

MONTGOMERY COUNTY WATER DISTRICT #1
4412 Camargo Road
Mt. Sterling, KY 40353

Phone: 859-498-0521

Fax Phone 859-498-0872

Minutes
January 10, 2023

The meeting of the Montgomery County Water District #1 was called to order at 5:06 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, Kevin Shackelford, DeWayne Williams and Sandra Morton.

Approval of December 13, 2022 Minutes:

Kevin Shackelford made a motion to approve the minutes for December 13, 2022. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

None

Comments:

Old Business:

A. Rural Development Loan and Rate Increase

Sandra let Commissioner's know that we are still waiting to hear from Teresa Shield's with USDA for approval to purchase new radio read meters.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills.

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. **Adjourn: Motion By:**

Steve Hall made a Motion to adjourn. Kevin Shackelford seconded the Motion. Motion carried. Time 5:40 P.M.

MONTGOMERY COUNTY WATER DISTRICT #1
4412 Camargo Road
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Minutes
February 14, 2023

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, Kevin Shackelford, DeWayne Williams and Sandra Morton.

Approval of January 10, 2023 Minutes:

Kevin Shackelford made a motion to approve the minutes for January 10, 2023. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

None

Comments:

Old Business:

A. Rural Development Loan and Rate Increase

Sandra let Commissioner's know that Teresa Shield with USDA gave approval for MCWD #1 to order new Radio Read Meters. Teresa also is hoping to get loan closed at the March 2023 Board meeting or April 2023 Meeting.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. Adjourn: Motion By:

Steve Hall made a Motion to adjourn. DeWayne Williams seconded the Motion. Motion carried. Time 5:14 P.M.

MONTGOMERY COUNTY WATER DISTRICT #1
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Minutes
March 14, 2023

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, Kevin Shackelford, DeWayne Williams and Sandra Morton.

Approval of February 14, 2023 Minutes:

Kevin Shackelford made a motion to approve the minutes for February 14, 2023. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

Mayor, Clayton Neal
Ethan Fryman/ Ky Engineering
Mark Upton / Ky. Engineering

Comments:

Mayor, Clayton Neal asked about the study to purchase water from Jeffersonville Water. Mr. Neal asked if water was treated the same, Ky Engineering answered Yes.

Mark and Ethan with Ky Engineering explained about the study they are doing for the purchase of water from Jeffersonville Water.

Old Business:

A. Rural Development Loan and Rate Increase

Sandra let Commissioner's know that we had received 200.00 radio read meters and hoping to close loan soon.

Steve Hall made a Motion to approve the signature of the P.S.C. rate increase application and the Certificate of Public Convenience and Necessity. DeWayne Williams seconded the Motion to approve the signature. Motion carried.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

Steve Hall made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. Adjourn: Motion By:

Steve Hall made a Motion to adjourn. Kevin Shackelford seconded the Motion. Motion carried. Time 5:30 P.M.



STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

CLIENT

Montgomery County Water District #1
4412 Camargo Road
Mt. Sterling, Kentucky 40353
ATTN: Sandra Morton, Office Manager
Phone: 859-498-0521 Email: mcwd1@att.net

KENTUCKY ENGINEERING GROUP, PLLC

Kentucky Engineering Group, PLLC
P.O. Box 1034
Versailles, Kentucky 40383
ATTN: Ethan Fryman
Phone: 606-336-2830 Email: efryman@kyengr.com

PROJECT NAME: Water Source Feasibility Study

CLIENT requests and authorizes **Kentucky Engineering Group, PLLC (KEG)** to perform the following service: Assist the District with determining if it is feasible to purchase water from the City of Jeffersonville as an alternate water source.

SCOPE: KEG will provide professional engineering services to the Montgomery County Water District #1 (District) that will include a preliminary engineering report to determine if it is feasible to purchase water from the City of Jeffersonville as primary or alternate water source. Following the completion of this report KEG will provide the District an estimate of the quantity of water can be purchased from the City of Jeffersonville along with a project description and cost estimate for any system modifications that would need to be made. Scope of design, inspection, and any other services required for these system modifications will be negotiated at a later date.

