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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.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                                     |
| b. Applicant is required to file state and federal tax returns.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                                     |
| c. Applicant's most recent state and federal tax returns are attached to this Application. <b>(Attach a copy of returns.)</b>  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 17. Approximately <u>\$0.00</u> <b>(Insert dollar amount or percentage of total utility plant)</b> of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions. | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                                     |
| 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.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                                     |

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   
 Officer of the Company/Authorized Representative  
 Title Manager  
 Date 6-8-23

COMMONWEALTH OF KENTUCKY

COUNTY OF Mason

Before me appeared David French, Manager, 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.

  
 Notary Public KY State at large  
 My commission expires: 5-3-2025  
KYNA 29608

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**  
**WESTERN MASON 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
  - i. Series 1988 (91-02)
  - ii. Series 1997 (91-05)
  - iii. Series 2001 (91-06)
  - iv. Series 2007A (91-08)
  - v. Series 2007B (91-10)
  - vi. Series 2010 (91-11)
  - vii. Series 2021 (91-13)
  - viii. KIA Loan #F209-14
9. Amortization Schedules
10. Statements of Disclosure of Related Party Transactions
11. Board Resolution

# Attachment #1

## WESTERN MASON COUNTY WATER DISTRICT CUSTOMER NOTICE

Notice is hereby given that Western Mason County Water District expects to file an application with the Kentucky Public Service Commission on or about May 30, 2023, 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.

<u>Monthly Water Rates:</u>		<u>Current</u>		<u>Proposed</u>		<u>Difference</u>				
First	2,000 Gallons	\$	44.60	Minimum Bill	\$	54.34	Minimum Bill	\$	9.74	21.84%
Next	8,000 Gallons	\$	6.48	Per 1,000 Gallons	\$	7.89	Per 1,000 Gallons	\$	1.41	21.76%
All Over	10,000 Gallons	\$	5.68	Per 1,000 Gallons	\$	6.92	Per 1,000 Gallons	\$	1.24	21.83%
	Bulk Water Sales	\$	6.83	Per 1,000 Gallons	\$	8.32	Per 1,000 Gallons	\$	1.49	21.82%

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 \$57.56 to \$70.12. This is an increase of \$12.56 or 21.82%.

The rates contained in this notice are the rates proposed by Western Mason County 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.

Western Mason County 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 2573 Mary Ingles Hwy Dover, KY 41034. You may contact the office at 606-882-3141.

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.



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<b>Pressure Washing</b> <b>Pressure Washing</b> Residential Commercial Free Estimates! Call: 606-564-9091	<b>PAINTING</b> Interior & Exterior 606-444-9091	<b>PAINTING</b> Interior & Exterior 606-444-9091	<b>BURTON FENCING</b> BUILD OR REPAIR "Good fences make good neighbors" 606-407-5026	<b>Handyman</b> <b>Handyman Services, LLC</b> 30 yrs. exp. Insured Free Estimates and affordable prices Remodeling interior & exterior painting, drywall, barn & fence repair, roofing, flooring, granite, stone, siding, vinyl siding Snow removal. Call and we'll arrive at your door. We appreciate and praise God for our customers. 606-209-1963	<b>IT TROUBLE</b> I will find what's wrong with your computer, printer, scanner, etc. I'll be there for you. 24/7. Call: 606-227-4788 or call: 24/7. Call: 606-227-4788
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<b>NOTICE</b> <b>\$200 REWARD</b> For information leading to the arrest of anyone stealing newspapers and/or newspaper machines, call the Ledger Independent.	<b>CELEBRATE RECOVERY</b> New Life Fellowship Church 2020 N. Zion Rd. Droopville Call: 606-782-7017	<b>LEARN Something New Every Day in the NEWSPAPER!</b>	<b>CLASSIFIED WORKS</b>	<b>CLASSIFIED WORKS</b>	<b>Yard Sale</b> Saturday 7:00 - 12:00 PM Call: 606-564-9091
<b>LEGAL NOTICE</b> COMMONWEALTH OF KENTUCKY MAYNARD'S MORTGAGE ACTION NO. 23-CV-00023	<b>LEGAL NOTICE</b> COMMONWEALTH OF KENTUCKY MAYNARD'S MORTGAGE ACTION NO. 23-CV-00023	<b>LEGAL NOTICE</b> COMMONWEALTH OF KENTUCKY MAYNARD'S MORTGAGE ACTION NO. 23-CV-00023	<b>LEGAL NOTICE</b> COMMONWEALTH OF KENTUCKY MAYNARD'S MORTGAGE ACTION NO. 23-CV-00023	<b>LEGAL NOTICE</b> COMMONWEALTH OF KENTUCKY MAYNARD'S MORTGAGE ACTION NO. 23-CV-00023	<b>LEGAL NOTICE</b> COMMONWEALTH OF KENTUCKY MAYNARD'S MORTGAGE ACTION NO. 23-CV-00023

**PUBLIC AUCTION**  
SUNDAY JUNE 4, 2023  
BEGINNING AT 10 AM

LOCATION 325 W. STATE STREET  
GEORGETOWN OH. 45121  
(BROWN COUNTY FAIRGROUND)

CROCKS, ROYAL DOUGLAS CHINA, LEAD GLASSWARE, BRASS, VASES, NYLON, PEYCOBS AND PRINTS, KITCHEN, FISH BUTTER, BAIT POTS, BIKER, BUBBLE BATHS, LUMBER, BASKETS, TOOLS, BIRDS, BIRDS, PETS, PLS. BOWLS, PINS, GALVA, NEDD, BUCKETS, MISC. TOYS, AIR, VIBS, MILK CAN, SHEL, STRAINER, ASH AND SAVERS, ANE HAY, CLAW, CUSHMAN, SMOOTHER FRAME, 2 UP-CRAT, SINGLE TREES, ANE FENCE STRECHER, MISC. HAND TOOLS, BAKES, SHOVELS, ETC. OLD TRAPS, EXE. LAF, DOR, CHAIN, AND BUSHES, BENT GUINDBERS ON STANDS, CARBON, TRACTOR, MOWERS, CASE, VAC, TRACT, 70, 80, 90, 100, 110, 120, 130, 140, 150, 160, 170, 180, 190, 200, 210, 220, 230, 240, 250, 260, 270, 280, 290, 300, 310, 320, 330, 340, 350, 360, 370, 380, 390, 400, 410, 420, 430, 440, 450, 460, 470, 480, 490, 500, 510, 520, 530, 540, 550, 560, 570, 580, 590, 600, 610, 620, 630, 640, 650, 660, 670, 680, 690, 700, 710, 720, 730, 740, 750, 760, 770, 780, 790, 800, 810, 820, 830, 840, 850, 860, 870, 880, 890, 900, 910, 920, 930, 940, 950, 960, 970, 980, 990, 1000.

AUCTIONEER NOTE: THIS WILL BE A NICE SALE WITH SOMETHING FOR EVERYONE. WATCH AUCTIONZIP 48743 FOR PICTURES.

TERMS CASH OR GOOD CHECK DAY OF SALE  
SALE CONDUCTED BY  
JESSE MCKENZIE AUCTIONEER 513-218-2541  
KELLY NEWBERY AUCTIONEER

**WESTERN MASON COUNTY WATER DISTRICT**  
CUSTOMER NOTICE

Water is being purchased under a lease agreement from the State of Kentucky. The water is being purchased from the State of Kentucky under a lease agreement. The water is being purchased from the State of Kentucky under a lease agreement. The water is being purchased from the State of Kentucky under a lease agreement.

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# AFFIDAVIT OF PUBLICATION

State of Kentucky

County of Mason

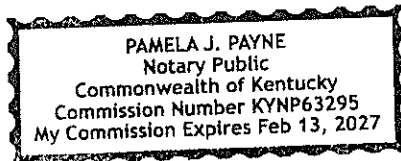
Jennifer Donahue being duly sworn deposes and says that she is Director of Operations & Advertising of The Ledger Independent, a newspaper published in the City of Maysville and that advertising for Western Mason Water District, was published in the said newspaper and that the following is a true description of each advertisement as to date of publication and amount of space occupied:

DATE	SPACE	CAPTION
May 27, 2023	10.00"	Customer Notice, Adj. to Rates
June 3, 2023		
June 10, 2023		

Signed Jennifer Donahue

Subscribed and sworn to before me this 12<sup>th</sup> day of June 2023

Pamela J. Payne  
Notary Public



# Attachment #2

# Reasons for Application

Western Mason County Water District (“the District”) is requesting a 27.06 percent rate increase for all of its water customers. The rate increase will generate approximately \$211,093 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

**TABLE C**

**CURRENT AND PROPOSED RATES**  
**WESTERN MASON COUNTY WATER DISTRICT**

<u>Monthly Water Rates:</u>		<u>Current</u>		<u>Proposed</u>		<u>Difference</u>	
First	2,000 Gallons	\$ 44.60	Minimum Bill	\$ 56.67	Minimum Bill	\$ 12.07	27.06%
Next	8,000 Gallons	\$ 6.48	Per 1,000 Gallons	\$ 8.23	Per 1,000 Gallons	\$ 1.75	27.01%
All Over	10,000 Gallons	\$ 5.68	Per 1,000 Gallons	\$ 7.22	Per 1,000 Gallons	\$ 1.54	27.11%
	Bulk Water Sales	\$ 6.83	Per 1,000 Gallons	\$ 8.68	Per 1,000 Gallons	\$ 1.85	27.09%

# Attachment #4

## SCHEDULE OF ADJUSTED OPERATIONS

### Western Mason County Water District

	<u>Test Year</u>	<u>Adjustments</u>	<u>Ref.</u>	<u>Proforma</u>
<u>Operating Revenues</u>				
Total Metered Retail Sales	776,080	4,078	A	780,158
Other Water Revenues:				
Forfeited Discounts				-
Misc. Service Revenues				-
				-
Other Water Revenues	21,293	-		21,293
<b>Total Operating Revenues</b>	<b>797,373</b>	<b>4,078</b>		<b>801,451</b>
<u>Operating Expenses</u>				
Operation and Maintenance				
Salaries and Wages - Employees	253,468	(1,800)	D	
		1,442	B	253,110
Salaries and Wages - Officers	14,400			14,400
Employee Pensions and Benefits	75,356	(26,899)	E	48,457
Purchased Water	-			-
Purchased Power	51,868			51,868
Chemicals	-			-
Materials and Supplies	70,879	(4,200)	D	66,679
Contractual Services - Accounting	21,100			21,100
Contractual Services - Management	-			-
Contractual Services - Other	38,608			38,608
Rental of Building/Real Property	-			-
Transportation Expenses	6,689			6,689
Insurance - General Liability	-			-
Insurance - Other	14,797			14,797
Bad Debt	-			-
Miscellaneous Expenses	4,004	-		4,004
Total Operation and Mnt. Expenses	551,169	(31,457)		519,712
Depreciation Expense	230,246	(34,667)	F	195,579
Taxes Other Than Income	19,762	(261)	C	19,501
<b>Total Operating Expenses</b>	<b>801,177</b>	<b>(66,385)</b>		<b>734,792</b>
<b>Total Utility Operating Income</b>	<b>(3,804)</b>	<b>70,463</b>		<b>66,659</b>

### REVENUE REQUIREMENTS

<b>Pro Forma Operating Expenses</b>	734,792
Plus: Average Annual Principal and Interest Payments	G 241,488
Additional Working Capital	H 48,298
<b>Total Revenue Requirement</b>	<b>1,024,577</b>
Less: Other Operating Revenue	21,293
Non-Utility Income	11,940
Interest Income	93
<b>Revenue Required From Sales of Water</b>	<b>991,251</b>
Less: Revenue from Sales with Present Rates	780,158
<b>Required Revenue Increase</b>	<b>211,093</b>
<b>Percent Increase</b>	<b>27.06%</b>



## REFERENCES TO SAO ADJUSTMENTS

- A. Water revenues have been adjusted by \$4,078 to the amounts produced by the Billing Analysis using current rates.
- B. Increases in wage rates result in annual labor expenses increasing by \$1,442.
- C. Changes in wage rates result in taxes other than income decreasing by \$261.
- D. Labor and materials used to install taps are excluded resulting in decreases of \$1,800 and \$4,200 respectively.
- E. The District pays 100 percent of its employees' health and dental insurance premiums. The PSC requires that expenses associated with this level of employer-funded premiums be adjusted to be consistent with the Bureau of Labor Statistics' national average for an employer's share of health insurance premiums. Average employer shares from BLS are currently 67 percent for families. The PSC also limits expenses associated with dental insurance premiums to 60 percent for single and family coverages. Applying those percentages to premiums to be paid in the current year results in a deduction from benefits expense of \$26,899.
- F. 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, an adjustment is included to bring asset lives to the midpoint of the recommended ranges resulting in a decrease in depreciation expense of \$34,667 for the water division as shown in Table A.
- G. Average annual principal and interest payments over the next five years are \$241,488.
- H. Average annual debt service coverage over the next five years is \$48,298.

