47,975.62)</u>
Net cash from grants/consumers less financing (expenses)	<u>\$(68,221.74)</u>	<u>\$(274,592.98)</u>
 <b>Cash and cash equivalents – beginning</b>	\$1,105,926.50	
<b>Increase (decrease) in cash and cash equivalents</b>	<u>\$(44,734.05)</u>	\$(366,571.68)
<b>Cash and cash equivalents - ending</b>	<u>\$1,061,192.45</u>	
 <b>Cash and cash equivalents:</b>		
Unrestricted cash in bank (RD Capital Expenditure)	\$-	
Restricted cash in bank (Emergency Management)	\$411,479.90	
Restricted cash in bank (Escrow Account)	\$53,871.05	
Unrestricted cash on hand (Cash in office drawers)	\$1,000.00	
Unrestricted cash in Operation Account	\$105,923.68	
Unrestricted cash in Depreciation Account	\$192,804.86	
Unrestricted cash in Tank Maint Account	\$160,474.96	
Unrestricted cash in RD Sinking Fund Account	\$133,033.32	
Unrestricted cash in FSA/HRA Account	<u>\$2,604.68</u>	
Net cash and cash equivalents	<u>\$1,061,192.45</u>	

**MARCH 31, 2023**



# NORTH MARSHALL WATER DISTRICT

96 Carroll Road, Benton, Kentucky 42025  
Telephone (270) 527-3208 . Fax (270) 527-3039  
Web Site: <http://www.northmarshallwater.com>

## ***North Marshall Water District Regular Monthly Meeting Minutes May 18, 2023***

### **Commissioners Present**

James Leonard, Chairman  
Kenneth Shadowen, Vice Chair  
Joe Draffen, Secretary  
Billy Driskill, Treasurer  
James Dossett

Roger Colburn, Manager

Guest: Mrs. Emily Buford, County Commissioners Marty Barrett and Monti Collins

### **I. Call to Order**

The regular meeting of the North Marshall Water District Board was called to order by Chairman Leonard at 9:00 a.m. Chairman Leonard stated that all Commissioners and the District Manager were present. Also, we have three guests: Mrs. Emily Buford, County Commissioner Barrett and County Commissioner Collins. Chairman Leonard stated that he had another appointment at 10:00 and would have to leave early.

### **II. Approval of Minutes from Last Meeting**

Vice Chairman Shadowen stated that all board members had received a copy of the April 14, 2023 Board Meeting Minutes prior to this meeting. If no changes or comments, we need a motion to accept the minutes as written. Commissioner Driskill made the motion to accept the minutes of the April 14, 2023 Board Meeting as written, second by Commissioner Draffen, with all Commissioners voting "aye."

### **III. Treasurer Report**

Commissioner Driskill gave the April Financial Report. Manager Colburn stated that our residential revenues were down about 20% for the year. We are keeping a close eye on our cash flow. Commissioner Draffen made the motion to accept the April Financial Report as written, second by Commissioner Dossett, with all Commissioners voting "aye."

**See Attachment I "North Marshall Water District Statement of Cash Flows April 30, 2023."**



#### IV. Check Register Approval

Vice Chairman Shadowen stated that all board members had also received a copy of the April Check Register Report, if no questions or comments, we need a motion to accept the report as written. Commissioner Dossett made the motion to accept the April Check Register Report as written, second by Commissioner Driskill, with all Commissioners voting "aye."

#### V. Manager's Report

- a) Manager Colburn gave a report on the water district, stating that in April, we have repaired 4 leaks, 2 of which were main breaks, 2 service line repairs, made 2 new taps, closed 196 line locates (672 YTD), with a total of 1129 work orders closed, and 94 open work orders at the end of April.
- b) Manager Colburn said that they are flushing the system at this time.

#### VI. Public Session

Mrs. Emily Buford spoke to the board about a service connection at 303 Boone Hill Road. Her service would be approximately 800 feet past the end of our main. Manager Colburn said that there are long service lines coming off the end of the main and that is not our policy set with the PSC (NMWD Rules and Regulations Page 31-39). Manager Colburn estimated the cost to extend the main to tie both ends of Boone Hill Road (Approximately 1600 ft.) would be around \$25,000. Mrs. Buford stated that the district should bear the cost to extend the main. She also understands that a long service line is not ideal. Chairman Leonard stated that the board would discuss this issue and get back to her.