COMPENSATION by the **CLIENT** to **KEG** for a preliminary engineering report shall be on the basis of an hourly rate with an upset limit of \$20,000.00. If additional effort is required beyond the upset limit additional time will be negotiated with Montgomery County Water District #1. Compensation for design, inspection, and any other services required for proposed system modifications will be negotiated at a later date.

CLIENT will provide **KEG** access to the project, historic documents and other project related information requested.

OTHER TERMS: Should additional effort be required; the **CLIENT** will be informed of the additional effort in writing and **KEG** will await written authorization from the **CLIENT** prior to performing any additional efforts. Services covered by this Agreement will be performed in accordance with the **TERMS AND CONDITIONS** attached to this form and any attachments or schedules. This Agreement supersedes all prior agreements and understandings and may only be changed by written amendment executed by both parties.

ACCEPTED FOR:

MONTGOMERY COUNTY WATER DISTRICT #1

By: Steve Hall
Steve Hall

Title: Chairman

Date: 3/21/23

ACCEPTED FOR:

KENTUCKY ENGINEERING GROUP, PLLC

By: James C. Thompson
James C. Thompson, PE

Title: Managing Member

Date: 3/14/23

MONTGOMERY COUNTY WATER DISTRICT #1
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Minutes
April 11, 2023

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, Kevin Shackelford, DeWayne Williams and Sandra Morton.

Approval of March 14, 2023 Minutes:

Kevin Shackelford made a motion to approve the minutes for March 14, 2023. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

None

Comments:

Old Business:

A. Rural Development Loan and Rate Increase

Sandra let Commissioner's know that we have filed rate increase with the Public Service Commission and are waiting to hear from them. The process should be approved in 30 days, but it could take longer due to this not being a project loan.

Steve Hall made a Motion to approve the sealed Bond Bid Resolution. Kevin Shackelford seconded the Motion. Motion carried. There was only one sealed bid, it was from USDA. The interest was 2.25% and loan total was 225,000.00.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. Comments:

Treasurer, DeWayne Williams asked Sandra if she or Jessica the office secretary would be interested in applying for Notary. The Board agreed to pay all expenses associated with the filing. Sandra gave the Board some estimates of the fees and insurance and agreed that she or Jessica would apply. All Board agreed.

C. Adjourn: Motion By:

Steve Hall made a Motion to adjourn. DeWayne Williams seconded the Motion. Motion carried. Time 5:24 P.M.

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Minutes
May 09, 2023

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, Kevin Shackelford, DeWayne Williams, Ryan Thomas and Sandra Morton.

Approval of April 11, 2023 Minutes:

Kevin Shackelford made a motion to approve the minutes for April 11, 2023. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

Clayton Neal / Camargo Mayor
Mark Upton / Kentucky Engineering Group
Ethan Fryman / Kentucky Engineering Group

Comments:

The Board of Commissioner's thanked Mayor Neal with the City of Camargo for agreeing to purchase a piercing tool to do road bores with, for the Montgomery County Water District #1. Mayor Neal asked if the office employees would ask new customers signing up for water if they are moving in mobile homes, and let them know to contact City Hall for a permit if so. Sandra, the office Manager, told Mayor Neal that we would.

Mark Upton with Kentucky Engineering Group let the Board know they are still working on the study, to see if Montgomery County Water District would be able to purchase water from Jeffersonville Water.

Old Business:

A. Rural Development Loan and Rate Increase

Sandra let Commissioner's know that we have not heard anything from the Public Service Commission on the rate increase yet. Sandra also let the Commissioner's know that we are getting closer to the closing on the USDA Loan.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. Comments:

Sandra, Office Manager let the Board know that all of her paperwork for the Notary has been completed.

C. Adjourn: Motion By:

Steve Hall made a Motion to adjourn. DeWayne Williams seconded the Motion. Motion carried. Time 5:36 P.M.

MONTGOMERY COUNTY WATER DISTRICT #1

**4412 Camargo Road
Mt. Sterling, KY 40353**

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**Minutes
June 13, 2023**

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, Kevin Shackelford, DeWayne Williams, and Sandra Morton.