**Table A**  
**DEPRECIATION EXPENSE ADJUSTMENTS**  
**Western Mason County Water District**

<u>Asset</u>	<u>Date in Service</u>	<u>Original Cost *</u>	<u>Life</u>	<u>Reported Depr. Exp.</u>	<u>Proforma Life</u>	<u>Proforma Depr. Exp.</u>	<u>Depreciation Expense Adjustment</u>
<b><u>General Plant</u></b>							
Structures & Improvements	Various	\$ 618,713	Varies	15,468	37.5	16,499	1,031
Communication & Computer Eqmt.	Various	\$ 105,124	Varies	5,256	10.0	10,512	5,256
Office Furniture & Equipment	Various	\$ 47,737	Varies	3,507	22.5	2,122	(1,385)
Power Operated Equipment					12.5	-	-
Tools, Shop, & Garage Equipment	Various	\$ 1,937	Varies	129	17.5	111	(18)
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					37.5	-	-
Telemetry					10.0	-	-
Pumping Equipment	Various	\$ 769,427	Varies	33,927	20.0	38,471	4,544
<b><u>Transmission &amp; Distribution Plant</u></b>							
Hydrants	Various	\$ 47,900	Varies	1,198	50.0	958	(240)
Transmission & Distribution Mains	Various	\$ 4,586,763	Varies	114,493	62.5	73,388	(41,105)
Meter Installations					45.0	-	-
Meter Change-outs	Various	\$ 236,850	Varies	9,797	15.0	15,790	5,993
Pump Equipment					20.0	-	-
Tank Fence					37.5	-	-
Services	Various	\$ 14,929	Varies	377	40.0	373	(4)
Reservoirs & Tanks	Various	\$ 1,131,688	Varies	29,018	45.0	25,149	(3,869)
Tank Painting & Repairs					15.0	-	-
<b><u>Transportation Equipment</u></b>							
Entire Group	Various	\$ 82,274	Varies	16,455	7.0	11,753	(4,701)
<b><u>Water Treatment Plant</u></b>							
Structures and Improvements					62.5	-	-
Water Treatment Equipment	Various	\$ 12,429	Varies	621	27.5	452	(169)
<b>TOTALS</b>		<b>\$ 7,655,771</b>		<b>\$ 230,246</b>		<b>\$ 195,579</b>	<b>\$ (34,667)</b>

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

**Table B**  
**DEBT SERVICE SCHEDULE**  
**Western Mason County Water District**  
**CY 2023 - 2027**

	CY 2023		CY 2024		CY 2025		CY 2026		CY 2027		TOTALS
	Principal	Interest & Fees	Principal	Interest & Fees	Principal	Interest & Fees	Principal	Interest & Fees	Principal	Interest & Fees	
Series 1988 (91-02)	16,000	6,498	17,000	5,578	18,000	4,600	20,000	3,565	20,000	2,415	113,656
Series 1997 (91-05)	6,000	5,606	6,500	5,314	6,500	4,997	7,000	4,680	7,500	4,339	58,436
Series 2001 (91-06)	6,000	8,788	6,500	8,503	6,500	8,194	7,000	7,885	7,500	7,553	74,423
Series 2007A (91-08)	22,000	41,475	23,000	40,513	24,000	39,506	25,000	38,456	26,000	37,363	317,313
Series 2007B (91-10)	4,500	8,115	5,000	7,930	5,000	7,723	5,500	7,517	5,500	7,289	64,074
Series 2010 (91-11)	13,000	17,805	13,500	17,415	13,500	17,010	14,000	16,605	14,500	16,185	153,520
Series 2021 (91-13)	27,000	44,655	27,500	43,845	28,000	43,020	28,500	42,180	29,000	41,325	355,025
KIA Loan #F209-14	11,745	2,513	11,981	2,248	12,222	1,977	12,468	1,700	12,718	1,418	70,991
<b>TOTALS</b>	<b>106,245</b>	<b>135,455</b>	<b>110,981</b>	<b>131,346</b>	<b>113,722</b>	<b>127,027</b>	<b>119,468</b>	<b>122,588</b>	<b>122,718</b>	<b>117,887</b>	<b>\$ 1,207,438</b>
<b>Average Annual Principal &amp; Interest</b>										<b>\$ 241,488</b>	
<b>Average Annual Coverage</b>										<b>\$ 48,298</b>	

# Attachment #5

**2021 CURRENT BILLING ANALYSIS**

**Western Mason County Water District**

Summary	# of Bills	Gallons Sold	Revenue
Billing Analysis Revenue	12,586	62,908,700	\$ 820,442
Less Adjustments			\$ (28,032)
Net Revenue			\$ 792,410
From PSC Annual Report			\$ 768,264
Difference			\$ 24,146

Adjustment to SAO Billed Retail Revenues  
3.14%

**CONSUMPTION BY RATE INCREMENT**

	Usage	Bills	Gallons	First 2,000	Next 8,000	Over 10,000	Total
First	2,000	4,255	4,141,700	4,141,700	-	-	4,141,700
Next	8,000	7,357	30,466,600	14,714,000	15,752,600	-	30,466,600
Over	10,000	969	27,159,400	1,938,000	7,752,000	17,469,400	27,159,400
Subtotal		12,581	61,767,700	20,793,700	23,504,600	17,469,400	61,767,700
Bulk Water Sales	All	5	1,141,000				
Total		12,586	62,908,700				

**REVENUE BY RATE INCREMENT**

	Usage	Bills	Gallons	Rate	Revenue
First	2,000	12,581	20,793,700	\$ 44.60	\$ 561,113
Next	8,000		23,504,600	\$ 6.48	\$ 152,310
Over	10,000		17,469,400	\$ 5.68	\$ 99,226
Subtotal		12,581	61,767,700		\$ 812,649
Bulk Water Sales	All	5	1,141,000	\$ 6.83	\$ 7,793
Total		12,586	62,908,700		\$ 820,442

# Attachment #6

**2022 PROJECTED BILLING ANALYSIS**

**Western Mason County Water District**

Summary	# of Bills	Gallons Sold	Revenue
Billing Analysis Revenue	12,687	60,739,600	\$ 1,030,702
Less Adjustments			\$ (28,032)
Net Revenue			\$ 1,002,671
Revenue Required from Sale of Water			\$ 991,251
Difference			\$ 11,420
			1.15%

**CONSUMPTION BY RATE INCREMENT**

	Usage	Bills	Gallons	First 2,000	Next 8,000	Over 10,000	Total
First	2,000	3,960	3,924,000	3,924,000	-	-	3,924,000
Next	8,000	7,582	31,870,200	15,164,000	16,706,200	-	31,870,200
Over	10,000	1,140	23,804,400	2,280,000	9,120,000	12,404,400	23,804,400
Subtotal		12,682	59,598,600	21,368,000	25,826,200	12,404,400	59,598,600
Bulk Water Sales	All	5	1,141,000				
Total		12,687	60,739,600				

**REVENUE BY RATE INCREMENT**

	Usage	Bills	Gallons	Rate	Revenue
First	2,000	12,682	21,368,000	\$ 56.67	\$ 718,689
Next	8,000		25,826,200	\$ 8.23	\$ 212,550
Over	10,000		12,404,400	\$ 7.22	\$ 89,560
Subtotal		12,682	59,598,600		\$ 1,020,798
Bulk Water Sales	All	5	1,141,000	\$ 8.68	\$ 9,904
Total		12,687	60,739,600		\$ 1,030,702

# Attachment #7



**WESTERN MASON WATER DISTRICT  
PLANT AND DEPRECIATION SCHEDULE  
DECEMBER 31, 2022**

	DATE ACQ	USE- FUL LIFE	ORIGINAL COST	ACCUM 12/31/2019	2020 PROVISIONS	ACCUM 12/31/2020	2021 PROVISIONS	ACCUM 12/31/2021	2022 PROVISIONS	ACCUM 12/31/2022	NET BALANCE 12/31/2022
<b>303 LAND AND LAND RIGHTS</b>											
Land & Land Rig	12/31/93		8,723.00								8,723.00
Land - Maysville	07/01/97		500.00								500.00
4.714 ac Land - Office, Plant, Well	01/01/05		71,757.50								71,757.50
1.005 Ac Land - Dover Tank	02/17/05		10,000.00								10,000.00
.537 Ac Land - Germantown Tank	01/20/05		10,000.00								10,000.00
Land	07/01/08		106,015.42								106,015.42
303 SUBTOTAL			206,995.92								206,995.92
<b>304 STRUCTURES AND IMPROVEMENTS</b>											
Office Building	07/01/08	40	566,842.26	162,967.16	14,171.06	177,138.22	14,171.06	191,309.27	14,171.06	205,480.33	361,361.93
Structures & Im	12/31/08	40	15,591.01	4,287.54	389.78	4,677.31	389.78	5,067.09	389.78	5,456.86	10,134.15
Bulk Loading Station	12/31/09	40	1,110.87	277.72	27.77	305.49	27.77	333.26	27.77	361.03	749.84
Truck Loading Station	06/30/10	40	9,850.00	2,339.38	246.25	2,585.63	246.25	2,831.88	246.25	3,078.13	6,771.87
Storage Building (Warehouse)	03/08/12	40	22,460.38	4,211.32	561.51	4,772.83	561.51	5,334.34	561.51	5,895.85	16,564.53
Minerva Pump Station	02/12/21	40	2,858.00				71.45	71.45	71.45	142.90	2,715.10
304 SUBTOTAL			618,712.52	174,083.11	15,396.36	189,479.48	15,467.81	204,947.29	15,467.81	220,415.10	398,297.42
<b>311 PUMPING EQUIPMENT</b>											
Pumping Equipment	12/31/93	20	217,285.42	217,285.42	-	217,285.42	-	217,285.42	-	217,285.42	(0.00)
Booster Pump St	07/01/97	20	43,691.90	43,691.90	-	43,691.90	-	43,691.90	-	43,691.90	0.00
Master Meter Va	07/01/97	20	17,016.72	17,016.72	-	17,016.72	-	17,016.72	-	17,016.72	(0.00)
Test Well	01/01/05	40	8,050.00	3,001.98	201.25	3,203.23	201.25	3,404.48	201.25	3,605.73	4,444.27
Pumping Equipment	07/01/08	20	465,997.24	267,948.41	23,299.86	291,248.27	23,299.86	314,548.13	23,299.86	337,847.99	128,149.25
Well # 1 pump	02/28/18	20	22,783.00	1,708.73	1,139.15	2,847.88	1,139.15	3,987.03	1,139.15	5,126.18	17,656.83
Well # 1 pump repair and cleaning	06/23/21	20	43,228.00				2,161.40	2,161.40	2,161.40	4,322.80	38,905.20
Well # 2 pump repair and cleaning	06/23/21	20	55,653.00				2,782.65	2,782.65	2,782.65	5,565.30	50,087.70
Tank Rehab	11/28/22	20	173,715.62				-	-	4,342.89	4,342.89	169,372.73
311 SUBTOTAL			1,047,420.90	550,653.15	24,640.26	575,293.41	29,584.31	604,877.73	33,927.20	638,804.93	408,615.97
<b>320 WATER TREATMENT EQUIPMENT</b>											
Chlorine Rehab	07/15/19	20	8,835.00	220.88	441.75	662.63	441.75	1,104.38	441.75	1,546.13	7,288.88
Florde Repairs	01/01/22	20	3,593.90						179.70	179.70	3,414.21
320 SUBTOTAL			12,428.90	220.88	441.75	662.63	441.75	1,104.38	621.45	1,725.82	10,703.08