#### VII. Old or Unfinished Business

- a) Manager Colburn stated, as requested by the Board, he has negotiated an engineering service fee for the Cambridge Shores Project. Based on our estimate of service, the engineering fee will be \$60,300.00. After some discussion, Commissioner Dossett made the motion to accept the engineering service fee, second by Commission Driskill with all Commissioners voting "aye."
- b) Manager Colburn said our rate analysis has been submitted and accepted by the PSC and has been published in the paper of record three times. The PSC has placed it on their docket for review.
- c) Manager Colburn said he and Paul Cloud have finalized the Cambridge Shores Project Cost. (See Attachment II "CWP Project Budget")
- d) Manager Colburn said that he has the Resolution for the KIA Cleaner Water Program Grant #22CWW264 for \$480,779.00 that needs approval. Manager Colburn read the resolution (See Attachment III "KIA Grant Resolution"). After some discussion, Commission Dossett made the motion to accept the KIA Grant Resolution, second by Commission Draffen, with all Commissions voting "aye".
- e) Manager Colburn said that Youngblood has finished the cleanup on the RD Project with the exception of some tree cleanup. Manager Colburn said he would do another inspection in a week or so.

f) Manager Colburn talked about the Elk Lane extension request. He wanted to let the Board know that he is doing a cost estimate on that extension.

**VIII. New Business**

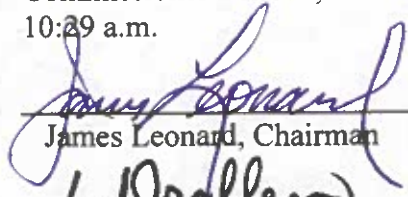
a) Chairman Leonard asked our visiting County Commissioners if there was any money in their budget to apply to this type of project. County Commissioner Collins stated that there is not any extra money in the 23/24 budget for this type of project. There may be some money available for his district later on that could be used for a main extension project. Manager Colburn has given County Commissioner Collins a list of projects that the district is trying to accomplish in our five-year capital plan. After a long discussion, Chairman Leonard asked Roger to look at the cost of extending our main 800 feet, noting that our tariff says we will bear the cost of the first 50 foot, then ask Mrs. Buford to share the cost of the remaining length.

b) Manager Colburn stated that he is going to get with the District's Attorney and write an Easement Area Restoration Policy. We have run into some issues dealing with leaks in prescribed easements where the land owner has built brick mailbox, plant beds, etc., over the water line main.

c) Manager Colburn stated that our Health Insurance only increased by 4%.

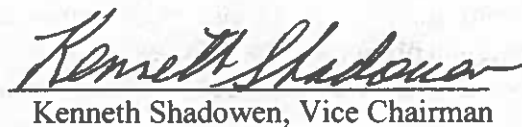
**IX. Adjournment**

Motion was made by Commissioner Draffen that the meeting be adjourned, second by Commissioner Driskill, with all Commissioners voting "aye". The meeting adjourned at 10:29 a.m.

  
James Leonard, Chairman

  
Joe Draffen, Secretary

  
James Dossett

  
Kenneth Shadowen, Vice Chairman

  
Billy Driskill, Treasurer



**ATTACHMENT I**

**NORTH MARSHALL WATER DISTRICT  
STATEMENT OF CASH FLOWS  
April 30, 2023**

	<b>Current</b>	<b>YTD</b>
<b>Cash flows from operating activities:</b>		
Cash received from RD Capital Investment	\$-	\$18,638.85
Cash received from Emergency Management	\$-	\$-
Cash received from consumers	\$60,571.18	\$674,556.74
Cash paid to suppliers of goods and services	\$(109,722.76)	\$(686,580.85)
Cash paid to suppliers for RD Project	\$-	\$(24,833.52)
Cash paid to employees for services	\$(38,392.09)	\$(162,366.88)
Change in customer deposits	<u>\$50.00</u>	<u>\$(848.50)</u>
Net cash from customers less operating (expenses)	<u>\$(87,493.67)</u>	<u>\$(181,434.16)</u>
<b>Cash flows from investing activities:</b>		
Interest received from investments	<u>\$398.17</u>	\$2,359.96
Net cash from investing activities	<u>\$398.17</u>	
<b>Cash flows from capital and related financing activities:</b>		
Payment on long-term debt	\$-	\$(117,500.00)
Payment on short-term debt	\$-	\$-
Payment on capital asset items	\$-	\$(123,117.36)
CFSB Line of Credit	\$-	\$-
Contributed capital from grants and consumers	\$1,400.00	\$15,400.00
Interest and other non-operating expenses	<u>\$-</u>	<u>\$(47,975.62)</u>
Net cash from grants/consumers less financing (expenses)	<u>\$1,400.00</u>	<u>\$(273,192.98)</u>
<b>Cash and cash equivalents – beginning</b>	\$1,061,192.45	
<b>Increase (decrease) in cash and cash equivalents</b>	<u>\$(85,695.50)</u>	\$(452,267.18)
<b>Cash and cash equivalents - ending</b>	<u>\$975,496.95</u>	
<b>Cash and cash equivalents:</b>		
Unrestricted cash in bank (RD Capital Expenditure)	\$-	
Restricted cash in bank (Emergency Management)	\$411,685.08	
Restricted cash in bank (Escrow Account)	\$49,873.93	
Unrestricted cash on hand (Cash in office drawers)	\$1,000.00	
Unrestricted cash in Operation Account	\$79,123.34	
Unrestricted cash in Depreciation Account	\$105,585.50	
Unrestricted cash in Tank Maint Account	\$191,904.86	
Unrestricted cash in RD Sinking Fund Account	\$134,475.04	
Unrestricted cash in FSA/HRA Account	<u>\$1,849.20</u>	
Net cash and cash equivalents	<u>\$975,496.95</u>	