Approval of May 09, 2023 Minutes:

Kevin Shackelford made a motion to approve the minutes for May 09, 2023. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

**Teresa Shields / USDA
Mark Upton / Kentucky Engineering Group
Ethan Fryman / Kentucky Engineering Group
Keith Craycraft / County Attorney
Randy Jones / Rubin & Hayes**

Comments:

Mark Upton with Kentucky Engineering Group left a bound copy for the Water Source Feasibility Study. Mark let the Board know that Jeffersonville Water could sell us water up to the tank, but from the tank on Mcwd #1 would have to purchase a booster pump station to fill the tank, The Study booklet will give options and prices.

Randy Jones / Rubin & Hays signed papers to close out loan. Randy will mail all copies to MCWD#1. (SEE ATTACHED)

Keith Craycraft/County Attorney signed all papers needed to close loan. Randy Jones will mail copies to MCWD#1. (SEE ATTACHED)

Old Business:

A. Rural Development Loan and Rate Increase

Teresa Shields with USDA received all signed copies from MCWD#1 Board, Randy Jones / Rubin & Hays and County Attorney Keith Craycraft for loan closing. Teresa said the Loan Money would be in MCWD#1 Bank Account on June 15, 2023. Teresa also asked Sandra to contact Alan Villians about a rate increase required by Public Service Commission before August 30, 2023.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. Comments:

Sandra let Board know that she received her Notary Completion and Stamp.

DeWayne Williams made a Motion for the approval to open 2 more Bank Accounts. The Accounts will be called Short Lived Assests Fund and Sinking Fund. Kevin Shackelford seconded the Motion. Motion carried. The accounts will be opened at Whitaker Bank.

Steve Hall made a Motion to pay all outstanding invoices with the USDA Loan. DeWayne Williams seconded the Motion. Motion carried.

Kevin Shackelford made a Motion to approve Grant Assissant Agreement, Legal Opion and Resolution. DeWayne Williams seconded the Motion. Motion carried.

DeWayne Williams made a Motion to approve purchasing new software from United Systems, the cost to get started is \$26,385.00 which will be paid with the Some of the USDA Loan money. Kevin Shackelford seconded the Motion. Motion carried.

C. **Adjourn: Motion By**

Steve Hall made a Motion to adjourn. Kevin Shackelford seconded the Motion. Motion carried. Time 7:09 P.M.

Minutes

CLOSING - June 15, 2023

Re: Montgomery County Water District #1 Waterworks Revenue Bonds, Series 2023, in the principal amount of \$225,000

<u>SIGNATURE</u>	<u>FIRM/COMPANY</u>
<u></u>	RUBIN & HAYS Kentucky Home Trust Building 450 South Third Street Louisville, Kentucky 40202
<u></u>	USDA RD
<u></u>	Mont. Co. Water
<u></u>	mont. Co. Water
<u></u>	Mont. Co. Water
<u></u>	Montgomery County Attorney
<u></u>	mont. Co. Water
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AMENDED WATER RATE RESOLUTION

**RESOLUTION OF THE MONTGOMERY COUNTY WATER DISTRICT #1
AMENDING THE EXISTING WATER RATES OF SAID DISTRICT.**

WHEREAS, the Board of Commissioners (the "Commission") of the Montgomery County Water District #1 (the "District") is in the process of arranging to finance the acquisition of certain equipment relating to the existing waterworks system (the "System") of the District, and

WHEREAS, it is necessary in connection with said plan of financing that the existing monthly water rates be increased, and

WHEREAS, such increased schedule of rates was approved by Order of the Kentucky Public Service Commission, dated May 30, 2023 in Case No. 2023-00098,

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE MONTGOMERY COUNTY WATER DISTRICT #1 DOES RESOLVE AS FOLLOWS:

Section 1. Amendment of Existing Rate Resolution. That the previous Water Rate Resolution of the District, fixing the water rates applicable to water service furnished by the System of the District is hereby amended so as to increase the water rates for services rendered by said System of the District for water service rendered after May 30, 2023, as set forth herein.