**WESTERN MASON WATER DISTRICT  
PLANT AND DEPRECIATION SCHEDULE  
DECEMBER 31, 2022**

	DATE ACQ	USE- FUL LIFE	ORIGINAL COST	ACCUM 12/31/2019	2020 PROVISIONS	ACCUM 12/31/2020	2021 PROVISIONS	ACCUM 12/31/2021	2022 PROVISIONS	ACCUM 12/31/2022	NET BALANCE 12/31/2022
<b>330/342 DISTRIBUTION RESERV. &amp; STANDPIPE</b>											
Standpipes	12/31/93	39	290,723.17	242,360.32	7,454.44	249,814.76	7,454.44	257,269.20	7,454.44	264,723.64	25,999.53
Tanks	07/01/08	39	840,965.03	247,421.39	21,563.21	268,984.60	21,563.21	290,547.80	21,563.21	312,111.01	528,854.02
330 SUBTOTAL			1,131,688.20	489,781.72	29,017.65	518,799.36	29,017.65	547,817.01	29,017.65	576,834.65	554,853.55
<b>331/343 TRANSMISSION AND DISTRIBUTION MAINS</b>											
Trans & Distrib	12/31/93	39	416,112.31	416,112.31	-	416,112.31	-	416,112.31	-	416,112.31	-
Lines - Harold P	07/01/95	40	18,956.00	11,610.55	473.90	12,084.45	473.90	12,558.35	473.90	13,032.25	5,923.75
Lines - Delaney	07/01/95	40	14,441.00	8,845.15	361.03	9,206.17	361.03	9,567.20	361.03	9,928.22	4,512.78
Lines - Big Pond	07/01/95	40	82,738.80	50,639.47	2,068.47	52,707.94	2,068.47	54,776.41	2,068.47	56,844.88	25,893.92
Lines - Other	07/01/95	40	1,488.00	911.40	37.20	948.60	37.20	985.80	37.20	1,023.00	465.00
Lines - Maysville	07/01/97	40	192,435.62	108,245.03	4,810.89	113,055.93	4,810.89	117,866.82	4,810.89	122,677.71	69,757.91
Road Bore - Ger	07/01/98	40	7,275.15	3,910.41	181.88	4,092.29	181.88	4,274.17	181.88	4,456.05	2,819.11
Lines - Mastin	07/01/98	40	1,966.60	1,057.11	49.17	1,106.27	49.17	1,155.44	49.17	1,204.60	762.00
South Collins	07/01/99	40	38,378.76	19,669.12	959.47	20,628.59	959.47	21,588.06	959.47	22,547.53	15,831.23
Serenity Farms	10/01/99	40	10,269.00	5,198.74	256.73	5,455.46	256.73	5,712.19	256.73	5,968.91	4,300.09
Maloney Rd Este	10/15/00	40	13,511.31	6,502.29	337.78	6,840.08	337.78	7,177.86	337.78	7,515.64	5,995.67
YR 2001 Road Ex	07/01/01	40	17,435.60	8,063.97	435.89	8,499.86	435.89	8,935.75	435.89	9,371.64	8,063.96
YR 2002 Line Ex	07/01/02	40	473,891.57	207,327.56	11,847.29	219,174.85	11,847.29	231,022.14	11,847.29	242,869.43	231,022.14
Lines - Tony Ri	08/13/03	40	13,841.50	5,680.80	346.04	6,026.84	346.04	6,372.87	346.04	6,718.91	7,122.59
Lines - Barret	04/29/03	39	10,367.50	4,452.69	265.83	4,718.52	265.83	4,984.36	265.83	5,250.19	5,117.31
Line Ext. - Leescreek/S. Ripley	09/01/05	40	137,532.59	48,996.01	3,438.31	52,434.33	3,438.31	55,872.64	3,438.31	59,310.96	78,221.63
Arthur Sub-Division	03/30/06	40	18,559.86	6,418.63	464.00	6,882.63	464.00	7,346.62	464.00	7,810.62	10,749.24
Lines	07/01/08	40	326,839.16	93,966.26	8,170.98	102,137.24	8,170.98	110,308.22	8,170.98	118,479.20	208,359.96
Transmission & Distribution Mains	12/31/08	40	25,691.62	7,065.19	642.29	7,707.49	642.29	8,349.78	642.29	8,992.07	16,699.55
T Wenz Rd Lines	10/31/09	40	19,999.78	5,083.28	499.99	5,583.28	499.99	6,083.27	499.99	6,583.26	13,416.52
Transmission & Distribution Lines	07/01/09	40	22,625.71	5,939.24	565.64	6,504.89	565.64	7,070.53	565.64	7,636.17	14,989.54
Service Lines	10/19/12	40	4,550.00	853.13	113.75	966.88	113.75	1,080.63	113.75	1,194.38	3,355.63
Germanton Line Replacement	03/01/12	40	1,294,418.30	242,703.43	32,360.46	275,063.89	32,360.46	307,424.35	32,360.46	339,784.80	954,633.50
Service Lines	06/30/17	40	14,600.00	547.50	182.50	730.00	182.50	912.50	182.50	1,095.00	13,505.00
Campground - Line Ext	04/30/20	40	20,207.74		505.19	505.19	505.19	1,010.39	505.19	1,515.58	18,692.16
New Lines	12/31/21	40	1,708,225.13				42,705.63	42,705.63	42,705.63	85,411.26	1,622,813.87
Dollar General Lines	07/31/21	40	28,675.00				716.88	716.88	716.88	1,433.75	27,241.25
New Lines	05/31/22	40	67,841.86						1,696.05	1,696.05	66,145.81
331 SUBTOTAL			5,002,875.47	1,269,799.27	69,374.68	1,339,173.95	112,797.18	1,451,971.13	114,493.22	1,566,464.35	3,436,411.12
<b>333/345 SERVICES</b>											
Services	12/31/93	39	5,956.05	5,452.43	152.72	5,605.15	152.72	5,757.87	152.72	5,910.59	45.46
Water Park Project	09/01/00	40	8,460.90	4,089.41	211.52	4,300.94	211.52	4,512.46	211.52	4,723.98	3,736.92
YR 2001 Service	07/01/01	40	512.00	236.80	12.80	249.60	12.80	262.40	12.80	275.20	236.80
333 SUBTOTAL			14,928.95	9,778.65	377.04	10,155.69	377.04	10,532.73	377.04	10,909.77	4,019.18

**WESTERN MASON WATER DISTRICT  
PLANT AND DEPRECIATION SCHEDULE  
DECEMBER 31, 2022**

	<b>DATE ACQ</b>	<b>USE- FUL LIFE</b>	<b>ORIGINAL COST</b>	<b>ACCUM 12/31/2019</b>	<b>2020 PROVISIONS</b>	<b>ACCUM 12/31/2020</b>	<b>2021 PROVISIONS</b>	<b>ACCUM 12/31/2021</b>	<b>2022 PROVISIONS</b>	<b>ACCUM 12/31/2022</b>	<b>NET BALANCE 12/31/2022</b>
<b>334/346 METERS AND METER INSTALLATIONS</b>											
Meters	12/31/93	39	47,449.47	47,449.47	-	47,449.47	-	47,449.47	-	47,449.47	(0.00)
Meters	12/31/95	20	19,540.25	19,540.25	-	19,540.25	-	19,540.25	-	19,540.25	-
Meters	12/31/94	20	2,875.00	2,875.00	-	2,875.00	-	2,875.00	-	2,875.00	-
Meters	12/31/95	20	11,500.00	11,500.00	-	11,500.00	-	11,500.00	-	11,500.00	-
Meters	07/01/96	20	5,000.00	5,000.00	-	5,000.00	-	5,000.00	-	5,000.00	-
Meters	07/01/97	20	13,000.00	13,000.00	-	13,000.00	-	13,000.00	-	13,000.00	-
Meters	07/01/98	20	7,500.00	7,500.00	-	7,500.00	-	7,500.00	-	7,500.00	-
Meters	07/01/99	20	15,500.00	15,500.00	-	15,500.00	-	15,500.00	-	15,500.00	-
YR 2000 Meters	07/01/00	20	8,500.00	8,287.50	212.50	8,500.00	-	8,500.00	-	8,500.00	-
YR 2001 Meters	07/01/01	20	16,000.00	14,800.00	800.00	15,600.00	400.00	16,000.00	-	16,000.00	-
500 Touch Meters	12/31/02	20	50,000.00	42,708.33	2,500.00	45,208.33	2,500.00	47,708.33	2,291.67	50,000.00	-
YR 2002 Meters	07/01/02	20	19,000.00	16,625.00	950.00	17,575.00	950.00	18,525.00	475.00	19,000.00	-
YR 2003 Meters	07/01/03	20	19,250.00	15,881.25	962.50	16,843.75	962.50	17,806.25	962.50	18,768.75	481.25
YR 2004 Meters	07/31/04	20	12,750.00	9,881.25	637.50	10,518.75	637.50	11,156.25	637.50	11,793.75	956.25
YR 2005 Meters	06/30/05	20	15,000.00	10,937.50	750.00	11,687.50	750.00	12,437.50	750.00	13,187.50	1,812.50
2006 Meters	06/30/06	20	13,500.00	9,168.75	675.00	9,843.75	675.00	10,518.75	675.00	11,193.75	2,306.25
2007 Meters	06/30/07	20	11,250.00	7,078.13	562.50	7,640.63	562.50	8,203.13	562.50	8,765.63	2,484.37
2008 Meters	07/01/08	20	7,500.00	4,312.50	375.00	4,687.50	375.00	5,062.50	375.00	5,437.50	2,062.50
2009 Meters	07/01/09	20	6,000.00	3,150.00	300.00	3,450.00	300.00	3,750.00	300.00	4,050.00	1,950.00
2010 Meters	07/01/10	7	5,250.00	5,250.00	-	5,250.00	-	5,250.00	-	5,250.00	-
2011 Meters	07/01/11	7	6,000.00	6,000.00	-	6,000.00	-	6,000.00	-	6,000.00	0.00
2012 Meters	07/01/12	20	5,250.00	1,968.75	262.50	2,231.25	262.50	2,493.75	262.50	2,756.25	2,493.75
2013 Meters	07/01/13	20	3,900.00	1,267.50	195.00	1,462.50	195.00	1,657.50	195.00	1,852.50	2,047.50
2014 Meters	07/01/14	20	3,150.00	866.25	157.50	1,023.75	157.50	1,181.25	157.50	1,338.75	1,811.25
2015 Meters	07/01/15	20	7,500.00	1,687.50	375.00	2,062.50	375.00	2,437.50	375.00	2,812.50	4,687.50
2016 Meters	07/01/16	20	2,250.00	393.75	112.50	506.25	112.50	618.75	112.50	731.25	1,518.75
2017 Meters	07/01/17	20	4,500.00	562.50	225.00	787.50	225.00	1,012.50	225.00	1,237.50	3,262.50
2018 Meters	07/01/18	20	2,250.00	168.75	112.50	281.25	112.50	393.75	112.50	506.25	1,743.75
2019 Meters	07/01/19	20	6,750.00	168.75	337.50	506.25	337.50	843.75	337.50	1,181.25	5,568.75
2020 Meters	07/01/20	20	3,750.00	-	93.75	93.75	93.75	187.50	187.50	375.00	3,375.00
2021 Meters	07/01/21	20	10,050.00	-	-	-	251.25	251.25	502.50	753.75	9,296.25
2022 Meters	07/01/22	20	6,000.00	-	-	-	-	-	300.00	300.00	5,700.00
334 SUBTOTAL			367,714.72	283,528.68	10,596.25	294,124.93	10,235.00	304,359.93	9,796.67	313,856.60	47,858.12
<b>335 HYDRANTS</b>											
Hydrants (16 + 1 Blowoff Hydrant)	03/10/12	40	47,900.00	8,981.25	1,197.50	10,178.75	1,197.50	11,376.25	1,197.50	12,573.75	35,326.25
335 SUBTOTAL			47,900.00	8,981.25	1,197.50	10,178.75	1,197.50	11,376.25	1,197.50	12,573.75	35,326.25

**WESTERN MASON WATER DISTRICT  
PLANT AND DEPRECIATION SCHEDULE  
DECEMBER 31, 2022**

	<b>DATE ACQ</b>	<b>USE- FUL LIFE</b>	<b>ORIGINAL COST</b>	<b>ACCUM 12/31/2019</b>	<b>2020 PROVISIONS</b>	<b>ACCUM 12/31/2020</b>	<b>2021 PROVISIONS</b>	<b>ACCUM 12/31/2021</b>	<b>2022 PROVISIONS</b>	<b>ACCUM 12/31/2022</b>	<b>NET BALANCE 12/31/2022</b>
<b>340 OFFICE FURNITURE AND EQUIPMENT</b>											
Meter Reading E	02/20/95	10	2,941.50	2,941.50	-	2,941.50	-	2,941.50	-	2,941.50	-
Office Furniture	12/31/08	20	12,100.00	6,655.00	605.00	7,260.00	605.00	7,865.00	605.00	8,470.00	3,630.00
Billing Computer, Printer, Software	06/15/12	5	10,000.00	10,000.00	-	10,000.00	-	10,000.00	-	10,000.00	-
Dell Desktop Tower Computer	01/01/12	5	602.08	602.08	-	602.08	-	602.08	-	602.08	0.00
LG 50" Display Monitor (Telemetry)	01/01/12	5	688.99	688.99	-	688.99	-	688.99	-	688.99	0.00
Automated Meter Reading System	03/01/12	20	25,000.00	9,375.00	1,250.00	10,625.00	1,250.00	11,875.00	1,250.00	13,125.00	11,875.00
SCADA Upgrade	10/10/14	20	3,169.40	871.59	158.47	1,030.06	158.47	1,188.53	158.47	1,347.00	1,822.41
SCADA Computer	05/22/18	5	6,968.00	2,090.40	1,393.60	3,484.00	1,393.60	4,877.60	1,393.60	6,271.20	696.80
Office Furniture/Equipment	06/30/19	5	500.00	50.00	100.00	150.00	100.00	250.00	100.00	350.00	150.00
340 SUBTOTAL			61,969.97	33,274.55	3,507.07	36,781.62	3,507.07	40,288.69	3,507.07	43,795.76	18,174.21
<b>341 TRANSPORTATION EQUIPMENT</b>											
Chevy Truck	09/05/17	5	44,808.75	13,442.63	8,961.75	22,404.38	8,961.75	31,366.13	8,961.75	40,327.88	4,480.88
2019 Chevy Silverado 1500	07/23/19	5	37,465.00	3,746.50	7,493.00	11,239.50	7,493.00	18,732.50	7,493.00	26,225.50	11,239.50
341 SUBTOTAL			82,273.75	17,189.13	16,454.75	33,643.88	16,454.75	50,098.63	16,454.75	66,553.38	15,720.38
<b>343 TOOLS, SHOP AND GARAGE EQUIPMENT</b>											
Shop Equipment	12/31/93	15	1,989.81	1,989.81	-	1,989.81	-	1,989.81	-	1,989.81	-
Tapping Kit	05/06/11	15	1,937.48	1,119.43	129.17	1,248.60	129.17	1,377.76	129.17	1,506.93	430.55
343 SUBTOTAL			3,927.29	3,109.24	129.17	3,238.41	129.17	3,367.57	129.17	3,496.74	430.55
<b>345 POWER OPERATED EQUIPMENT</b>											
345 SUBTOTAL			-	-	-	-	-	-	-	-	-
<b>348 OTHER TANGIBLE PLANT</b>											
Telemetry Syst	07/01/08	20	101,124.24	58,146.44	5,056.21	63,202.65	5,056.21	68,258.86	5,056.21	73,315.07	27,809.17
GPS Mapping System	08/06/13	20	4,000.00	1,300.00	200.00	1,500.00	200.00	1,700.00	200.00	1,900.00	2,100.00
348 SUBTOTAL			105,124.24	59,446.44	5,256.21	64,702.65	5,256.21	69,958.86	5,256.21	75,215.07	29,909.17
<b>TOTALS -- WATER DIVISION</b>			<b>8,703,960.83</b>	<b>2,899,846.06</b>	<b>176,388.69</b>	<b>3,076,234.75</b>	<b>224,465.44</b>	<b>3,300,700.19</b>	<b>230,245.74</b>	<b>3,530,645.93</b>	<b>5,167,314.90</b>