**ATTACHMENT II**

Grant #: 22CWW264

WRIS#: WX21157063

**CWP PROJECT BUDGET**

Project Title: **NMWD CAMBRIDGE SHORES AREA WATER MAIN REPLACEMENTS**

Cost Classification	Estimated		7/1/2022		As Bid		4/1/2023		Revised		4/17/2023	
	KIA Grant	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	Funding Source 6	Local Funds	Unfunded Costs	Total			
1 Administrative Expenses		8500							8,500			
2 Legal Expenses		1,500							1,500			
3 Land Appraisals, Easements												
4 Relocation Expenses & Payments												
5 Planning		2,500							2,500			
6 Engineering Fees - Design		33,600							33,600			
7 Engineering Fees - Construction		24,200							24,200			
8 Engineering Fees - Inspection			26,400						26,400			
9 Engineering Fees - Other		3,500							3,500			
10 Construction	480,779	303,920							784,699			
11 Equipment			63,700						63,700			
12 Miscellaneous												
13 Contingencies			19,200						19,200			
<b>Total</b>	<b>480,779</b>	<b>400,000</b>	<b>109,300</b>						<b>990,079</b>			

Funding Sources	Amount	Date Committed
1 KIA Grant	480,779.00	
2 SAFE Grant	400,000.00	
3 LOCAL FUNDS	109,300.00	
4		
5		
6		
<b>Total</b>	<b>990,079.00</b>	

Local Funding Sources	Amount	Committed
1		
2		
3		
<b>Total</b>		

**Total Funding 990,079.00**

Cost Categories	Funding Source	Total Cost
Treatment (DW)		
Transmission and Distribution (DW)		970,199
Transmission and Distribution - Lead Remediation (DW)		
Source (DW)		
Storage (DW)		
WWTP Secondary Portion (CW)		
WWTP Advanced Portion (CW)		
Inflow and Infiltration Correction (CW)		
Major Sewer Rehabilitation (CW)		
Collector Sewers (CW)		
Combined Sewer Overflow Correction (CW)		
Interceptor Sewers including Pump Station (CW)		
Purchase of Systems (DW and CW)		
Restructuring (DW and CW)		
Land Acquisition (DW and CW)		
<b>Total Costs</b>		<b>970,199</b>

## ATTACHMENT III

KIA Grant Number 22CWW264

### RESOLUTION

**RESOLUTION OF THE NORTH MARSHALL WATER DISTRICT  
ACCEPTING THE GRANT, APPROVING THE GRANT ASSISTANCE  
AGREEMENT, AUTHORIZING THE AMENDMENT OF THE NORTH  
MARSHALL WATER DISTRICT'S ANNUAL BUDGET, AND  
AUTHORIZING A REPRESENTATIVE TO SIGN ALL RELATED  
DOCUMENTS**

WHEREAS, the Kentucky General Assembly has appropriated funds for infrastructure projects in House Bill 1 of the 2022 Regular Session of the Kentucky General Assembly for the Cleaner Water Program; and

WHEREAS, the North Marshall Water District (the "Grantee") has previously determined that it is in the public interest to acquire and construct certain facilities and improvements to the Grantee's utility system for the replacement of waterlines in the Cambridge Shores area damaged by a large tornado event on December 10, 2021 and subsequent debris removal activities (See WRIS Project No. WX21157063) (the "Project"); and

WHEREAS, the Grantee desires funding from the Kentucky Infrastructure Authority (the "Authority") for the purpose of acquisition and construction of the Project; and

WHEREAS, in order to obtain a \$480,779.00 grant from the Cleaner Water Program for the Project, and administered by the Authority, the Grantee is required to enter into an assistance agreement (the "Agreement") with the Authority in the form attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the North Marshall Water District as follows:

SECTION 1. The Grantee hereby accepts the grant award and approves the Agreement between the Grantee and the Authority to provide the necessary funds to the Grantee for the Project.

SECTION 2. That Jamie Leonard, Board Chairman, and Successors-in-Title, are hereby designated to be the Grantee's "Authorized Official" for this Project and is hereby directed and empowered by the Grantee to execute the Agreement, related documents and agreements, and to otherwise act on behalf of the Grantee to effect such grant award, and to engage a qualified Project Administrator.

SECTION 3. That the Grantee hereby agrees and commits to include, by amendment to its annual budget and audit process, the receipts and expenditures of funds subject to the Agreement up to and including the date of Project closeout.