Section 2. New Monthly Water Rates. That the rates for water service furnished by the District are hereby fixed and established on a monthly basis for water consumption per month to customers in accordance with their appropriate meter connection:

<u>NUMBER OF GALLONS OF WATER PER MONTH</u>	<u>MONTHLY CHARGE PER 1,000 GALLONS</u>
<u>5/8" x 3/4" Meter:</u>	
First 2,000 gallons	\$26.46 minimum bill
Next 3,000 gallons	8.56 per 1,000 gallons
Next 5,000 gallons	7.75 per 1,000 gallons
All over 10,000 gallons	6.94 per 1,000 gallons
Wholesale:	\$3.84 per 1,000 gallons

Section 3. Severability. That if any clause, provision, paragraph or section of this Resolution be ruled void or unenforceable by any court of competent jurisdiction, the remainder thereof is intended to be adopted and shall be in full force and effect notwithstanding.

Section 4. All Former Provisions in Conflict Repealed; Effective Date of Resolution. That all orders, resolutions, motions or parts thereof, insofar as same may be in conflict herewith,


are repealed, and this Resolution shall take effect from and after its passage, approval and publication as provided by law.

Adopted and approved on this June 13, 2023.

Montgomery County Water District #1


Chairman

Attest:



Secretary

CERTIFICATE OF SECRETARY

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Montgomery County Water District #1, that the foregoing Resolution is a true copy of an Amended Water Rate Resolution duly adopted by the Commission of said District at a meeting held on June 13, 2023, that said Resolution has been ordered to be published as required by law, and that said Resolution appears as a matter of public record in the official records of said District.

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

IN WITNESS WHEREOF, I have hereto set my hand as Secretary of the District and the official Seal of the District on this June 13, 2023.


Secretary

(Seal of District)

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency. When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

[Revision 1, 04/17/1998]

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

This Grant Agreement covers the following described real property (use continuation sheets as necessary).

All land and rights acquired, all permits & easements obtained with USDA Rural Utilities loan and grant funds and used in the completion of this project and the operation of this system.

L. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with grant funds. Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.
[Revision 1, 04/17/1998]

1. Use of equipment.

(a) The Grantee shall use the equipment in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other Federally sponsored activities, if any, in the following order of priority:

1) Activities sponsored by the Grantor.

(2) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the property for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the equipment was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other Federally sponsored projects.

2. Disposition of equipment. When the Grantee no longer needs the equipment as provided in paragraph (a) above, the equipment may be used for other activities in accordance with the following standards:

(a) Equipment with a current per unit fair market value of less than \$5,000. The Grantee may use the equipment for other activities without reimbursement to the Federal Government or sell the equipment and retain the proceeds.

(b) Equipment with a current per unit fair market value of \$5,000 or more. The Grantee may retain the equipment for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value or proceeds from sale of the equipment. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee requests and the following procedures shall govern:

(1) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share ten percent of the proceeds for Grantee's selling and handling expenses.

(2) If the Grantee is instructed to ship the equipment elsewhere the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.

(3) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall also include:

(a) Records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the project for which the equipment was acquired; location, use and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.

(c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.

(d) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

(e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return.

This Grant Agreement covers the following described equipment(use continuation sheets as necessary).

All equipment, facilities and appurtenances obtained (either now or in the future) with USDA Rural Utilities loan and grant funds.

M. Provide Financial Management Systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
4. Accounting records supported by source documentation.

N. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

O. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.

P. Provide an audit report prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

Q. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or instrumentality's of states shall not be held accountable for interest earned on grant funds pending their disbursement.

R. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in item K above.

S. To include in all contracts for construction or repair a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

T. To include in all contracts in excess of \$100,000 a provision that the contractor agrees to comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees:

[Revision 1, 11/20/1997]

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award.

[Revision 1, 11/20/1997]

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term "facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plant, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed \$ 75,000.00 which it will advance to Grantee to meet not to exceed 25.00 percent of the project development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph I above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

In witness whereof Grantee on the date first above written has caused these presence to be executed by its duly authorized

Chairman

attested and its corporate seal affixed by its duly authorized

Secretary/Treasurer

Attest:

By



(Title) Secretary/Treasurer

By


Steve Hall

(Title) Chairman

UNITED STATES OF AMERICA

RURAL UTILITIES SERVICE

By



(Title)

USPA RD Field Specialist

Water and Waste System Grant Agreement

United States Department of Agriculture

Rural Utilities Service

THIS AGREEMENT dated 6/13/23, between

Montgomery Co Water District #1

a public corporation organized and operating under

KRS 74

(Authorizing Statute)

herein called "Grantee," and the United States of America acting through the Rural Utilities Service, Department of Agriculture, herein called "Grantor," WITNESSETH:

WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) (waste) system to serve the area under its jurisdiction at an estimated cost of \$ 300,000.00 and has duly authorized the undertaking of such project.