# Attachment #8

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF MASON

REGISTERED



WESTERN MASON COUNTY WATER DISTRICT  
WATER REVENUE BOND  
SERIES OF 1988

REGISTERED



KNOW ALL MEN BY THESE PRESENTS:

That the Western Mason County Water District, acting by and through its governing body (the "Issuer"), for value received, hereby promises to pay to the Registered Owner hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000) on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal	Year	Principal
1991	\$ 3,000	2001	\$ 5,000	2011	\$ 8,000	2020	\$14,000
1992	3,000	2002	5,000	2012	9,000	2021	15,000
1993	3,000	2003	5,000	2013	9,000	2022	16,000
1994	3,000	2004	6,000	2014	10,000	2023	16,000
1995	3,000	2005	6,000	2015	10,000	2024	17,000
1996	4,000	2006	6,000	2016	11,000	2025	18,000
1997	4,000	2007	7,000	2017	12,000	2026	20,000
1998	4,000	2008	7,000	2018	12,000	2027	20,000
1999	4,000	2009	7,000	2019	13,000	2028	22,000
2000	5,000	2010	8,000				

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America; and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, in like coin or currency, at the rate of five and seventy-five hundredths percent (5.75%) per annum, annually on the first day of January in each year hereafter 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, to the Registered Owner at the address shown on the registration books of the Issuer.

This Bond is one of a duly authorized issue of bonds in the total principal amount of Three Hundred Fifty Thousand Dollars (\$350,000) issued by the Issuer pursuant to a duly adopted Ordinance for the purpose of financing the costs, not otherwise provided, of the construction of extensions, improvements and additions (the "Construction Project") to the water distribution system of the Issuer (the "System"). This Bond is issued under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including specifically, Sections 74.370 and 96.350 through 96.510 of said Statutes.

This Bond and the issue of which it is one ranks on the basis of parity as to security and source of payment with the Issuer's outstanding Water Works System and Conditional Assessment Bonds, Series of 1960, by virtue of a waiver from the Registered Owner of all of said outstanding Series 1960 Bonds.

This Bond does not constitute an indebtedness of the Issuer, within the meaning of any constitutional or statutory limitations, but is payable as to both principal and interest solely and only out of the revenues derived from the operation of the System of said Issuer, a sufficient portion of which revenues, to pay the principal of and interest on all of said Bonds, as and when same become due and payable, shall be set aside and deposited in the "Western Mason County Water District Water-works Bond and Interest Sinking Fund." In accordance with the provisions of Section 96.400 of the Kentucky Revised Statutes, in addition to the pledge of the income and revenues of the System securing said Bond, the Issuer hereby acknowledges the existence of a statutory mortgage lien upon the System in favor of the Registered Owner hereof. The Issuer, acting by and through its governing body, covenants that it will fix and revise the rates and charges for the services and facilities of said System and collect and account for the income and revenues therefrom to pay promptly the principal of and interest on this Bond

and the issue of which it is one as the same become due and to pay when due all costs and expenses incident to the operation and maintenance of said System.

This Bond shall be registered as to principal and interest in the name of the Registered Owner hereof, after which it shall be transferable only upon presentation to the Secretary of the Issuer 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 books of the Issuer kept for that purpose.

As provided in the Bond Ordinance this Bond is exchangeable at the expense of the Registered Owner hereof at any time, upon ninety (90) days' written notice, at the request of such Registered Owner and upon surrender of this Bond to the Issuer at the office of the Secretary to the Issuer, for other Fully Registered Bonds in the denominations in multiples of \$1,000 selected by the Registered Owner as long as the selected denomination(s) are consistent with the maturities hereof, in an aggregate principal amount equal to and maturing in conformity with the unpaid principal amount of this Bond.

The Issuer, at its option, shall have the right to prepay, on any interest payment date on and after January 1, 1991, in the 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 multiples of One Thousand Dollars (\$1,000) as the Issuer 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 penalty. Notice of such redemption shall be given by regular United States mail to the Registered Owner of this Bond or his assignee, at least thirty (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.

Notwithstanding the foregoing provisions as to prepayment, this Bond may be paid as to principal without premium on any interest payment date from Bond proceeds remaining unused at the time of completion of the Construction Project. Notice of such prepayment shall be given as set forth in the preceding paragraph hereof.

Notwithstanding the foregoing provisions as to prepayment, in the event the United States Department of Agriculture, Partners Home Administration is the Registered Owner of this Bond, the Issuer shall have the right to make prepayments of principal on any interest payment date without premium and without the exchange of this Bond.

Upon default in the payment of any principal or interest payment on this Bond (or on any other Bond of this issue of which it forms a part) or upon failure by the Issuer to comply with any other provisions of this Bond or with the provisions of the Bond Ordinance, the Registered Owner may, at his option, institute all rights and remedies provided by law or by said Bond Ordinance.

This Bond is exempt from taxation in the Commonwealth of Kentucky.

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 does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, Western Mason County Water District, in the County of Mason, the Commonwealth of Kentucky, by its governing body, 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 May 1, 1990.

WESTERN MASON COUNTY WATER DISTRICT

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

Attest: \_\_\_\_\_  
Secretary

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF MASON

**REGISTERED**

NUMBER  
R-1-201

WESTERN MASON COUNTY WATER DISTRICT  
WATER REVENUE BOND  
SERIES OF 1997

**REGISTERED**

PRINCIPAL AMOUNT  
\$201,000

INTEREST RATE  
4 7/8%

**REGISTERED OWNER:**

UNITED STATES DEPARTMENT OF AGRICULTURE,  
RURAL DEVELOPMENT  
771 CORPORATE DRIVE  
LEXINGTON, KENTUCKY 40503

**PRINCIPAL AMOUNT:**

\*\*\*\*\* TWO HUNDRED ONE THOUSAND \*\*\*\*\*

**DOLLARS**

KNOW ALL MEN BY THESE PRESENTS:

That the Western Mason County Water District, Dover, Kentucky, acting by and through its Board of Commissioners, as its governing body (the "District"), for value received, hereby promises to pay to the UNITED STATES OF AMERICA, acting through UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, Registered Owner hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of TWO HUNDRED ONE THOUSAND DOLLARS (\$201,000) on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
1999	\$2,000	2012	\$3,500	2025	\$ 6,500
2000	2,000	2013	4,000	2026	7,000
2001	2,000	2014	4,000	2027	7,500
2002	2,500	2015	4,000	2028	7,500
2003	2,500	2016	4,500	2029	8,000
2004	2,500	2017	4,500	2030	8,500
2005	2,500	2018	5,000	2031	9,000
2006	2,500	2019	5,000	2032	9,000
2007	3,000	2020	5,500	2033	9,000
2008	3,000	2021	5,500	2034	10,000
2009	3,000	2022	6,000	2035	10,000
2010	3,500	2023	6,000	2036	10,500
2011	3,500	2024	6,500		

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America; and in like manner, solely from said special fund, to pay interest on the balance of said principal

sum from time to time remaining unpaid, in like coin or currency, at the rate of four and seven-eighths per cent (4 7/8%) per annum, annually on the first day of January in each year hereafter 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, to the Registered Owner at the address shown on the registration books of the District.

[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 does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Western Mason County Water District, in the County of Mason, the Commonwealth of Kentucky, by its governing body, 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 October 7, 1997.

WESTERN MASON COUNTY WATER DISTRICT

BY:

Chairman

ATTEST:

Secretary

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF MASON

REGISTERED

NUMBER  
R-1-258

WESTERN MASON COUNTY WATER DISTRICT  
WATER REVENUE BOND  
SERIES OF 2001

REGISTERED

PRINCIPAL AMOUNT  
\$258,000

RATE  
4 3/4 %

REGISTERED OWNER:

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
771 CORPORATE DRIVE  
LEXINGTON, KENTUCKY 40504

SPECIMEN

PRINCIPAL AMOUNT:

TWO HUNDRED FIFTY-EIGHT THOUSAND

DOLLARS

KNOW ALL MEN BY THESE PRESENTS:

That the Western Mason County Water District, acting by and through its governing body (the "Issuer"), for value received, hereby promises to pay to the Registered Owner hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of Two Hundred Fifty Eight Thousand Dollars (\$258,000) on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
2004	\$2,500	2017	\$4,500	2030	\$ 8,500
2005	2,500	2018	4,500	2031	9,000
2006	2,500	2019	5,000	2032	9,500
2007	3,000	2020	5,000	2033	10,000
2008	3,000	2021	5,500	2034	10,500
2009	3,000	2022	6,000	2035	11,000
2010	3,000	2023	6,000	2036	11,500
2011	3,500	2024	6,500	2037	11,500
2012	3,500	2025	6,500	2038	12,500
2013	3,500	2026	7,000	2039	13,000
2014	4,000	2027	7,500	2040	13,500
2015	4,000	2028	7,500	2041	15,000
2016	4,500	2029	8,500		

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America; and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, in like coin or currency, at the rate of four and three fourths per cent (4 3/4%) per annum, semi-annually on the first days

of January and July in each year hereafter until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may to 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, to the Registered Owner at the address shown on the registration books of the Issuer.

*(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 does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, Western Mason County Water District, in the County of Mason, the Commonwealth of Kentucky, by its governing body, 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 January 11, 2001.

WESTERN MASON COUNTY WATER DISTRICT

BY:

Chairman

ATTEST:

Secretary



UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF MASON

**REGISTERED**

NUMBER  
R-A-1,158

WESTERN MASON COUNTY WATER DISTRICT  
WATER REVENUE BOND  
SERIES A OF 2007

**REGISTERED**

PRINCIPAL AMOUNT  
\$1,158,000

RATE  
4<sup>3</sup>/<sub>8</sub>%

**REGISTERED OWNER:**

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
771 CORPORATE DRIVE  
LEXINGTON, KENTUCKY 40504

**PRINCIPAL AMOUNT:**

ONE MILLION ONE HUNDRED FIFTY-EIGHT THOUSAND

**DOLLARS**

KNOW ALL MEN BY THESE PRESENTS:

That the Western Mason County Water District, Mason County, Kentucky, acting by and through its governing body (the "Issuer" or "District"), for value received, hereby promises to pay to the Registered Owner hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of One Million One Hundred Fifty-Eight Thousand Dollars (\$1,158,000) on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal
2010	\$12,000	2023	\$22,000
2011	13,000	2024	23,000
2012	13,000	2025	24,000
2013	14,000	2026	25,000
2014	15,000	2027	26,000
2015	15,000	2028	27,000
2016	16,000	2029	28,000
2017	17,000	2030	29,000
2018	17,000	2031	31,000
2019	18,000	2032	32,000
2020	19,000	2033	33,000
2021	20,000	2034	35,000
2022	21,000	2035	36,000
		2036	\$38,000
		2037	39,000
		2038	41,000
		2039	43,000
		2040	45,000
		2041	47,000
		2042	49,000
		2043	51,000
		2044	53,000
		2045	56,000
		2046	58,000
		2047	57,000

the rate of four and three eights per cent (4 3/8%) per annum, semi-annually on the first days of January and July in each year hereafter 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, to the Registered Owner at the address shown on the registration books of the Issuer.

*[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 does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, Western Mason County Water District, in the County of Mason, the Commonwealth of Kentucky, by its governing body, 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 May 8, 2008.

WESTERN MASON COUNTY WATER DISTRICT

BY:

Chairman

ATTEST:

Secretary

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America; and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, in like coin or currency, at

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF MASON

**REGISTERED**

NUMBER  
R-B-243

WESTERN MASON COUNTY WATER DISTRICT  
WATER REVENUE BOND  
SERIES B OF 2007

**REGISTERED**

PRINCIPAL AMOUNT  
\$243,000

RATE  
4 1/8%

**REGISTERED OWNER:**

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
771 CORPORATE DRIVE  
LEXINGTON, KENTUCKY 40504

**PRINCIPAL AMOUNT:**

TWO HUNDRED FORTY-THREE THOUSAND

**DOLLARS**

KNOW ALL MEN BY THESE PRESENTS:

That the Western Mason County Water District, Mason County, Kentucky, acting by and through its governing body (the "Issuer" or "District"), for value received, hereby promises to pay to the Registered Owner hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of Two Hundred Forty-Three Thousand Dollars (\$243,000) on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
2010	\$3,000	2023	\$4,500	2036	\$8,000
2011	3,000	2024	5,000	2037	8,000
2012	3,000	2025	5,000	2038	8,500
2013	3,000	2026	5,500	2039	9,000
2014	3,000	2027	5,500	2040	9,500
2015	3,500	2028	5,500	2041	9,500
2016	3,500	2029	6,000	2042	10,000
2017	3,500	2030	6,000	2043	10,500
2018	4,000	2031	6,500	2044	11,000
2019	4,000	2032	6,500	2045	11,500
2020	4,000	2033	7,000	2046	12,000
2021	4,500	2034	7,500	2047	11,000
2022	4,500	2035	7,500		

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America; and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, in like coin or currency, at

the rate of four and one eights per cent (4 1/8%) per annum, semi-annually on the first days of January and July in each year hereafter 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, to the Registered Owner at the address shown on the registration books of the Issuer.

[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 does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, Western Mason County Water District, in the County of Mason, the Commonwealth of Kentucky, by its governing body, 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 May 8, 2008.

WESTERN MASON COUNTY WATER DISTRICT

BY:

Chairman

ATTEST:

Secretary

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF MASON

**REGISTERED**

NUMBER

R-700

**WESTERN MASON COUNTY WATER DISTRICT  
WATER REVENUE BOND, TAXABLE SERIES OF 2010  
(BUILD AMERICA BONDS - DIRECT PAY TO ISSUER)**

**REGISTERED**

PRINCIPAL AMOUNT

\$700,000

**RATE**  
3.00%

**REGISTERED OWNER:**

**UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
771 CORPORATE DRIVE  
LEXINGTON, KENTUCKY 40504**

**PRINCIPAL AMOUNT:**

**SEVEN HUNDRED THOUSAND**

**DOLLARS**

KNOW ALL MEN BY THESE PRESENTS:

That the Western Mason County Water District, Mason County, Kentucky, acting by and through its governing body (the "Issuer" or "District"), for value received, hereby promises to pay to the Registered Owner hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of Seven Hundred Thousand Dollars (\$700,000) on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal
2013	\$9,000	2026	\$14,000
2014	9,500	2027	14,500
2015	9,500	2028	15,000
2016	10,000	2029	15,500
2017	10,500	2030	16,500
2018	11,000	2031	17,000
2019	11,000	2032	17,500
2020	11,500	2033	18,000
2021	12,000	2034	18,500
2022	12,500	2035	19,500
2023	13,000	2036	20,000
2024	13,500	2037	20,500
2025	13,500	2038	21,500

year hereafter 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, to the Registered Owner at the address shown on the registration books of the Issuer.

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 does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, Western Mason County Water District, in the County of Mason, the Commonwealth of Kentucky, by its governing body, has caused this Bond to be executed by its Chairman and attested by its Secretary, on the date of this Bond, which is November 4, 2010.

WESTERN MASON COUNTY WATER DISTRICT

BY:

Chairman

ATTEST:

Secretary

Without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America; and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, in like coin or currency, at the rate of three per cent (3.00%) per annum, semi-annually on the first days of January and July in each

**SPECIMEN**

**UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
WESTERN MASON COUNTY WATER DISTRICT  
WATERWORKS REVENUE BONDS, SERIES 2020**

No. R-1

Interest Rate: 1.75%

\$1,515,000

KNOW ALL PERSONS BY THESE PRESENTS:

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

**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

**ONE MILLION FIVE HUNDRED FIFTEEN THOUSAND DOLLARS (\$1,515,000)**

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

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2022	\$ 26,500	2035	\$33,000	2048	\$41,500
2023	27,000	2036	34,000	2049	42,500
2024	27,500	2037	34,500	2050	43,000
2025	28,000	2038	35,000	2051	44,000
2026	28,500	2039	35,500	2052	44,500
2027	29,000	2040	36,000	2053	45,500
2028	29,500	2041	37,000	2054	46,000
2029	30,000	2042	37,500	2055	47,000
2030	30,500	2043	38,000	2056	48,000
2031	31,000	2044	39,000	2057	48,500
2032	31,500	2045	39,500	2058	49,500
2033	32,000	2046	40,000	2059	50,500
2034	32,500	2047	41,000	2060	51,000
				2061	50,000

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

**SPECIMEN**

This Bond is issued subject to the vested rights and priorities in favor of the owners of the outstanding (i) Western Mason County Water District Water Revenue Bonds, Series of 1988, dated May 1, 1990 (the "1988 Bonds"); (ii) Western Mason County Water District Water Revenue Bonds, Series of 1997, dated October 7, 1997 (the "1997 Bonds"); (iii) Western Mason County Water District Water Revenue Bonds, Series of 2001, dated June 21, 2000 (the "2001 Bonds"); (iv) Western Mason County Water District Water Revenue Bonds, Series of 2007, dated May 8, 2008 (the "2007 Bonds"); (v) Western Mason County Water District Water Revenue Bonds, Series of 2010, dated November 4, 2010 (the "2010 Bonds"); and (vi) Kentucky Infrastructure Authority 2012 Fund F loan to the District (the "KIA Loan"); [hereinafter the 1988 Bonds, the 1997 Bonds, the 2001 Bonds, the 2007 Bonds, the 2010 Bonds and the KIA Loan are collectively referred to as "Prior Bonds"]. Accordingly, this Bond, together with any bonds ranking on a parity herewith, is payable from and secured by a pledge of the gross revenues to be derived from the operation of the System, after providing for the requirements of the Prior Bonds.

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

This Bond does not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations and is payable solely out of the revenues of the System. As provided in the Current Bond Resolution, the District covenants that so long as any of the Current Bonds are outstanding, the System will be continuously owned and operated by the District as a revenue producing public undertaking within the meaning of the aforesaid Act for the

security and source of payment of the Current Bonds, and that the District will fix, and if necessary adjust, from time to time, such rates for the services and facilities of the System and will collect and account for the revenues therefrom sufficient to pay promptly the principal of and interest on the Current Bonds and all other bonds ranking on a parity therewith as may be outstanding from time to time, to pay the cost of operation and maintenance of the System and to provide for the depreciation thereof.

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

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

The District, at its option, shall have the right to prepay, on any interest payment date on and after January 1, 2029, in inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof, in a multiple of One Hundred Dollars (\$100), as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered owner of this Bond or its assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the registered owner of this Bond.

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

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

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

IN WITNESS WHEREOF said Western Mason 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 October 7, 2021.

Western Mason County Water District

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

Attest:

\_\_\_\_\_  
Secretary

(Seal of District)

**SPECIMEN**  
PROVISION FOR REGISTRATION

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

Date of Registration	Name of Registered Owner	Signature of Bond Registrar
October 7, 2021	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 \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

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

S P E C I M E N



KENTUCKY INFRASTRUCTURE AUTHORITY

ASSISTANCE AGREEMENT

DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

FUND F

PROJECT NUMBER: F2 09-14

BORROWER: Western Mason Water District

BORROWER'S ADDRESS: 2573 Mary Ingles Highway  
PO Box 49  
Dover, Kentucky 41034

DATE OF ASSISTANCE AGREEMENT: December 1, 2009

CFDA NO.: 66.468

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 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 Program is funded in part, pursuant to the Capitalization Grant Operating Agreement between the Authority and the U.S. Environmental Protection Agency dated as of November 1, 1998, as amended, supplemented or restated from time to time (the "Federal Agreement"), under which the Authority is responsible for providing certain "match funding" described in the Federal Agreement; 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 February 1, 2000 (the "Indenture") between the Authority and U.S. Bank, National Association, as lawful successor in interest to National City Bank of Kentucky (the "Trustee"), in order to provide the "match funding" for the Program; and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable to finance the acquisition and construction of 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 repay the Loan and the interest thereon from the sources herein provided, all as hereinafter more 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 AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

## 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.

"*Architects*" means the firm of consulting architects employed by the Governmental Agency in connection with the Project identified in the Project Specifics.

"*ARRA*" shall mean the American Recovery and Reinvestment Act of 2009.

"*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.

"*Cabinet*" means the Energy and Environment Cabinet of the Commonwealth.

"*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 income and revenues of the System.

"*Drinking Water Supply Project*" shall mean the planning, design and construction of drinking water treatment and distribution systems, including expenditures to address Federal Act health goals, or to address situations where compliance standards have been exceeded or to prevent future violations of rules, and may further include drinking water treatment plants, including basins for rapid mix, flocculation, coagulation, filtration, pre-treatment disinfection, and disinfection prior to entry to the distribution system; distribution systems; storage tanks; intake lines and short-term water storage; clearwells; drilled wells and wellhead areas; and any other structure or facility considered necessary by the Cabinet to the efficient and sanitary operation of a public water system and complies with the requirements of the Federal Act.

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

"*Federal Act*" shall mean the Federal Safe Drinking Water Act, as amended, 42 U.S.C. Section 1401, et seq.

"*Governmental Agency*" shall mean any incorporated city or municipal corporation, or other agency or unit of government within the Commonwealth, now having or hereafter granted the authority and power to finance, acquire, construct, and operate infrastructure projects, including specifically but not by way of limitation, incorporated cities, counties, including any counties containing a metropolitan sewer district, sanitation districts, water districts, 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 February 1, 2000 between the Authority and the Trustee.

"*Interagency Agreement*" means the Memorandum of Understanding dated as of July 1, 1999 between the Authority and the Cabinet, as the same may be amended or supplemented from time to time.

"*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.1115 and the Indenture as the "federally assisted drinking water 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, a Drinking Water Supply Project, and when used in specific reference to the Governmental Agency, the Project described in the Project Specifics.

"*Project Commencement Date*" means the date construction of the Project commences, or the date contracts have been executed for construction of the Project.

"*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 the Construction of the Project progresses.

"*Resolution*" means the resolution of the Governmental Agency in the form attached hereto as Exhibit D authorizing the execution of this Assistance Agreement.

"*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 general charges to be imposed by the Governmental Agency for services provided by the System, as set forth in Exhibit C hereto, and such other revenues identified in Exhibit C hereto 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 System, 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 Charges shall be no less than those set forth in the Schedule of Service Charges.

"*System*" shall mean the water system owned and operated by the Governmental Agency of which the Project shall become a part and from the earnings of which (represented by the Service Charges) the Governmental Agency shall repay the Authority the Loan hereunder.

## 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, the Federal Act, ARRA 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) To the knowledge of the Governmental Agency, 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 proceed with 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.

(J) The Governmental Agency is in full compliance with all federal and state labor and procurement laws in connection with the planning, design, acquisition and construction of the Project.

(K) Project is consistent with the water supply plan developed pursuant to 401 KAR 4:220 for the county in which the Governmental Agency is located.

## 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 Drinking Water Supply Project or other Infrastructure Project permitted 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, including principal forgiveness, 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 semiannually, 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 such Requisition of Funds shall be accompanied by a Buy-American Certification in substantially the same form as Exhibit B-1 attached 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; and shall be subject to the further 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 Prepay 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, subject to compliance by the Governmental Agency with any covenants and conditions set forth in Exhibit G hereto, the 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 System outstanding at the time this Assistance Agreement is executed as identified in the Project Specifics and all such Debt Obligations that may hereafter be issued on a parity with the Debt Obligations identified in the Project Specifics; provided, however, the Authority shall receive notice of any additional financings in accordance with Section 5.6 (D) hereof.

## 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 and the Cabinet appropriate documentation, satisfactory to the Authority indicating the following:

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

(B) All real estate and interest in real estate and all personal property constituting the Project and the sites of the Project 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 the 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 the lump-sum (fixed 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 Cabinet.

(G) Duly authorized representatives of the Cabinet and such other agencies of the Commonwealth and the United States Government 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, the Cabinet and any other participating federal or state agency, the Engineers, and all construction contractors, such conference to be held in accordance with guidelines established by the Authority and the Cabinet. 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 Cabinet 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 for the Governmental Agency and approved by state and federal agencies.

(O) The Governmental Agency will erect at the Project sites, signs satisfactory to the Authority and the United States Environmental Protection Agency noting the participation of the American Recovery and Reinvestment Act 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 and the Cabinet, acting by and through their 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 and the Cabinet such documents and information as such public bodies may reasonably require in connection with the administration of any federal or state assistance.

(R) The Governmental Agency shall require that each construction contractor or contractors furnish a performance and a 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.

(S) 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.

(T) 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 Cabinet, 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.

(U) 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 and the Cabinet 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 date of submission of the initial Requisition for Funds.

(V) The Project Commencement Date shall be no later than February 16, 2010.

(W) The Governmental Agency covenants that the Project is comprised of improvements constituting green infrastructure, water or energy efficiency improvements or other environmentally innovative activities.

Section 4.2. Additional Conditions to Disbursement Required Under the Federal Agreement and ARRA. The Governmental Agency, in order to comply with the terms and conditions of the Federal Agreement, further covenants and further agrees to additional conditions to disbursement, as follows:

(A) Notwithstanding any other agreements contained herein regarding the maintenance of books and records, that it shall maintain Project accounts in accordance with generally accepted governmental accounting standards, as required by the Federal Agreement. The Governmental Agency shall retain such records for no less than three (3) years following the final payment by the Governmental Agency under this Assistance Agreement or if any portion of the Project is disposed of, until at least three (3) years after such disposition; provided that if any litigation, claim, appeal or audit is commenced prior to the end of such period such records shall be maintained until the completion of such action or until three (3) years after such commencement, whichever is later.

(B) That it has not and will not apply any other federal funding to the Project in a manner that would cause it to receive "double benefits" as described in Section 603 of the Water Quality Act of 1987.