Grantee is able to finance not more than \$ 225,000.00 of the development costs through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge.

Said sum of \$ 225,000.00 has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed \$ 75,000.00 or 25.00 percent of said project development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the Conditions of the grant.

As a condition of this grant agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated into this agreement by reference, and such other statutory provisions as are specifically set forth herein.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306(a) of The Consolidated Farm and Rural Development Act for the purpose only of defraying a part not to exceed 25.00 percent of the project development costs, as defined by applicable Rural Utilities Service instructions.

Grantee Agrees That Grantee Will:

A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.

B. Permit periodic inspection of the construction by a representative of Grantor during construction.

C. Manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.

D. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges, whether for one or more classes of service, adopted by resolution dated 6-13-2023, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

E. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

F. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

G. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, another agreement of the same type need not be executed in connection with this grant.

I. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated herein above with the interest at the rate of 5 percentum per annum from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

J. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

K. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.



**OFFICE OF THE
MONTGOMERY COUNTY ATTORNEY**

1 Court St., Ste. 1, Mt. Sterling, KY 40353
Phone: 859-498-8713 Fax: 859-498-8714

R. Keith Craycraft, County Attorney
Kaye L. Leighton, Assistant County Attorney

COMMONWEALTH OF KENTUCKY

June 13, 2023

SUBJECT: Opinion Letter

TO: USDA RD

Based on my review of information and documentation presented to me by the USDA and Montgomery County Water District #1, it is my opinion that proper procurement procedures were followed which resulted in the contract that was awarded to Neco Water.

A handwritten signature in cursive script that reads "R. Keith Craycraft".

R. Keith Craycraft
Montgomery County Attorney

MONTGOMERY COUNTY WATER DISTRICT #1

**4412 Camargo Road
Mt. Sterling, KY 40353**

Phone: 859-498-0521

Fax Phone 859-498-0872

**Minutes
July 11, 2023**

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, DeWayne Williams, Ryan Thomas, and Sandra Morton.

Approval of June 13, 2023 Minutes:

DeWayne Williams made a motion to approve the minutes for June 13, 2023. Steve Hall seconded the Motion. Motion carried.

Guests Present:

**Mark Upton / Kentucky Engineering Group
Ethan Fryman / Kentucky Engineering Group**

Comments:

Mark Upton with Kentucky Engineering Group asked the Board if they had time to look over the Water Source Feasibility Study. Ryan Thomas asked for some more time to look this over to see if there were any more questions.

Old Business:

A. Rural Development Loan and Rate Increase

Sandra gave Steve Hall papers to sign for the payment to Neptune meters.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Steve Hall seconded the Motion. Motion carried.

B. Comments:

Steve Hall made a Motion to approve the Mt. Sterling Water & Sewer Pass Thru Increase. DeWayne Williams seconded the Motion. Motion carried.

DeWayne Williams made a Motion to approve adding Ryan Thomas to the Ky. Retirement System. Steve Hall seconded the Motion. Motion carried.

Steve Hall made a Motion to pay Neco for new radio read meters. DeWayne Williams seconded the Motion. Motion carried. (SEE INVOICE)

C. Adjourn: Motion By

Steve Hall made a Motion to adjourn. DeWayne Williams seconded the Motion. Motion carried. Time 5:35 P.M.