(C) That all property required for the completion of the Project shall be obtained, by easement, purchase or other means acceptable to the Authority, prior to commencement of construction and that the relocation of any Person resulting therefrom be in accordance with 49 CFR24 for Uniform Relocation Assistance and Real Property Acquisition Act of 1970.

(D) That all Project contractors shall be required to retain Project records for the periods established for the retention of the Governmental Agency's records in Section 4.2(A).

(E) That, as required by 40 CFR 35.2218, all engineering services regarding construction and regarding the first year of operation of the Project shall be provided for, including the following:

(1) The operation of the Project and the revision of the operations and maintenance manual as necessary to accommodate actual operating experience; and

(2) The training of operating personnel, including preparation of curricula and training material for operating personnel.

(F) That it shall advise the Cabinet and the Authority in writing of the date for initiation of operation of the Project.

(G) That it shall provide that qualified inspectors are present at the construction site. A summary of such inspector's qualifications and experience shall be submitted to the Cabinet and the Authority.

(H) That it shall notify the Authority and the Cabinet of the completion date of the Project.

(I) That it agrees to the terms and conditions of its application for assistance and the Authority's commitment to provide assistance, the terms of which are incorporated herein by reference.

(J) That all measures required to minimize water pollution to affected waters shall be employed in the Project including compliance with Section 404 of PL 92-500, as amended, it being understood that approval of the Project does not constitute sanction or approval of any changes or deviations from established water quality standards, criteria implementation dates, or dates established by enforcement proceedings.

(K) That no portion of the proceeds of the Loan shall be disbursed unless the Project Commencement Date is on or prior to February 16, 2010.

Section 4.3. Disbursements of Loan; Requisition for Funds. The Governmental Agency shall submit to the Authority (or the Trustee acting on behalf of the Authority, if so designated) and the Cabinet a Requisition for Funds prior to the fifth day 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 Exhibit B-1 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 disbursement by the Authority.

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

## 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 Service Charges upon all persons, firms and entities to whom or which services are provided by the System, such Service Charges to be no less than as 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, to make the required deposits to the Maintenance and Replacement Reserve and to provide for the operation of the System, 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, or immediately commence proceedings for a rate adjustment and increase with all applicable regulatory authorities, so as to provide funds sufficient to pay to the Authority the minimum sums set forth in the Schedule of Payments, to provide for the operation of the System as required under this Assistance Agreement and to make the required deposits to the Maintenance and Replacement Reserve.

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, to make the required deposits to the Maintenance and Replacement Reserve and to provide for the operation of the System, subject to necessary governmental and regulatory approvals.

The Service Charges imposed by the Governmental Agency shall be paid by the users of the System and accordingly the Project 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.

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; Inspections. 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 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, to provide for the operation of the System and to make the required deposits to the Maintenance and Replacement Reserve.

(B) That it will furnish to the Authority and the Cabinet not less than annually reports of the operations and income and revenues of the System, and will permit authorized agents of the Authority to inspect all records, accounts and data of the System 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 System not less than thirty (30) days prior to the sale of said obligations. It further covenants that it will not issue any notes, bonds or other obligations payable from the revenues of the System, if the pledge of the revenues of the System to the repayment of such obligations is to rank on a parity with, or superior to, the pledge of the revenues of the System for the repayment of the Loan granted under this Assistance Agreement, unless the Governmental Agency has secured the consent of the Authority not less than fifteen (15) days prior to the issuance of such 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.

## 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 accordance with the "Uniform System of

Accounts" established by the Commonwealth, in which complete and accurate entries shall be made of all its transactions relating to the System and which shall at all reasonable times be subject to the inspection of the Authority.

Section 6.8. Financial Statements. Within one hundred eighty (180) 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 principles 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. All recipients and subrecipients expending \$500,000 or more in a year in Federal awards must have a single or program-specific audit conducted for that year in accordance with OMB Circular A-133.

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

Section 6.10. 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, the Federal 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.

Section 6.11. Further Covenants under the Federal Agreement. The Governmental Agency shall comply with all further requirements or conditions which may arise from time to time in order to assure compliance with the Federal Act, and with the agreements of the Authority set forth in the Federal Agreement, including but not limited to the following:

(A) The Governmental Agency shall provide all information requested of it by the Authority or the Cabinet so that (i) the Grants Information Control System, referred to in the Federal Agreement, can be maintained, (ii) the accounting and auditing procedures required by the Federal Act can be maintained and (iii) the Authority can furnish the information required of its under the Federal Agreement.

(B) Qualified operating personnel, properly certified by the Cabinet, shall be retained by the Governmental Agency to operate the Project during the entire term of this Assistance Agreement. An approved plan of operating and an operations and maintenance manual for the Project shall be provided by the Governmental Agency to the Cabinet and the Authority. The Project shall be operated and maintained in an efficient and effective manner.

(C) All residents in the service area of the Project must be offered the same opportunity to become users of the Project regardless of race, creed, color, or level of income.

(D) The Governmental Agency shall comply with provisions contained in the following federal regulations, orders, acts and circulars and the following statutes and regulations of the Commonwealth.

(1) Federal Cross-Cutters

Environmental Authorities

- (a) Archeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended
- (b) Clean Air Act, Pub. L. 84-159, as amended
- (c) Coastal Barrier Resources Act, Pub. L. 97-348
- (d) Coastal Zone Management Act, Pub. L. 93-583, as amended
- (e) Endangered Species Act, Pub. L. 93-205, as amended
- (f) Environmental Justice, Executive Order 12898
- (g) Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
- (h) Protection of Wetlands, Executive Order 11990
- (i) Farmland Protection Policy Act, Pub. L. 97-98
- (j) Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- (k) National Historic Preservation Act of 1966, PL 89-665, as amended
- (l) Safe Drinking Water Act, Pub. L. 93-523, as amended
- (m) Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

Economic and Miscellaneous Authorities

- (a) Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended, Executive Order 12372
- (b) Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans.
- (c) Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
- (d) Debarment and Suspension, Executive Order 12549

Social Policy Authorities

- (a) Age Discrimination Act of 1975, Pub. L. 94-135
- (b) Title VI of the Civil Rights Act of 1964, Pub. L. 88-352
- (c) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)
- (d) Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
- (e) Equal Employment Opportunity, Executive Order 11246
- (f) Women's and Minority Business Enterprise, Executive Orders 11625, 12138, and 12432



(g) Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

(2) State:

(a) KRS 224

(b) KRS 224A.1115 Federally Assisted Drinking Water Revolving Fund

(c) KRS Chapter 337, Labor Laws

(d) 401 KAR Chapter 5

Section 6.12. Covenants Under ARRA. The Governmental Agency covenants and agrees that it shall comply with all further requirements or conditions which may arise from time to time in order to insure compliance with ARRA, including but not limited to the following:

- (A) The Governmental Agency shall require all laborers and mechanics employed by contractors and subcontractors on the Project shall be paid wages at rates not less than prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of Chapter 31 of title 40, United States Code.
- (B) No portion of the Loan shall be used by the Governmental Agency for the construction, alteration, maintenance or repair of a public building or public work unless all of the iron, steel and manufactured goods used in the Project is produced in the United States unless (i) a waiver is provided to the Governmental Agency by the United States Environmental Protection Agency or (ii) compliance would be inconsistent with the United States' obligations under international agreements.
- (C) Not later than 10 days after the end of each calendar quarter, the Governmental Agency shall submit reports to the Authority complying with the requirements of Section 1512(c) and Title VII of ARRA.
- (D) 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 ARRA.
- (E) If the Project, or any portion thereof, has been qualified as a green infrastructure water or energy efficiency project, the Governmental Agency shall notify the Authority in writing of any changes to the Project resulting in an alteration of the business case requirements set forth in attached Exhibit H. No such changes shall be undertaken unless the Authority shall have provided the Governmental Agency with express written consent to such changes.

Section 6.13. Continuing Disclosure Obligation. The Governmental Agency covenants and agrees that notwithstanding any other provision of this Assistance Agreement to the contrary, upon written notice from the Authority that the Schedule of Payments provides ten percent (10%) or more of the debt service requirements on an issue of the Authority's Bonds and that compliance by the Governmental Agency with the requirements of Securities and Exchange Commission Rule 15c2-12, as amended (the "SEC Rule") is required in connection with the

Authority's Bonds, the Governmental Agency shall provide to the Authority such information as may be required by the Rule, within the time periods set out in such notice by the Authority, to enable the Authority to establish to the satisfaction of prospective purchasers of the Authority's Bonds that the requirements of the SEC Rule will be satisfied in connection with the issuance of the Authority's Bonds. The Governmental Agency further understands and agrees that the Authority shall act as the Governmental Agency's disclosure agent for purposes of compliance with the SEC Rule and that upon a failure by the Governmental Agency to provide the information required to be provided under the SEC Rule within the time frame specified in such notice, the Authority and/or the beneficial owners and holders of the Authority's Bonds shall be specifically granted the right of enforcing the provisions of this Section 6.12 by an action in mandamus, for specific performance, or similar remedy to compel performance.

## ARTICLE VII

### MAINTENANCE, OPERATION, INSURANCE AND CONDEMNATION

Section 7.1. Maintain System. 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 the System 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. System Not to Be Disposed Of. The Governmental Agency covenants and agrees that, until satisfaction in full of its obligations hereunder, it will not, without the prior written consent of the Authority, which consent shall not be unreasonably withheld, sell, mortgage, or in any manner dispose of, or surrender control or otherwise dispose of any of the facilities of the System or any part thereof (except that the Governmental Agency may retire obsolete and worn out facilities, and sell same, if appropriate).

Section 7.4. 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 7.5. 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 7.6. 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 7.7. 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 7.8. 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 7.9. 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 7.10. 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 7.11. 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 7.11, 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.

Section 7.12. Flood Insurance. All structures located in flood prone areas shall be covered by flood insurance carried by the Governmental Agency for an amount equal to the total Project cost excluding the cost of land and any uninsurable improvements, or for the maximum limit available under the National Flood Insurance Act of 1968, as amended, whichever is less, for the entire useful life of the Project.

## 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 specified herein 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 (other than an event of default arising under Section 6.13 of this Assistance Agreement), 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.

(D) Submit a formal referral to the appropriate federal agency, as required by the Federal Agreement.

The sole remedies for an Event of Default under this Assistance Agreement arising by virtue of the failure of the Governmental Agency to comply with the provisions of Section 6.10 hereof shall be those remedies specifically set forth in Section 6.10 hereof

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 non-defaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefor to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

## 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 or Assistant Secretary of the Finance and Administration Cabinet.

Section 9.3. Effective Date and Early Termination. This Assistance Agreement shall become effective as of the date first set forth hereinabove and shall continue in 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. Notwithstanding the foregoing, in the event the Project Commencement Date shall not have occurred on or prior to February 16, 2010, this Assistance Agreement shall terminate on February 17, 2010.

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, 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. Assignability. The rights of the Authority under this Assistance Agreement shall be assignable by the Authority without the consent of the Governmental Agency, but none of the rights, duties or obligations of the Governmental Agency under this Assistance Agreement shall be assignable by the Governmental Agency without the prior written consent of the Authority.

Section 9.7. 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 9.8. Applicable Law. This Assistance Agreement will be governed by and construed in accordance with the laws of the Commonwealth.



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.

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

Sandy Williams  
SECRETARY  
Title: \_\_\_\_\_

By: [Signature]  
EXECUTIVE DIRECTOR  
Title: \_\_\_\_\_

ATTEST:

GOVERNMENTAL AGENCY:  
WESTERN MASON WATER DISTRICT

Pam Carpenter  
Title: Secretary

By: [Signature]  
Title: Chairman

APPROVED:

EXAMINED:

[Signature]  
SECRETARY/FINANCE AND  
ADMINISTRATION CABINET OF THE  
COMMONWEALTH OF KENTUCKY

Beck Shaffer + Williams LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE  
AUTHORITY

ENERGY AND ENVIRONMENT  
CABINET OF THE COMMONWEALTH OF KENTUCKY

By: [Signature]  
Director  
Division of Water

APPROVED AS TO FORM AND LEGALITY

[Signature]  
APPROVED  
FINANCE AND ADMINISTRATION CABINET

**EXHIBIT A**  
**WESTERN MASON WATER DISTRICT**  
**PROJECT SPECIFICS**  
**F2 09-14**

**GOVERNMENTAL AGENCY:**

Name: WESTERN MASON WATER DISTRICT  
 2573 Mary Ingles Highway, P.O. Box 49  
 Dover, KY 41034

Contact  
 Person: Larry Redden  
 (606) 882-3141

**SYSTEM:** Drinking Water

**PROJECT:** Western Mason Water District (WMWD) is requesting a Fund F loan in the amount of \$500,000 from the American Reinvestment and Recovery Act of 2009 for the Germantown Water Upgrade. This project will upgrade existing asbestos-cement (AC) water lines to polyvinyl chloride (PVC) from the Germantown Water storage tank to Germantown and the surrounding area. More specifically, the project includes the installation/replacement of 36,000 l.f. of 8", 8,400 l.f. of 6" and 6,200 l.f. of 4" waterline and 2 pumps. WMWD has experienced several leaks in the existing AC lines resulting from an increase of pressure from the new tank. Because of these leaks WMWD is unable to fully use the tank for fear of causing more leaks. The existing 6" AC line is approximately 40 years old and has become very brittle. The district continually has to repair leaks which results in boil water advisories. Replacing the line should eliminate the leaks and the potential for contaminated water.

**PROJECT BUDGET:**

	Total
Administrative Expenses	\$ 10,000
Legal Expenses	\$ 17,000
Land, Easements	\$ 5,000
Engineering Fees	\$ 180,000
Construction	\$ 1,175,000
Contingency	\$ 103,000
Other	\$ 10,000
<b>Total</b>	<b>\$ 1,500,000</b>

**FUNDING SOURCES:**

	Amount	%
Fund F Loan	\$ 500,000	33%
RD Loan	1,000,000	67%
<b>Total</b>	<b>\$ 1,500,000</b>	<b>100%</b>

**KIA DEBT SERVICE:**

Construction Loan	\$ 500,000
Less: Principal Forgiveness (54.1%)	\$ 270,500
Amortized Loan Amount	<u>\$ 229,500</u>
Interest Rate	2.00%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 13,979
Administrative Fee (0.25%)	<u>\$ 574</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 14,553</b>

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

Interest payments will commence within six months from first draw of funds (estimated

Full principal and interest payments will commence within one year of initiation of operation (estimated 06/01/11).

<b>REPLACEMENT RESERVE ACCOUNT:</b>	\$ 1,250 ANNUAL AMOUNT
	\$ 12,500 TOTAL AMOUNT

The annual replacement cost is \$1,250. This amount should be added to the replacement account each December 1 until the balance reaches \$12,500 and maintained for the life of the loan.

**ADMINISTRATIVE FEE:** 0.25%

**DEFAULT RATE:** 8.00%

**DEBT OBLIGATIONS CURRENTLY OUTSTANDING:**

	<u>Outstanding</u>	<u>Maturity</u>
1988 Series	\$267,000	Jul-05
1997 Series	\$176,500	Jul-05
2001 Series	\$244,500	Aug-05
2007 Series	\$1,401,000	Aug-05
<b>Total</b>	<u><b>\$2,089,000</b></u>	

**LIABILITY INSURANCE COVERAGE:**

Death or Personal Injury (per person)	<u>1,000,000</u>
Death or Personal Injury (per occurrence)	<u>1,000,000</u>
Property Damage on System	<u>1,873,000</u>

**EXHIBIT B**

REQUEST FOR PAYMENT WITH RESPECT TO  
ASSISTANCE AGREEMENT DATED DECEMBER 1, 2009  
LOAN NO. F2 09-14

Request No. \_\_\_\_\_

Dated: \_\_\_\_\_

Original sent to: Kentucky Infrastructure Authority  
1024 Capital Center Drive  
Suite 340  
Frankfort, Kentucky 40601

Copy sent to: SRP and SPAP Section Manager  
Division of Water  
Energy and Environment Cabinet  
200 Fair Oaks, 4<sup>th</sup> Floor  
Frankfort, Kentucky 40601

FROM: Western Mason Water District (the "Governmental Agency")

Gentlemen:

The above identified Governmental Agency has entered into an Assistance Agreement with the Kentucky Infrastructure Authority (the "Authority") for the acquisition and construction of drinking water supply 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 totaling \$\_\_\_\_\_.

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

ELIGIBLE PROJECT EXPENSES INCURRED

<u>Contractor</u>	<u>Expenses this Request</u>	<u>Expenses to Date</u>
-------------------	----------------------------------	-----------------------------

Total

ALLOCATION OF FUNDING FOR EXPENSES

<u>Funding Source</u>	<u>Portion of Expenses this Request</u>	<u>Portion of Expenses Total to Date</u>
-----------------------	---	--

Totals

The Governmental Agency certifies it has also paid Project expenses for planning and design or has submitted requisitions to the applicable funding sources for Project expenses, which have not been identified in any previous Request or Payment, as follows:

<u>Funding Source</u>	<u>Amount of Payment or Requisition</u>	<u>Date of Payment or Requisition</u>
-----------------------	---	---

Respectfully submitted,

\_\_\_\_\_  
Governmental Agency

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

Title \_\_\_\_\_

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/Architect

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

EXHIBIT B-1

BUY-AMERICAN CERTIFICATION ACCOMPANYING PAY REQUESTS

**BUY AMERICAN AFFIRMATION**

Section 1605 of the American Recovery and Reinvestment Act (ARRA) states that:

*"None of the funds appropriated or otherwise made available by this Act may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States."*

To meet this requirement, the undersigned hereby certifies that all of the material, equipment and accessories which are to be represented by expenditures of this pay request and any other expenditures of the Project to be partially or fully funded by monies from the American Recovery and Reinvestment Act, has been manufactured from domestic construction material as defined by 40 CFR 35.936-13(D).

If any expenditures reflected in this Pay Request or expenditures made from other funding sources during the period covered by this Pay Request are not in compliance with Section 1605, documentation is attached hereto reflecting the waiver obtained or applicable hereto that allows the incorporation of a non-American component(s).

\_\_\_\_\_  
Name of Governmental Agency

\_\_\_\_\_  
Name of Contractor

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**EXHIBIT C**

**SCHEDULE OF SERVICE CHARGES**

See Attached

## VI. RATE STRUCTURE

### CUSTOMER COMPOSITION

	Current	Proposed	TOTAL
Residential	1,007	0	1,007
Commercial	25	0	25
Industrial	0	0	0
	<hr/>	<hr/>	<hr/>
	1,032	0	1,032

### RATES

Water rates were last increased August 3, 2007. The district is in the process of increasing rates by approximately 10.6% to be placed into effect later in early 2010. The current and proposed monthly charges for water utility service are:

	Current	Proposed
First 2,000 gallons	\$ 25.00	\$ 27.50
Next 8,000 gallons (per 1,000 gal.)	3.55	4.00
All Over 10,000 gallons (per 1,000 gal.)	3.00	3.50
<b>Residential Bill for 4,000 gallons</b>	<b>\$ 32.10</b>	<b>\$ 35.50</b>
Affordability Index (Rate/MHI)	1.3%	1.4%
Bulk User Rate per 1,000 gallons	\$ 3.75	\$ 4.20

The proposed rates are consistent with the required rates in the RD letter of conditions.

\* Proposed rates are at PSC. when the approval is complete, the rates will go into effect.

**EXHIBIT D**

**RESOLUTION**

RESOLUTION OF THE WESTERN MASON WATER DISTRICT APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT DATED AS OF DECEMBER 1, 2009 BETWEEN THE WESTERN MASON WATER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY.

WHEREAS, the Board of Commissioners ("Governing Authority") of the Western Mason Water District ("Governmental Agency") has previously determined that it is in the public interest to acquire and construct certain facilities and improvements to the Governmental Agency's Water System (the "Project") and

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

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an assistance agreement dated as of December 1, 2009 (the "Assistance Agreement") with the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Western Mason Water District, as follows:

SECTION 1. That the Governing Authority hereby approves and authorizes 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 acquisition and construction of the Project.

SECTION 2. That the Chairman and Secretary of the Governmental Agency be and hereby are 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 \_\_\_\_\_, 2009.

\_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Western Mason Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Commissioners of said City at a meeting duly held on \_\_\_\_\_, 2009; 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 \_\_\_\_\_, 2009.

\_\_\_\_\_  
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 Western Mason Water District, dated as of December 1, 2009

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 Western Mason 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 drinking water supply 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.

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) To the best of my knowledge, the Governmental Agency has fully complied with all federal and state labor and procurement laws in connection with the construction of the Project.

9) 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  
WESTERN MASON 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 June 1 and December 1

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: \_\_\_\_\_

\_\_\_\_\_  
Governmental Agency

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

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

ATTEST:

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

## EXHIBIT G

### ADDITIONAL COVENANTS AND AGREEMENTS

1. Any required approvals by the Kentucky Public Service Commission shall be obtained.
2. The Authority to Award (bid) package must be submitted to the Division of Water ("DOW") for approval within 14 days of bid opening for each contract. DOW must perform the DBE reviews and approve contract documents.
3. No construction funds for the Project will be reimbursed to the Governmental Agency until the Authority receives from DOW a certification letter that states that all contracts have been bid and meet all State Revolving Fund (SRF) requirements.
4. Project construction costs will be reimbursed monthly to the Governmental Agency upon presentation to Authority and DOW of invoices and supporting documentation showing costs incurred.



EXHIBIT H

BUSINESS CASE REQUIREMENTS FOR GREEN PROJECT RESERVE

**Not Applicable**

46216.1

# Attachment #9

**WESTERN MASON WATER DISTRICT  
BOND RETIREMENT SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Revenue Bonds (5.75%)</u>		<u>Revenue Bonds (4.875%)</u>		<u>Revenue Bonds (4.75%)</u>		<u>Revenue Bonds (4.375%)</u>		<u>Revenue Bonds (4.13%)</u>		<u>Revenue Bonds (3.00%)</u>		<u>Revenue Bonds (1.75%)</u>		<u>TOTAL REQUIREMENTS FOR YEAR</u>		<u>BONDS OUTSTANDING END OF YEAR</u>
	<u>1988 (91-02)</u>		<u>1997 (91-05)</u>		<u>2001 (91-06)</u>		<u>2007 (SERIES A) (91-08)</u>		<u>2007 (SERIES B) (91-10)</u>		<u>2010 (91-11)</u>		<u>2021 (91-13)</u>		<u>BONDS</u>	<u>INTEREST</u>	
	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	<u>BONDS</u>	<u>INTEREST</u>	
2022	-	-	-	-	-	4,394	-	-	-	-	8,903	-	13,024	-	26,321	3,639,500	
2023	16,000	6,498	6,000	5,606	6,000	8,788	22,000	41,475	4,500	8,115	13,000	17,805	27,000	44,655	94,500	132,942	3,545,000
2024	17,000	5,578	6,500	5,314	6,500	8,503	23,000	40,513	5,000	7,930	13,500	17,415	27,500	43,845	99,000	129,096	3,446,000
2025	18,000	4,600	6,500	4,997	6,500	8,194	24,000	39,506	5,000	7,723	13,500	17,010	28,000	43,020	101,500	125,050	3,344,500
2026	20,000	3,565	7,000	4,680	7,000	7,885	25,000	38,456	5,500	7,517	14,000	16,605	28,500	42,180	107,000	120,888	3,237,500
2027	20,000	2,415	7,500	4,339	7,500	7,553	26,000	37,363	5,500	7,289	14,500	16,185	29,000	41,325	110,000	116,468	3,127,500
2028	22,000	1,265	7,500	3,973	7,500	7,196	27,000	36,225	5,500	7,062	15,000	15,750	29,500	40,455	114,000	111,927	3,013,500
2029			8,000	3,608	8,500	6,840	28,000	35,044	6,000	6,835	15,500	15,300	30,000	39,570	96,000	107,196	2,917,500
2030			8,500	3,218	8,500	6,436	29,000	33,819	6,000	6,587	16,500	14,835	30,500	38,670	99,000	103,565	2,818,500
2031			9,000	2,803	9,000	6,033	31,000	32,550	6,500	6,340	17,000	14,340	31,000	37,755	103,500	99,820	2,715,000
2032			9,000	2,364	9,500	5,605	32,000	31,194	6,500	6,071	17,500	13,830	31,500	36,825	106,000	95,889	2,609,000
2033			9,000	1,926	10,000	5,154	33,000	29,794	7,000	5,803	18,000	13,305	32,000	35,880	109,000	91,861	2,500,000
2034			10,000	1,487	10,500	4,679	35,000	28,350	7,500	5,514	18,500	12,765	32,500	34,920	114,000	87,714	2,386,000
2035			10,000	999	11,000	4,180	36,000	26,819	7,500	5,204	19,500	12,210	33,000	33,945	117,000	83,357	2,269,000
2036			10,500	512	11,500	3,658	38,000	25,244	8,000	4,894	20,000	11,625	34,000	32,955	122,000	78,887	2,147,000
2037					11,500	3,111	39,000	23,581	8,000	4,564	20,500	11,025	34,500	31,935	113,500	74,216	2,033,500
2038					12,500	2,565	41,000	21,875	8,500	4,233	21,500	10,410	35,000	30,900	118,500	69,983	1,915,000
2039					13,000	1,971	43,000	20,081	9,000	3,882	22,000	9,765	35,500	29,850	122,500	65,550	1,792,500
2040					13,500	1,354	45,000	18,200	9,500	3,511	23,000	9,105	36,000	28,785	127,000	60,954	1,665,500
2041					15,000	713	47,000	16,231	9,500	3,118	24,000	8,415	37,000	27,705	132,500	56,182	1,533,000
2042							49,000	14,175	10,000	2,726	24,500	7,695	37,500	26,595	121,000	51,191	1,412,000
2043							51,000	12,031	10,500	2,313	25,500	6,960	38,000	25,470	125,000	46,774	1,287,000
2044							53,000	9,800	11,000	1,879	26,500	6,195	39,000	24,330	129,500	42,204	1,157,500
2045							56,000	7,481	11,500	1,425	27,500	5,400	39,500	23,160	134,500	37,466	1,023,000
2046							58,000	5,031	12,000	950	28,500	4,575	40,000	21,975	138,500	32,531	884,500
2047							57,000	2,494	11,000	454	29,500	3,720	41,000	20,775	138,500	27,443	746,000
2048											30,500	2,835	41,500	19,545	72,000	22,380	674,000
2049											31,500	1,920	42,500	18,300	74,000	20,220	600,000
2050											32,500	975	43,000	17,025	75,500	18,000	524,500
2051													44,000	15,735	44,000	15,735	480,500
2052													44,500	14,415	44,500	14,415	436,000
2053													45,500	13,080	45,500	13,080	390,500
2054													46,000	11,715	46,000	11,715	344,500
2055													47,000	10,335	47,000	10,335	297,500
2056													48,000	8,925	48,000	8,925	249,500
2057													48,500	7,485	48,500	7,485	201,000
2058													49,500	6,030	49,500	6,030	151,500
2059													50,500	4,545	50,500	4,545	101,000
2060													51,000	3,030	51,000	3,030	50,000
2061													50,000	1,500	50,000	1,500	-
<b>TOTAL</b>	<b>\$ 113,000</b>	<b>\$ 23,920</b>	<b>\$ 115,000</b>	<b>\$ 45,825</b>	<b>\$ 185,000</b>	<b>\$ 104,809</b>	<b>\$ 948,000</b>	<b>\$ 627,331</b>	<b>\$ 196,500</b>	<b>\$ 121,938</b>	<b>\$ 593,500</b>	<b>\$ 306,878</b>	<b>\$ 1,488,500</b>	<b>\$ 905,374</b>	<b>\$ 3,639,500</b>	<b>\$ 2,232,871</b>	
ORIGINAL PRINCIPAL PAYMENT DATES	\$ 350,000		\$ 201,000		\$ 258,000		\$ 1,158,000		\$ 243,000		\$ 700,000		\$ 1,515,000				
PRINCIPAL	JAN 1		JAN 1		JAN 1		JAN 1		JAN 1		JAN 1		JAN 1				
INTEREST	JAN 1		JAN 1		JAN 1, JUL 1		JAN 1		JAN 1		JAN 1 JUL 1		JAN 1 JUL 1				

KENTUCKY INFRASTRUCTURE AUTHORITY  
 REPAYMENT SCHEDULE  
 LOAN #F209-14  
 WESTERN MASON WATER DISTRICT  
 FINAL

Original Loan Amount \$ 500,000.00  
 Principal Forgiven \$ (270,500.00)  
\$ 229,500.00

2.00% Rate  
 \$6,989.56 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
								\$229,500.00		
06/01/12	\$4,694.56	\$2,243.59	2.0000%	\$6,938.15	\$286.88	\$0.00	\$7,225.03	\$224,805.44	\$0.00	\$0.00
12/01/12	\$4,741.51	\$2,248.05	2.0000%	\$6,989.56	\$281.01	\$0.00	\$7,270.57	\$220,063.93	\$1,250.00	\$1,250.00
06/01/13	\$4,788.92	\$2,200.64	2.0000%	\$6,989.56	\$275.08	\$0.00	\$7,264.64	\$215,275.01	\$0.00	\$1,250.00
12/01/13	\$4,836.81	\$2,152.75	2.0000%	\$6,989.56	\$269.09	\$0.00	\$7,258.65	\$210,438.20	\$1,250.00	\$2,500.00
06/01/14	\$4,885.18	\$2,104.38	2.0000%	\$6,989.56	\$263.05	\$0.00	\$7,252.61	\$205,553.02	\$0.00	\$2,500.00
12/01/14	\$4,934.03	\$2,055.53	2.0000%	\$6,989.56	\$256.94	\$0.00	\$7,246.50	\$200,618.99	\$1,250.00	\$3,750.00
06/01/15	\$4,983.37	\$2,006.19	2.0000%	\$6,989.56	\$250.77	\$0.00	\$7,240.33	\$195,635.62	\$0.00	\$3,750.00
12/01/15	\$5,033.20	\$1,956.36	2.0000%	\$6,989.56	\$244.54	\$0.00	\$7,234.10	\$190,602.42	\$1,250.00	\$5,000.00
06/01/16	\$5,083.54	\$1,906.02	2.0000%	\$6,989.56	\$238.25	\$0.00	\$7,227.81	\$185,518.88	\$0.00	\$5,000.00
12/01/16	\$5,134.37	\$1,855.19	2.0000%	\$6,989.56	\$231.90	\$0.00	\$7,221.46	\$180,384.51	\$1,250.00	\$6,250.00
06/01/17	\$5,185.71	\$1,803.85	2.0000%	\$6,989.56	\$225.48	\$0.00	\$7,215.04	\$175,198.80	\$0.00	\$6,250.00
12/01/17	\$5,237.57	\$1,751.99	2.0000%	\$6,989.56	\$219.00	\$0.00	\$7,208.56	\$169,961.23	\$1,250.00	\$7,500.00
06/01/18	\$5,289.95	\$1,699.61	2.0000%	\$6,989.56	\$212.45	\$0.00	\$7,202.01	\$164,671.28	\$0.00	\$7,500.00
12/01/18	\$5,342.85	\$1,646.71	2.0000%	\$6,989.56	\$205.84	\$0.00	\$7,195.40	\$159,328.43	\$1,250.00	\$8,750.00
06/01/19	\$5,396.28	\$1,593.28	2.0000%	\$6,989.56	\$199.16	\$0.00	\$7,188.72	\$153,932.15	\$0.00	\$8,750.00
12/01/19	\$5,450.24	\$1,539.32	2.0000%	\$6,989.56	\$192.42	\$0.00	\$7,181.98	\$148,481.91	\$1,250.00	\$10,000.00
06/01/20	\$5,504.74	\$1,484.82	2.0000%	\$6,989.56	\$185.60	\$0.00	\$7,175.16	\$142,977.17	\$0.00	\$10,000.00
12/01/20	\$5,559.79	\$1,429.77	2.0000%	\$6,989.56	\$178.72	\$0.00	\$7,168.28	\$137,417.38	\$1,250.00	\$11,250.00
06/01/21	\$5,615.39	\$1,374.17	2.0000%	\$6,989.56	\$171.77	\$0.00	\$7,161.33	\$131,801.99	\$0.00	\$11,250.00
12/01/21	\$5,671.54	\$1,318.02	2.0000%	\$6,989.56	\$164.75	\$0.00	\$7,154.31	\$126,130.45	\$1,250.00	\$12,500.00
06/01/22	\$5,728.26	\$1,261.30	2.0000%	\$6,989.56	\$157.66	\$0.00	\$7,147.22	\$120,402.19	\$0.00	\$12,500.00
12/01/22	\$5,785.54	\$1,204.02	2.0000%	\$6,989.56	\$150.50	\$0.00	\$7,140.06	\$114,616.65	\$0.00	\$12,500.00
06/01/23	\$5,843.39	\$1,146.17	2.0000%	\$6,989.56	\$143.27	\$0.00	\$7,132.83	\$108,773.26	\$0.00	\$12,500.00
12/01/23	\$5,901.83	\$1,087.73	2.0000%	\$6,989.56	\$135.97	\$0.00	\$7,125.53	\$102,871.43	\$0.00	\$12,500.00
06/01/24	\$5,960.85	\$1,028.71	2.0000%	\$6,989.56	\$128.59	\$0.00	\$7,118.15	\$96,910.58	\$0.00	\$12,500.00
12/01/24	\$6,020.45	\$969.11	2.0000%	\$6,989.56	\$121.14	\$0.00	\$7,110.70	\$90,890.13	\$0.00	\$12,500.00
06/01/25	\$6,080.66	\$908.90	2.0000%	\$6,989.56	\$113.61	\$0.00	\$7,103.17	\$84,809.47	\$0.00	\$12,500.00
12/01/25	\$6,141.47	\$848.09	2.0000%	\$6,989.56	\$106.01	\$0.00	\$7,095.57	\$78,668.00	\$0.00	\$12,500.00
06/01/26	\$6,202.88	\$786.68	2.0000%	\$6,989.56	\$98.34	\$0.00	\$7,087.90	\$72,465.12	\$0.00	\$12,500.00
12/01/26	\$6,264.91	\$724.65	2.0000%	\$6,989.56	\$90.58	\$0.00	\$7,080.14	\$66,200.21	\$0.00	\$12,500.00
06/01/27	\$6,327.56	\$662.00	2.0000%	\$6,989.56	\$82.75	\$0.00	\$7,072.31	\$59,872.65	\$0.00	\$12,500.00
12/01/27	\$6,390.83	\$598.73	2.0000%	\$6,989.56	\$74.84	\$0.00	\$7,064.40	\$53,481.82	\$0.00	\$12,500.00
06/01/28	\$6,454.74	\$534.82	2.0000%	\$6,989.56	\$66.85	\$0.00	\$7,056.41	\$47,027.08	\$0.00	\$12,500.00
12/01/28	\$6,519.29	\$470.27	2.0000%	\$6,989.56	\$58.78	\$0.00	\$7,048.34	\$40,507.79	\$0.00	\$12,500.00
06/01/29	\$6,584.48	\$405.08	2.0000%	\$6,989.56	\$50.63	\$0.00	\$7,040.19	\$33,923.31	\$0.00	\$12,500.00
12/01/29	\$6,650.33	\$339.23	2.0000%	\$6,989.56	\$42.40	\$0.00	\$7,031.96	\$27,272.98	\$0.00	\$12,500.00
06/01/30	\$6,716.83	\$272.73	2.0000%	\$6,989.56	\$34.09	\$0.00	\$7,023.65	\$20,556.15	\$0.00	\$12,500.00
12/01/30	\$6,784.00	\$205.56	2.0000%	\$6,989.56	\$25.70	\$0.00	\$7,015.26	\$13,772.15	\$0.00	\$12,500.00
06/01/31	\$6,851.84	\$137.72	2.0000%	\$6,989.56	\$17.22	\$0.00	\$7,006.78	\$6,920.31	\$0.00	\$12,500.00
12/01/31	\$6,920.31	\$69.25	2.0000%	\$6,989.56	\$8.65	\$0.00	\$6,998.21	(\$0.00)	\$0.00	\$12,500.00
<b>Totals</b>	<b>\$229,500.00</b>	<b>\$50,030.99</b>		<b>\$279,530.99</b>	<b>\$6,260.28</b>	<b>\$0.00</b>	<b>\$285,791.27</b>		<b>\$12,500.00</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 Western Mason Co 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."

Larry Redden  
(Print Name)

Larry Redden  
(Signed)

Chairman  
(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 MASON

Subscribed and sworn to before me by Larry Redden  
(Name)

this 15th day of May, 2023.

David French  
NOTARY PUBLIC  
State-at-Large  
exp- 3-9-2027  
KYNP 68382

**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 Western Mason Co 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.
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Pam Carpenter  
(Print Name)

Pam Carpenter  
(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 Mason

Subscribed and sworn to before me by Pam Carpenter  
(Name)

this 15th day of May, 2023.

[Signature]  
NOTARY PUBLIC  
State-at-Large exp- 3-9-2027  
KYNP 68382

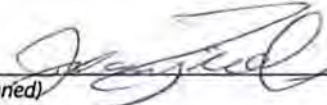
**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

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 Western Mason Co 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."

Terry Fields  
(Print Name)

  
(Signed)

Treasurer  
(Position/Office)

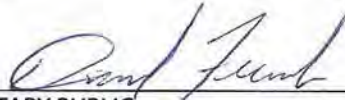
\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is 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 Mason

Subscribed and sworn to before me by Jerry Fields  
(Name)

this 15th day of May, 2023.

  
NOTARY PUBLIC  
State-at-Large      exp 3-9-2027  
KY NP 68382


**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 Western Mason Co 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."

David French  
(Print Name)

  
(Signed)

manager  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Mason

Subscribed and sworn to before me by David French  
(Name)

this 7 day of June, 2023.

Lana S. Clark  
NOTARY PUBLIC  
State-at-Large



Lana S. Clark  
State at Large, Kentucky  
Notary Public  
Notary ID KYNP33227  
My Commission Expires 08-22-2025

# Attachment #11

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WESTERN MASON COUNTY 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**, Western Mason County 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 WESTERN MASON COUNTY 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.

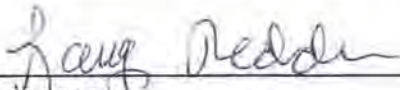
**Section 2.** The District proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in **Appendix A** are subject to any minor adjustments 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 WESTERN MASON COUNTY WATER DISTRICT**  
at a meeting held on May 15, 2023, signed by the Chairman, and attested by the Secretary.

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

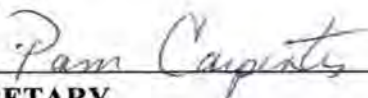
ATTEST:

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

**CERTIFICATION**

I, Secretary of Western Mason County 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 May 15, 2023, signed by the Chairman of the District, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 15th day of May 2023.

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



**APPENDIX A**

**CURRENT AND PROPOSED RATES**  
**WESTERN MASON COUNTY WATER DISTRICT**

<u>Monthly Water Rates:</u>		<u>Current</u>		<u>Proposed</u>		<u>Difference</u>	
First	2,000 Gallons	\$ 44.60	Minimum Bill	\$ 54.34	Minimum Bill	\$ 9.74	21.84%
Next	8,000 Gallons	\$ 6.48	Per 1,000 Gallons	\$ 7.89	Per 1,000 Gallons	\$ 1.41	21.76%
All Over	10,000 Gallons	\$ 5.68	Per 1,000 Gallons	\$ 6.92	Per 1,000 Gallons	\$ 1.24	21.83%
	Bulk Water Sales	\$ 6.83	Per 1,000 Gallons	\$ 8.32	Per 1,000 Gallons	\$ 1.49	21.82%