Neptune Equipment Company
 11082 Southland Road
 Cincinnati, OH 45240-3713
 UNITED STATES
 (513)-851-8008

PAGE 1

INVOICE DATE 6/26/2023
 INVOICE NO 150599

S MON090
 O MONT. COUNTY WATER DISTRICT #1
 L 4412 CAMARGO ROAD
 D MT. STERLING, KENTUCKY 40353
 T
 O

S MON001
 H MONT. COUNTY WATER DISTRICT #1
 I SANDRA MORTON 859.498.0521
 P 4412 CAMARGO ROAD
 T MT. STERLING, KENTUCKY 40353
 O

TOTAL DUE 22,692.00

SLS1	SLS2	DUE DATE	DISC DUE DATE	ORDER NO	ORDER DATE	SHIP NO
BH		7/26/2023	6/26/2023	00027229	2/21/2023	

TERMS DESCRIPTION	CUSTOMER PO NO	SHIP VIA	SHIP DATE
n/30	SANDRA0223	UPS 6.23.23	6/26/2023

ITEM ID	TX CL	UNITS	ORDERED	SHIPPED	UNIT PRICE	EXTENSION
W5/8X3/4 GPROi PIT	0	EA	100.0000	100.0000	226.9200	22,692.00
5/8" X 3/4" T-10 METER PRO-CODER)R900i PLS B/C PIT						
GAL						
#15288707-8806						
6' ANTENNA						

1-1/2% CHARGE PER MONTH ADDED AFTER 30 DAYS!

TAXABLE	NONTAXABLE	FREIGHT	SALES TAX	MISC	TOTAL
0.00	22,692.00	0.00	0.00	0.00	22,692.00
PRIOR INVOICES	22,692.00			TOTAL DUE	22,692.00

MONTGOMERY COUNTY WATER DISTRICT #1
4412 Camargo Road
Mt. Sterling, KY 40353

Phone: 859-498-0521

Fax Phone 859-498-0872

Minutes
August 08, 2023

The meeting of the Montgomery County Water District #1 was called to order at 5:00 P.M. at the water office by Chairman, Steve Hall.

Roll Call:

Staff members present at meeting were Steve Hall, DeWayne Williams, Kevin Shackelford, and Sandra Morton.

Approval of July 11, 2023 Minutes:

Kevin Shackelford made a motion to approve the minutes for July 11, 2023. DeWayne Williams seconded the Motion. Motion carried.

Guests Present:

Mark Upton / Kentucky Engineering Group
Ethan Fryman / Kentucky Engineering Group

Comments:

Ethan Fryman with Kentucky Engineering Group asked the Board if they needed them to go any further with the Water Source Feasibility Study. The Board agreed that no further study was need at this time.

Old Business:

A. Rural Development Loan

Sandra gave Steve Hall papers to sign for the payment to Neptune meters.

New Business:

A. Approve Managers Report, Financial Report, Adjustments, Billing summary, Account Write Offs, Budget Variances, Cash Receipt Report, and Pay Bills .

DeWayne Williams made a Motion to Approve the Managers/Treasurers Report. Kevin Shackelford seconded the Motion. Motion carried.

B. Comments:

Kevin Shackelford made a Motion to approve a water rate increase of 26.3% DeWayne Williams seconded the Motion. Motion carried.

Steve Hall made a Motion to approve payment to Ky. Engineering for the Water Source Feasibility Study. The invoice was for \$10,471.90 and this will be paid for with the Cleaner Water Project Grant Money.

Steve Hall made a Motion to pay 2 invoices to Neco for new radio read meters. Kevin Shackelford seconded the Motion. Motion carried. (SEE INVOICES)

C. Adjourn: Motion By

Steve Hall made a Motion to adjourn. Kevin Shackelford seconded the Motion. Motion carried. Time 5:27 P.M.



INVOICE

NECO Water
 11082 Southland Road
 Cincinnati, OH, 45240

Reference No.: 000166
 Date: 01-Aug-2023
 Due Date: 31-Aug-2023
 Customer ID: MON090
 Currency: USD

SOLD TO:

MONT. COUNTY WATER DISTRICT #1
 4412 CAMARGO ROAD
 MT. STERLING KENTUCKY 40353
 United States of America

SHIP TO:

MONT. COUNTY WATER DISTRICT #1
 4412 CAMARGO ROAD
 MT. STERLING KENTUCKY 40353
 United States of America

CUSTOMER REF. NUMBER

SANDRA0423

TERMS

Net 30 day

CONTACT

SO TYPE

SO

SO NUMBER

000283

SHIPMENT NUMBER

000078

CUSTOMER P.O. NO.

SANDRA0423

NO.

ITEM

1 ED2B31RPWG11: 5/8X3/4 T-10 PLS 302 P-C
 R900i V4 PIT GAL
 2 Freight ShipVia XPO

QTY. UOM

100.00 EA

0.00

UNIT PRICE

226.92

0.00

DISC.

0%

0%

EXTENDED PRICE

22,692.00

0.00

Sales Total: 22,692.00
Tax Total: 0.00
Total (USD): 22,692.00



INVOICE

NECO Water
11082 Southland Road
Cincinnati, OH, 45240

Reference No.: **000084**
 Date: 26-Jul-2023
 Due Date: 25-Aug-2023
 Customer ID: MON090
 Currency: USD

SOLD TO:
 MONT. COUNTY WATER DISTRICT #1
 4412 CAMARGO ROAD
 MT. STERLING KENTUCKY 40353
 United States of America

SHIP TO:
 MONT. COUNTY WATER DISTRICT #1
 4412 CAMARGO ROAD
 MT. STERLING KENTUCKY 40353
 United States of America

CUSTOMER REF. NUMBER	TERMS	CONTACT		
SANDRA0323	Net 30 day			
SO TYPE	SO NUMBER	SHIPMENT NUMBER	CUSTOMER P.O. NO.	
SO	000229	000051	SANDRA0323	
NO.	ITEM	QTY.	UOM	UNIT PRICE
1	ED2F11RPWG11: 1 T-10 C/I 302 P-C R900i V4 PIT GAL--#15548287-8290 6' ANTENNA	4.00	EA	459.58
				DISC.
				0%
				EXTENDED PRICE
				1,838.32

Sales Total: 1,838.32
Tax Total: 0.00
Total (USD): 1,838.32

MONTGOMERY COUNTY WATER DISTRICT #1
4412 Camargo Road
Mt. Sterling, KY 40353

Phone: 859-498-0521

Fax Phone 859-498-0872

Special Meeting

MINUTES
August 21, 2023

The special meeting of the Montgomery County Water District #1 was called to order at 4:30 P.M. at the water office by Steve Hall..

Roll Call:

Staff members present at meeting were Steve Hall, DeWayne Williams, and Sandra Morton.

Guests Present:

Mark Frost/ Rate Study

New Business:

A. Rate Increase

Mr. Frost presented the new rate study proposal to the Board.
DeWayne Williams made a Motion to approve the new rate increase at 28.02% .
Steve Hall seconded the Motion. Motion carried.

B. Purchase Computers

Sandra presented the invoice for 3 new computers that is required before the new software can be installed. (SEE INVOICE). Steve Hall made a Motion to purchase the Computers. DeWayne Williams seconded the Motion. Motion carried.

C Additional Comments

None

D Adjourn

Steve Hall made a Motion to adjourn. DeWayne Williams seconded the Motion.
Motion carried. Time 4:41 P.M.

QUOTE**United Systems**

Quote #:	USSQ1948
Date:	Aug 15, 2023
Expiration Date:	Aug 29, 2023

Prepared For:
 Montgomery County Water Dist. #1
 Sandra Cole
 859-498-0521
 4412 Camargo RD
 Mount Sterling, KY 40353
 United States

Salesperson:
 Brianna Martin
 briannam@united-systems.com
 Direct Number: 270-527-3293
 Fax Number:
 205 Ash Street
 Benton, Ky 42025

Qty	Description	Unit Price	Ext. Price
3	Dell OptiPlex 7000 7010 Desktop Computer - Intel Core i7 13th Gen i7-13700 Hexadeca-core (16 Core) 2.10 GHz - 32 GB RAM DDR5 SDRAM - 512 GB M.2 PCI Express NVMe SSD - Black - Intel Chip - Windows 11 Pro - Intel UHD Graphics 770 DDR5 SDRAM - DVD-Writer - English Keyboard - 260 W	\$1,957.00	\$5,871.00
3	Dell ProSupport Plus - Upgrade - 3 Year - Service - 24 x 7 x Next Business Day - On-site - Exchange - Labor - Physical, Electronic	\$97.00	\$291.00

Notes:

Here is the quote you requested.

TOTAL	\$6,162.00
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Steve Hall

Please sign here and fax back for authorization to proceed:

8/21/2023

Date: