

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF ROWAN WATER,)	
INC. FOR FINACING APPROVAL PURSUANT TO)	CASE NO.
KRS 278.300)	2024-00015

VERIFIED APPLICATION

Comes now, Rowan Water, Inc., (“Rowan Water” or the “Company”), by and through the undersigned counsel, pursuant to KRS 278.300, 807 KAR 5:001 and other applicable law, and hereby respectfully requests an Order from the Kentucky Public Service Commission (“Commission”) approving the leasing of three vehicles. In support of this Application the Company states as follows:

INTRODUCTION

1. Pursuant to 807 KAR 5:001, Section 14(2), Rowan Water, Inc. is a Kentucky corporation originally incorporated on May 21, 1968, in good standing, and a public utility as that term is defined in KRS 278.010(3), and, therefore, is subject to the Commission’s jurisdiction. Rowan Water is engaged in the business of furnishing water to customers in Rowan County, Kentucky.

2. Rowan Water’s business address is 1765 Christy Creek Road, Morehead, Kentucky 40351 and its electronic mail address is rowanwater@windstream.net. Rowan Water’s telephone number is 606-784-9818 and the fax number is 606-783-1644.

3. Pursuant to 807 KAR 5:001, Section 4(8), copies of all orders, pleadings and other communications related to this proceeding should be sent to:

L. Allyson Honaker
Brittany Hayes Koenig
Honaker Law Office, PLLC
1795 Alysheba Way, Ste. 6202
Lexington, Kentucky 40509
allyson@hloky.com
brittany@hloky.com

4. Rowan Water is a water association organized pursuant to KRS Chapter 273.

5. Rowan Water's service territory includes Rowan, Carter, Elliot, Morgan and Fleming Counties in Kentucky.

REQUEST TO ISSUE EVIDENCE OF INDEBTEDNESS

6. Pursuant to 807 KAR 5:001 Section 12(2)(a)-(i), Rowan Water is filing the following information in Exhibit A, which is incorporated herein and made a part of this Application:

<u>Exhibit #</u> <u>Page</u>	<u>Description</u>	<u>807 KAR 5:001</u> <u>Section Reference</u>
1	Financial Exhibit	12 (2)
1	Amount and kinds of stock authorized	12(2)(a)
1	Amount and kinds of stock issued and outstanding	12(2)(b)
1	Terms of preference or preferred stock	12(2)(c)
1	Brief description of each mortgage on property of Rowan Water	12(2)(d)
1	Amount of bonds authorized and issued and related information	12(2)(e)
1	Notes outstanding and related information	12(2)(f)
1, 3-8	Other indebtedness and related information	12(2)(g)

1	Dividend information	12(2)(h)
2, 9-14	Detailed Income Statement and Balance Sheet	12(2)(i)

9. A description of Rowan Water's property, its field of operation and the original cost and the cost to Rowan Water are contained in Exhibit B.

10. Copies of the lease agreements for approval are attached as Exhibit C.

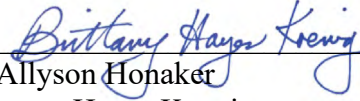
TESTIMONY AND EXHIBITS

11. Additional facts supporting this Application and the need for the financing are set forth in the Direct Testimony of Jerry Patrick, General Manager of Rowan Water, Inc., which is attached to this Application as Exhibit D.

WHEREFORE, Rowan Water request that the Commission:

- 1) Approve the financing for the leasing of vehicles; and,
- 2) Grant any other relief to which the Companies may be entitled.

Respectfully submitted,

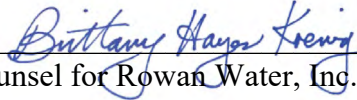


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Counsel for Rowan Water, Inc.

CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on January 26, 2024; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.



Counsel for Rowan Water, Inc.

EXHIBIT A

Financial Exhibit Pursuant to 807 KAR 5:001 Section 12(2):

Rowan Water, Inc. had \$5,000,000 or less in gross annual revenue in 2023. No material changes have occurred since the end of the twelve-month period. The financial statements for 2023 are not complete at this time. Rowan Water has submitted the income statement and balance sheet for 2022 and will supplement this filing with the 2023 income statement and balance sheet once they have been completed.

Amount and kinds of stock authorized (807 KAR 5:001 Section 12(2)(a)):

- There has been no stock issued for this corporation.

Amount and kinds of stock issued and outstanding (807 KAR 5:001 Section 12(2)(b)):

- There has been no stock issued for this corporation.

Terms of preference of preferred stock, cumulative or participating, or on dividends or assets or otherwise (807 KAR 5:001 Section 12(2)(c)):

- There has been no preferred stock issued for this corporation.

A brief description of each mortgage on property of applicant (807 KAR 5:001 Section 12(2)(d)):

- USDA has the mortgage on any and all properties.

Amount of bonds authorized and amounts issued and related information (807 KAR 5:001 Section 12(2)(e)):

- There have been no bonds authorized or issued by this corporation.

Notes outstanding and related information (807 KAR 5:001 Section 12(2)(f)):

- Please see pages 4 through 8 of this Exhibit for all notes outstanding.

Other indebtedness and related information (807 KAR 5:001 Section 12(2)(g)):

- Please see page 3 of this Exhibit for the additional truck leases that are outstanding. The green highlighted portion of this page lists the three vehicles that will be replaced with the leases being requested in this application.

Dividend information (807 KAR 5:001 Section 12(2)(h)):

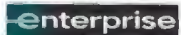
There have been no dividends issued.

Detailed Income Statement and Balance Sheet (807 KAR 5:001 Section 12(2)(i)):

See pages 9 through 12 of this Exhibit.

Fleet Overview

Year	Make	Model	Series	Driver Name	VIN	MIS	Monthly Payment	Projected Current Odometer	Current RBV	Current Market Value	Current Equity Position	Estimated Annual Odometer	12 Month Future Odometer	12 Month RBV	12 Month Market Value	12 Month Equity Position
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	Patrick, Jerry	3GCUDAED8 PG251426	5	\$652.93	477	\$23,467	\$37,263	\$13,796	1,092	1,569	\$19,139	\$35,388	\$16,249
2023	Chevrolet	Colorado	WT 4x4 Crew Cab 5 ft. box 131 in. WB	TBD	1GCGTBEC7 P1139289	2	\$652.99	3,685	\$20,734	\$31,975	\$11,241	20,033	23,718	\$17,036	\$28,200	\$11,164
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	TBD	3GCUDAED1 PG269864	3	\$923.21	6,270	\$31,235	\$36,988	\$5,753	20,033	26,303	\$25,501	\$33,863	\$8,362
2023	Chevrolet	Silverado 1500	RST 4x4 Crew Cab 6.6 ft. box 157 in. WB	Patrick, Jerry	3GCUDEED0 PG271337	3	\$605.28	6,270	\$20,400	\$47,550	\$27,150	20,033	26,303	\$16,704	\$44,375	\$27,671
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	Crisp, Ronnie	3GCUDAED5 PG269849	4	\$909.84	7,617	\$30,846	\$36,838	\$5,992	19,669	27,286	\$25,132	\$33,638	\$8,506
2021	Chevrolet	Silverado 3500HD Chassis	Work Truck 4x4 Regular Cab 146.3 in. WB DRW	Mason, Dave	1GB3YSEY5 MF112123	32	\$443.65	34,437	\$11,540	\$48,705	\$37,165	10,927	45,364	\$8,906	\$41,895	\$32,989
2021	Chevrolet	Silverado 2500HD	Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB	LEWIS, MARK	1GB3YLE77 MF110788	34	\$525.27	43,212	\$11,445	\$33,324	\$21,879	13,113	56,325	\$7,375	\$29,824	\$22,449
2020	Chevrolet	Silverado 2500HD	Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB	Moore, Raymond	1GB0YLE79 LF260810	38	\$567.92	66,901	\$10,961	\$26,460	\$15,499	21,855	88,756	\$6,591	\$22,543	\$15,952



Source: Internal Data

Confidential and Proprietary

RESERVE REQUIREMENTS

NAME: ROWAN WATER, INC

CLASS LOAN

LOAN NUMBER	91-25	91-27 & 91-29	91-30	62891			
DATE ISSUED	10/24/2007	7/11/2012	9/16/2017	1/30/2020			
AMOUNT OF ISSUE	\$600,000.00	\$1,031,000.00	\$1,106,000.00	\$1,222,000.00			
ANNUAL REQUIREMENT	\$3,180.00	\$4,920.00	\$4,620.00	\$5,100.00	TOTAL	REQUIRED	Approved
MONTHLY REQUIREMENT	\$ 265.00	\$ 410.00	\$ 386.00	\$ 425.00	YEAR	LEVEL	Withdraws
YEAR 2007					\$ -	\$ -	\$ -
YEAR 2008	\$ 31,800.00				\$ 31,800.00	\$ 31,800.00	\$ 31,800.00
YEAR 2009					\$ -	\$ 31,800.00	\$ 31,800.00
YEAR 2010					\$ -	\$ 31,800.00	\$ 31,800.00
YEAR 2011					\$ -	\$ 31,800.00	\$ 31,800.00
YEAR 2012					\$ -	\$ 31,800.00	\$ 31,800.00
YEAR 2013		\$ 4,920.00			\$ 4,920.00	\$ 36,720.00	\$ 36,720.00
YEAR 2014		\$ 4,920.00			\$ 4,920.00	\$ 41,640.00	\$ 41,640.00
YEAR 2015		\$ 4,920.00			\$ 4,920.00	\$ 46,560.00	\$ 46,560.00
YEAR 2016		\$ 4,920.00			\$ 4,920.00	\$ 51,480.00	\$ 51,480.00
YEAR 2017		\$ 4,920.00			\$ 4,920.00	\$ 56,400.00	\$ 56,400.00
YEAR 2018		\$ 4,920.00	\$ 4,620.00		\$ 9,540.00	\$ 65,940.00	\$ 65,940.00
YEAR 2019		\$ 4,920.00	\$ 4,620.00		\$ 9,540.00	\$ 75,480.00	\$ 75,480.00
YEAR 2020		\$ 4,920.00	\$ 4,620.00		\$ 9,540.00	\$ 85,020.00	\$ 85,020.00
YEAR 2021		\$ 4,920.00	\$ 4,620.00	\$ 5,100.00	\$ 14,640.00	\$ 99,660.00	\$ 99,660.00
YEAR 2022		\$ 4,920.00	\$ 4,620.00	\$ 5,100.00	\$ 14,640.00	\$ 114,300.00	\$ 114,300.00
YEAR 2023			\$ 4,620.00	\$ 5,100.00	\$ 9,720.00	\$ 124,020.00	\$ 124,020.00
YEAR 2024			\$ 4,620.00	\$ 5,100.00	\$ 9,720.00	\$ 133,740.00	\$ 133,740.00
YEAR 2025			\$ 4,620.00	\$ 5,100.00	\$ 9,720.00	\$ 143,460.00	\$ 143,460.00
YEAR 2026			\$ 4,620.00	\$ 5,100.00	\$ 9,720.00	\$ 153,180.00	\$ 153,180.00
YEAR 2027			\$ 4,620.00	\$ 5,100.00	\$ 9,720.00	\$ 162,900.00	\$ 162,900.00
YEAR 2028				\$ 5,100.00	\$ 5,100.00	\$ 168,000.00	\$ 168,000.00
YEAR 2029				\$ 5,100.00	\$ 5,100.00	\$ 173,100.00	\$ 173,100.00
YEAR 2030				\$ 5,100.00	\$ 5,100.00	\$ 178,200.00	\$ 178,200.00
YEAR 2031					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2032					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2033					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2034					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2035					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2036					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2037					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2038					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2039					\$ -	\$ 178,200.00	\$ 178,200.00
YEAR 2040					\$ -	\$ 178,200.00	\$ 178,200.00

FULLY FUNDED LEVEL

\$ 31,800.00	\$ 49,200.00	\$ 46,200.00	\$ 51,000.00		\$178,200	\$ -	\$178,200
					FULLY FUNDED	Total App.	ADJ
					RESERVE	Withdraws	Reserve

Approved Withdraws

Date	Reason

\$2,400,000

Kentucky Rural Water Finance Corporation
 Taxable Public Projects Refunding Revenue Bonds Series 2021 B
 Rowan Water Inc.

Debt Service Comparison

Date	Total P+I	Expenses	Net New D/S	Old Net D/S	Savings
12/31/2021	-	450.00	450.00	58,782.53	58,332.53
12/31/2022	206,063.13	450.00	206,513.13	223,825.05	17,311.92
12/31/2023	209,822.50	450.00	210,272.50	225,959.90	15,687.40
12/31/2024	210,182.50	450.00	210,632.50	224,800.05	14,167.55
12/31/2025	210,382.50	450.00	210,832.50	224,778.47	13,945.97
12/31/2026	210,422.50	450.00	210,872.50	226,198.31	15,325.81
12/31/2027	210,302.50	450.00	210,752.50	227,883.09	17,130.59
12/31/2028	210,022.50	450.00	210,472.50	228,214.51	17,742.01
12/31/2029	209,582.50	450.00	210,032.50	228,175.32	18,142.82
12/31/2030	208,982.50	450.00	209,432.50	227,124.25	17,691.75
12/31/2031	210,022.50	450.00	210,472.50	227,124.24	16,651.74
12/31/2032	130,952.50	450.00	131,402.50	150,173.32	18,770.82
12/31/2033	108,422.50	450.00	108,872.50	127,677.93	18,805.43
12/31/2034	111,262.50	450.00	111,712.50	126,677.95	14,965.45
12/31/2035	108,887.50	450.00	109,337.50	127,722.95	18,385.45
12/31/2036	111,417.50	450.00	111,867.50	127,722.94	15,855.44
12/31/2037	108,717.50	450.00	109,167.50	127,722.95	18,555.45
12/31/2038	40,817.50	450.00	41,267.50	57,280.29	16,012.79
12/31/2039	39,802.50	450.00	40,252.50	57,280.29	17,027.79
12/31/2040	38,735.00	450.00	39,185.00	57,280.29	18,095.29
12/31/2041	37,667.50	450.00	38,117.50	57,280.29	19,162.79
12/31/2042	16,600.00	450.00	17,050.00	37,587.10	20,537.10
12/31/2043	16,120.00	450.00	16,570.00	37,587.11	21,017.11
12/31/2044	20,640.00	450.00	21,090.00	37,587.12	16,497.12
TOTAL	\$2,985,828.13	\$10,800.00	\$2,996,628.13	\$3,452,446.25	\$455,818.12

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	351,115.16
Effects of changes in Expenses	(8,013.35)
Net PV Cashflow Savings @ 2.764%(AIC)	343,101.81
Contingency or Rounding Amount	1,037.73
Net Benefit	456,855.85
Net Present Value Benefit	\$344,139.54
Net PV Benefit / \$2,377,071 Refunded Principal	14.477%
Net PV Benefit / \$2,400,000 Refunding Principal	14.339%

Refunding Bond Information

Refunding Dated Date	7/21/2021
Refunding Delivery Date	7/21/2021

Rowan Water, Inc.
Summary Trial Balance
Entries From 1/1/2023 Through 12/31/2023

Account	Description	Previous Balance	Dr	Cr	Ending Balance
10100	Cash On Hand	50.00			50.00
10200	Cash In Bank - O A	58,522.66	4,449,430.64	-4,178,489.80	329,463.50
10300	Cash In Bank - Sav	0.00			0.00
12000	Accounts Receivabl	381,253.00			381,253.00
12100	Accounts Receivabl	0.00			0.00
12200	Allowance For Doub	-30,261.00			-30,261.00
12750	Bad Debt Reserve	0.00			0.00
13000	Prepaid Insurance	0.00			0.00
14000	Inventory	204,478.00			204,478.00
15050	Cash In Bank-Const	0.00			0.00
15100	Cash In Bank-Speci	141,110.88	50,146.93	-50,000.00	141,257.81
15200	Cash In Bank-CDBG	0.00			0.00
15300	Cash In Bank-Renta	128,604.32	45,234.80	-14,618.49	159,220.63
15500	Blair mill	0.00			0.00
15600	sinking fund	0.00			0.00
16000	Investments In CD'	110,489.13	307.88		110,797.01
17050	Land & Land Rights	228,215.00			228,215.00
17100	Storage Tanks	1,196,821.85			1,196,821.85
17200	Accum. Depr.-Pumpi	-705,957.25			-705,957.25
17300	Transmission And D	18,791,885.72	232,472.21	-6,181.19	19,018,176.74
17400	Accum. Depr.-Trans	-9,697,996.00			-9,697,996.00
17500	Building	899,538.00			899,538.00
17600	Accum. Depr.-Build	-295,757.00			-295,757.00
17700	Office Furniture	72,473.00			72,473.00
17800	Accum. Depr.-Offic	-65,639.00			-65,639.00
17900	Machinery And Equi	760,499.33	49,546.32		810,045.65
18000	Accum. Depr.-Mach.	-523,279.00			-523,279.00
18500	Construction Work	0.00			0.00
18501	morehead credit un	111,267.34	2,042.63		113,309.97
18502	KIA ACCT	0.00			0.00
19050	Deferred Charges	0.00			0.00
19100	Utility Deposits	1,045.00			1,045.00
20005	Accounts Payable-T	-147,322.24			-147,322.24
20010	Accounts Payable-C	0.00			0.00
20050	Accrued Interest P	-71,857.37			-71,857.37
20070	Accrued School Tax	-7,438.35			-7,438.35
21000	Accrued Payroll	0.00			0.00
21105	Accrued Sick Leave	-112,185.36			-112,185.36
21200	Accrued FICA	0.00			0.00
21300	FIT And FICA W/H P	-3,488.65	162,739.48	-135,361.60	23,889.23
21350	KY W/H PAYABLE	-2,600.46		-27,942.63	-30,543.09
21400	School And Sales T	-2,009.09			-2,009.09
21600	City Tax Payable	-0.13			-0.13
21700	County Tax Payable	-2,100.11	8,521.48	-8,564.57	-2,143.20
21750	credit union	-1,918.70	69,680.00	-69,680.00	-1,918.70
21800	Retirement W/H Pay	-5,760.20	33,544.26	-33,500.38	-5,716.32
21850	Life Ins. W/H Paya	0.36	15,840.72	-17,478.24	-1,637.16
21852	legal service	-33.95	1,634.10	-1,634.22	-34.07
21900	Accrued Unemployme	-0.38	333.00	-330.93	1.69
22000	Customer Deposits	-121,499.71	22,100.00	-44,195.56	-143,595.27
22222	Suspense	0.00			0.00
23040	REGIONS BANK	146,136.28	147,499.68		293,635.96
23050	Notes Payable-FMHA	-3,491,931.70	75,852.15		-3,416,079.55

Rowan Water, Inc.
Summary Trial Balance
Entries From 1/1/2023 Through 12/31/2023

Account	Description	Previous Balance	Dr	Cr	Ending Balance
=====	-----	=====	=====	=====	=====
23060	USDA Loan - Curren	-214,684.00			-214,684.00
23100	Note Payable-ford	0.00			0.00
23200	Note Payable-First	0.00			0.00
23300	cr bonds payable k	-2,255,000.00			-2,255,000.00
24100	Customer Advances	0.00			0.00
25000	capital lease, cur	-37,433.00			-37,433.00
25001	capital lease, net	-29,492.00			-29,492.00
29050	Federal Grants In	-6,406,400.00			-6,406,400.00
29051	Federal Grants	-39,326.89			-39,326.89
29100	Membership Fees	-44,454.00		-471.00	-44,925.00
29200	Tap-On Fees	-2,112,178.74			-2,112,178.74
29300	Other Contribution	-1,716,998.37			-1,716,998.37
30000	Retained Earnings	4,895,271.00			4,895,271.00
30010	Current Period Ear	-60,076.22			-60,076.22
40005	Metered Water Sale	0.00	212,683.83	-3,888,933.32	-3,676,249.49
40010	Reset And Moving O	0.00	24.96	-8,602.20	-8,577.24
40011	Meter Keys And Tap	0.00		-97,758.00	-97,758.00
40012	Meter Reading Reve	0.00		-1,326.00	-1,326.00
40015	Penalty Revenue	0.00	5,272.18	-58,245.02	-52,972.84
40020	New Line Contract	0.00			0.00
40021	credit card fee	0.00		-1,376.80	-1,376.80
40050	Interest Income	0.00	64.45	-45,543.28	-45,478.83
40900	Gain on sale of as	-22,250.00			-22,250.00
50010	Purchased Water	0.00	1,430,229.54		1,430,229.54
50020	Purchased Power	0.00	158,326.50	-1,623.95	156,702.55
50030	Repair Of Lines	0.00			0.00
50050	Sales And Use Tax	0.00			0.00
60005	Salaries And Wages	0.00	570,968.22		570,968.22
60010	FICA/FUT Expense	0.00	43,299.96		43,299.96
60020	Unemployment Expen	0.00	261.09		261.09
60025	Advertisement Fees	0.00			0.00
60030	Health Insurance	0.00	315,715.54	-35,593.46	280,122.08
60031	life insurance	0.00	2,782.00	-214.00	2,568.00
60040	Retirement Expense	0.00	34,802.52	-2,287.43	32,515.09
60045	Bank Charges	0.00	20,244.45	-0.30	20,244.15
60050	Professional Fees	0.00	45,781.40		45,781.40
60055	Engineering Expens	0.00	303,102.00	-303,102.00	0.00
60060	Contract Labor	0.00	42,054.62	-4,855.16	37,199.46
60065	Board Member Fees	0.00	28,808.39	-441.82	28,366.57
60070	Supplies-Maintenan	0.00	15,800.72	-684.00	15,116.72
60075	Fuel Expense	0.00	31,335.09	-638.99	30,696.10
60080	Office Supplies	0.00	13,350.83	-89.03	13,261.80
60085	Uniform Expense	0.00	4,926.39		4,926.39
60090	Truck Expense	0.00	67,628.93		67,628.93
60095	Tools Expense	0.00	1,294.27		1,294.27
60100	Building Maintenan	0.00	1,442.62		1,442.62
60110	Office Equipment M	0.00			0.00
60120	Rental Expense	0.00			0.00
60130	Insurance Expense	0.00	58,785.76	-5,775.32	53,010.44
60135	Postage Expense	0.00	65,186.09		65,186.09
60140	Utilities	0.00	5,192.41		5,192.41
60150	Garbage Expense	0.00	1,244.83		1,244.83
60160	Telephone Expense	0.00	23,270.30	-521.18	22,749.12

Rowan Water, Inc.
Summary Trial Balance
Entries From 1/1/2023 Through 12/31/2023

Account	Description	Previous Balance	Dr	Cr	Ending Balance
60170	Lab Fees	0.00	11,361.57		11,361.57
60172	construction on ne	0.00			0.00
60180	Travel And Per Die	0.00	1,725.41		1,725.41
60190	Flowers And Donati	0.00	417.09		417.09
60200	Dues And Licenses	0.00	13,583.72	-200.00	13,383.72
60210	Registration Fees	0.00			0.00
60215	Sales And Use Tax	0.00			0.00
60220	Regulatory Commiss	0.00			0.00
60225	Bad Debt Expense	0.00			0.00
60230	Miscellaneous	0.00	3,702.32		3,702.32
60240	Plant Depreciation	0.00			0.00
60250	Trans. And Distr.	0.00			0.00
60260	Building Depreciat	0.00			0.00
60270	Office Furniture D	0.00			0.00
60290	Interest Expense	0.00	154,726.98	-6.00	154,720.98
60295	Loan Origination E	0.00			0.00
60780	Machinery And Equi	0.00			0.00
67000	Depreciation expen	0.00			0.00
70005	Interest Income-Re	0.00			0.00
70010	Interest Income Sa	0.00			0.00
70020	Miscellaneous Inco	0.00		-10,057.39	-10,057.39
70030	Gain/Loss On Dispo	0.00			0.00
99980	MISC	0.00			0.00
		-99,668.00	9,056,323.26	-9,056,323.26	-99,668.00

<< End of Summary Trial
 Balance >>

Printed 1/2/2024

Rowan Water, Inc.
 Income Statement
 Reporting 12/1/2023 To 12/31/2023

ACCOUNT	INCOME	Period Activity	End Balance
	SALES		
40005	Metered Water Sales	\$327,091.83	\$3,676,249.49
40010	Reset And Moving Of Meters	\$432.00	\$8,577.24
40011	Meter Keys And Taps	\$2,985.00	\$97,758.00
40012	Meter Reading Revenue	\$126.00	\$1,326.00
40015	Penalty Revenue	-\$5,272.18	\$52,972.84
40021	credit card fee	\$106.72	\$1,376.80
40050	Interest Income	\$18,049.20	\$45,478.83
		-----	-----
70000	TOTAL SALES	\$343,518.57	\$3,883,739.20
	TAXES		
70020	Miscellaneous Income	\$0.00	\$10,057.39
		-----	-----
50000	TOTAL TAXES	\$0.00	\$10,057.39
		-----	-----
	TOTAL INCOME	\$343,518.57	\$3,893,796.59
	EXPENSES		
	COST OF SALES		
50010	Purchased Water	\$116,352.29	\$1,430,229.54
50020	Purchased Power	\$12,658.32	\$156,702.55
		-----	-----
60000	TOTAL COST OF SALES	\$129,010.61	\$1,586,932.09
	OPERATING EXPENSES		
60005	Salaries And Wages	\$52,177.11	\$570,968.22
60010	FICA/FUT Expense	\$3,913.91	\$43,299.96
60020	Unemployment Expense	\$0.00	\$261.09
60030	Health Insurance	\$30,145.06	\$280,122.08
60031	life insurance	\$214.00	\$2,568.00
60040	Retirement Expense	\$2,587.43	\$32,515.09
60045	Bank Charges	\$1,783.41	\$20,244.15
60050	Professional Fees	\$1,249.50	\$45,781.40
60060	Contract Labor	\$833.00	\$37,199.46
60065	Board Member Fees	\$1,958.33	\$28,366.57
60070	Supplies-Maintenance	\$889.17	\$15,116.72
60075	Fuel Expense	\$3,010.88	\$30,696.10
60080	Office Supplies	\$5,768.81	\$13,261.80
60085	Uniform Expense	\$466.35	\$4,926.39
60090	Truck Expense	\$10,745.36	\$67,628.93
60095	Tools Expense	\$0.00	\$1,294.27
60100	Building Maintenance	\$1,442.62	\$1,442.62
60130	Insurance Expense	\$334.17	\$53,010.44
60135	Postage Expense	\$5,522.65	\$65,186.09
60140	Utilities	\$495.11	\$5,192.41
60150	Garbage Expense	\$105.10	\$1,244.83
60160	Telephone Expense	\$1,986.43	\$22,749.12
60170	Lab Fees	\$1,239.13	\$11,361.57
60180	Travel And Per Diem	\$119.24	\$1,725.41
60190	Flowers And Donations	\$0.00	\$417.09

Rowan Water, Inc.
Income Statement
Reporting 12/1/2023 To 12/31/2023

		Period Activity	End Balance
60200	Dues And Licenses	\$883.47	\$13,383.72
60230	Miscellaneous	\$0.00	\$3,702.32
60290	Interest Expense	\$5,046.94	\$154,720.98
		-----	-----
	TOTAL EXPENSES	\$261,927.79	\$3,115,318.92
		-----	-----
	TOTAL INCOME	\$343,518.57	\$3,893,796.59
	TOTAL INCOME LESS EXPENSES	<u>\$81,590.78</u>	<u>\$778,477.67</u>

Rowan Water, Inc.
Balance Sheet
Reporting As Of 12/31/2023

ASSETS

CURRENT ASSETS

10100	Cash On Hand	50.00
10200	Cash In Bank - O And M	329,463.50
12000	Accounts Receivable - Water	381,253.00
12200	Allowance For Doubtful Account	-30,261.00
14000	Inventory	204,478.00

TOTAL CURRENT ASSETS 884,983.50

RESTRICTED ASSETS

15100	Cash In Bank-Special Reserve	141,257.81
15300	Cash In Bank-Rental Deposits	159,220.63
16000	Investments In CD's	110,797.01

TOTAL RESTRICTED ASSETS 411,275.45

FIXED ASSETS

17050	Land & Land Rights	228,215.00
17100	Storage Tanks	1,196,821.85
17200	Accum. Depr.-Pumping Plant	-705,957.25
17300	Transmission And Distribution	19,018,176.74
17400	Accum. Depr.-Trans. And Dist.	-9,697,996.00
17500	Building	899,538.00
17600	Accum. Depr.-Building	-295,757.00
17700	Office Furniture	72,473.00
17800	Accum. Depr.-Office Furniture	-65,639.00
17900	Machinery And Equipment	810,045.65
18000	Accum. Depr.-Mach. And Equip.	-523,279.00
18501	morehead credit union savings	113,309.97

TOTAL FIXED ASSETS 11,049,951.96

OTHER ASSETS

19100	Utility Deposits	1,045.00
40900	Gain on sale of asset	-22,250.00

TOTAL OTHER ASSETS -21,205.00

TOTAL ASSETS

11/1/24
Cash on Hand
\$694,828.00

12,325,005.91

LIABILITIES

CURRENT LIABILITIES

20005	Accounts Payable-Trade	147,322.24
20050	Accrued Interest Payable	71,857.37
20070	Accrued School Tax	7,438.35
21105	Accrued Sick Leave	112,185.36
21300	FIT And FICA W/H Payable	-23,889.23
21350	KY W/H PAYABLE	30,543.09
21400	School And Sales Tax W/H	2,009.09
21600	City Tax Payable	0.13
21700	County Tax Payable	2,143.20
21750	credit union	1,918.70
21800	Retirement W/H Payable	5,716.32
21850	Life Ins. W/H Payable	1,637.16

Rowan Water, Inc.
Balance Sheet
Reporting As Of 12/31/2023

21852	legal service	34.07
21900	Accrued Unemployment	-1.69
22000	Customer Deposits	143,595.27

	TOTAL CURRENT LIABILITIES	502,509.43
	LONG TERM DEBT	
23040	REGIONS BANK	-293,635.96
23050	Notes Payable-FMHA	3,416,079.55
23060	USDA Loan - Current	214,684.00
23300	cr bonds payable krwfc	2,255,000.00

	TOTAL LONG TERM DEBT	5,592,127.59
	ACCRUED EXPENSES	
25000	capital lease, current portion	37,433.00
25001	capital lease, net of current	29,492.00

	TOTAL ACCRUED EXPENSES	66,925.00
	OTHER LIABILITIES	

	TOTAL OTHER LIABILITIES	0.00
	TOTAL LIABILITIES	6,161,562.02
	EQUITY/FUND BALANCE	
29050	Federal Grants In Aid Of Const	6,406,400.00
29051	Federal Grants	39,326.89
29100	Membership Fees	44,925.00
29200	Tap-On Fees	2,112,178.74
29300	Other Contributions	1,716,998.37
30000	Retained Earnings	-4,895,271.00
30010	Current Period Earnings	60,076.22
	Y-T-D Net Income	778,477.67

	TOTAL EQUITY/FUND BALANCE	6,263,111.89
	TOTAL LIABILITIES AND EQUITY/FUND BALANCE	12,424,673.91
	*** REPORT OUT OF BALANCE ***	

EXHIBIT B

EXHIBIT B

Rowan Water field of operation, description of Rowan Water property, original cost of the property and the cost to Rowan Water:

Rowan Water is a water association organized pursuant to KRS Chapter 273. Rowan Water has approximately 7541 customers in Rowan, Carter, Elliot, Morgan and Fleming counties. Rowan Water has several small tracks of land in Rowan County, Kentucky as well as Carter and Morgan counties. These tracks of land have either a pump station or a water storage tank on them. Rowan Water also owns an office site at 1765 Christy Creek Road in Rowan County, Kentucky. The office site is approximately ten acres. Attached at pages 2 through 7 of this Exhibit is the inventory list containing the feet of pipe and pumps owned by Rowan Water.

The office property was purchased for \$120,000. Several of the pieces of property where the pump stations are located were provided to Rowan Water free of charge. Three of the pump station properties were purchased for \$7,500 each. These are the only records that Rowan Water has for the cost of the property owned by Rowan Water.



WRIS Asset Inventory Report KY1030375 - Rowan Water, Inc



Rating Code	Condition Rating	Performance Rating	Priority Rating
0			Not a priority
1	New or Excellent - None or minor defects.	Exceeds/Meets all performance targets.	It would be nice to have.
2	Good Defects that have not begun to deteriorate.	Minor performance deficiencies.	Improved system operations & maintenance (O&M) efficiency.
3	Fair Moderate defects that will continue to deteriorate.	Considerable performance deficiencies.	Internal safety concern or public nuisance.
4	Poor - Severe defects that will collapse/break in near future.	Major performance deficiencies.	Potential public health, safety, or environmental concern.
5	Inoperable Defects need immediate attention.	Fails to meet performance targets.	Existing threat to public health, safety, or environment.

Water Line Assets

Size (Inches)	Material	Decade Constructed	Length (feet)	Condition ID	Performance ID	Priority ID	WRIS PNum
Assessment Area: ZONE 01							
Up to 2	PVC	1970	1,786	3	3	2	
Up to 2	PVC	2000	18,724	2	2	1	
3	PVC	1970	58,531	3	3	2	
3	PVC	1990	3,111	3	2	1	
3	PVC	2000	44,744	2	2	1	
3	PVC	2010	9,418	1	1	0	
4	PVC	1970	279,987	3	2	2	
4	PVC	1990	185	2	1	0	
6	PVC	1970	39,835	3	2	1	
6	PVC	1990	8,783	2	2	1	
6	PVC	2000	6,746	2	1	0	
10	PVC	2000	927	2	1	0	
12	PVC	2000	1,393	2	1	0	
Assessment Area: ZONE 02							
Up to 2	PVC	2000	8,282	3	3	2	
Up to 2	PVC	2010	2,063	2	1	0	
3	PVC	1970	182,380	3	2	2	
3	PVC	1980	1,770	3	2	2	
3	PVC	1990	9,399	3	2	2	
3	PVC	2000	201,990	3	2	1	
3	PVC	2010	23,348	2	1	0	
4	PVC	1970	207,063	3	2	2	
4	PVC	1990	49,467	3	2	2	
4	PVC	2010	1,191	2	2	1	
6	PVC	1970	87,588	3	2	2	
6	PVC	1980	516	3	1	0	
8	PVC	1970	17,176	3	2	2	
8	PVC	2000	13,781	2	1	0	
Assessment Area: ZONE 03							
Up to 2	PVC	1970	5,302	3	2	2	
3	PVC	1970	17,628	3	2	2	
3	PVC	2000	43,536	3	2	1	
4	DUCTILE IRON	1970	27,218	4	2	2	
4	PVC	1970	45,211	3	2	2	



WRIS Asset Inventory Report

KY1030375 - Rowan Water, Inc



Rating Code	Condition Rating	Performance Rating	Priority Rating
0			Not a priority
1	New or Excellent - None or minor defects.	Exceeds/Meets all performance targets.	It would be nice to have.
2	Good - Defects that have not begun to deteriorate.	Minor performance deficiencies.	Improved system operations & maintenance (O&M) efficiency.
3	Fair - Moderate defects that will continue to deteriorate.	Considerable performance deficiencies.	Internal safety concern or public nuisance.
4	Poor - Severe defects that will collapse/break in near future.	Major performance deficiencies.	Potential public health, safety, or environmental concern.
5	Inoperable - Defects need immediate attention.	Fails to meet performance targets.	Existing threat to public health, safety, or environment.

Water Line Assets

Size (Inches)	Material	Decade Constructed	Length (feet)	Condition ID	Performance ID	Priority ID	WRIS PNum
6	PVC	1970	12,073	3	2	2	
8	AC	1960	1,838	4	3	2	
8	PVC	1970	22,862	3	2	2	
Assessment Area: ZONE 04							
Up to 2	PVC	1970	7,135	3	2	2	
Up to 2	PVC	2000	21,603	2	1	1	
Up to 2	PVC	2010	1,155	2	1	0	
3	PVC	1970	124,161	3	2	2	
3	PVC	1980	467	3	2	2	
3	PVC	2000	106,841	2	1	1	
3	PVC	2010	8,223	2	1	0	
4	PVC	1970	90,867	3	2	2	
4	PVC	2000	4,809	2	1	0	
4	PVC	2010	381	2	1	0	
6	DUCTILE IRON	2000	5,093	1	1	0	
6	PVC	1970	133,454	3	2	2	
6	PVC	2000	30,326	2	1	0	
6	PVC	2010	425	2	1	0	
8	PVC	1970	9,076	3	2	2	
8	PVC	1980	2,372	3	2	2	
8	PVC	2000	560	2	1	1	
8	PVC	2010	35,656	2	1	0	
10	PVC	1970	3,141	3	2	2	
10	PVC	2010	2,619	2	1	0	
12	DUCTILE IRON	2000	1,667	1	1	0	
12	PVC	1970	3,820	3	2	2	
16	DUCTILE IRON	1970	14,680	4	3	2	
16	DUCTILE IRON	2000	3,360	2	1	0	
Assessment Area: ZONE 05							
Up to 2	PVC	1970	9,800	3	2	2	
Up to 2	PVC	2000	6,867	2	2	1	
3	PVC	1970	36,702	3	2	2	
3	PVC	1990	11,174	3	2	2	
3	PVC	2000	64,647	2	1	1	
4	PVC	1970	100,401	3	2	2	



WRIS Asset Inventory Report KY1030375 - Rowan Water, Inc



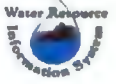
Rating Code	Condition Rating	Performance Rating	Priority Rating
0			Not a priority
1	New or Excellent - None or minor defects.	Exceeds/Meets all performance targets.	It would be nice to have.
2	Good Defects that have not begun to deteriorate.	Minor performance deficiencies.	Improved system operations & maintenance (O&M) efficiency.
3	Fair Moderate defects that will continue to deteriorate.	Considerable performance deficiencies.	Internal safety concern or public nuisance.
4	Poor - Severe defects that will collapse/break in near future.	Major performance deficiencies.	Potential public health, safety, or environmental concern.
5	Inoperable Defects need immediate attention.	Fails to meet performance targets.	Existing threat to public health, safety, or environment.

Water Line Assets

Size (Inches)	Material	Decade Constructed	Length (feet)	Condition ID	Performance ID	Priority ID	WRIS PNum
4	PVC	2000	3,552	3	1	0	
6	PVC	1970	41,195	3	2	2	
6	PVC	1980	6,169	3	2	1	
6	PVC	2000	14,230	2	1	0	
6	PVC	2020	539				
12	DUCTILE IRON	2000	4,202	2	1	0	



WRIS Asset Inventory Report KY1030375 - Rowan Water, Inc



Rating Code	Condition Rating	Performance Rating	Priority Rating
0			Not a priority
1	New or Excellent - None or minor defects.	Exceeds/Meets all performance targets.	It would be nice to have.
2	Good - Defects that have not begun to deteriorate.	Minor performance deficiencies.	Improved system operations & maintenance (O&M) efficiency.
3	Fair - Moderate defects that will continue to deteriorate.	Considerable performance deficiencies.	Internal safety concern or public nuisance.
4	Poor - Severe defects that will collapse/break in near future.	Major performance deficiencies.	Potential public health, safety, or environmental concern.
5	Inoperable - Defects need immediate attention.	Fails to meet performance targets.	Existing threat to public health, safety, or environment.

Water Tank Assets

Asset Name	Capacity (gallons)	Date Constructed	Date Inspected	Condition ID	Performance ID	Priority ID	WRIS PNum
Assessment Area: ZONE 01							
FRANK JOHNSON TANK	220,000	01/01/1992	07/25/2017	1	1	0	
SEAS BRANCH TANK	75,000	01/01/1992	07/01/2014	2	1	1	
US HIGHWAY 60 TANK	394,000	01/01/2008	09/01/2009	1	1	0	
Assessment Area: ZONE 02							
BLAIRS MILL	40,000	01/01/1992	09/01/2009	2	1	0	
CCC TRAIL TANK	250,000	11/01/2013	07/01/2018	1	1	0	
ELLIOTTVILLE TANK	220,000	01/01/2004	05/08/2017	1	1	0	
Assessment Area: ZONE 03							
SAWMILL TANK - PRETTY RIDGE	40,000	01/01/1998	05/08/2019				
Assessment Area: ZONE 04							
HALLWOOD TANK	8,000	01/01/2005	09/01/2009	2	1	0	
MAXI FLATT TANK	150,000	08/01/2017	08/01/2018	1	1	0	
POND LICK TANK	64,000	01/01/1987	08/15/2018	1	1	0	
ROCK FORK TANK	91,000	01/01/1987	08/10/2019	1	1	0	



WRIS Asset Inventory Report KY1030375 - Rowan Water, Inc



Rating Code	Condition Rating	Performance Rating	Priority Rating
0			Not a priority
1	New or Excellent - None or minor defects.	Exceeds/Meets all performance targets.	It would be nice to have.
2	Good - Defects that have not begun to deteriorate.	Minor performance deficiencies.	Improved system operations & maintenance (O&M) efficiency.
3	Fair - Moderate defects that will continue to deteriorate.	Considerable performance deficiencies.	Internal safety concern or public nuisance.
4	Poor - Severe defects that will collapse/break in near future.	Major performance deficiencies.	Potential public health, safety, or environmental concern.
5	Inoperable - Defects need immediate attention.	Fails to meet performance targets.	Existing threat to public health, safety, or environment.

Pump Station Assets

Asset Name	Pump Count	Condition ID	Performance ID	Priority ID	WRIS PNum
Assessment Area: ZONE 01					
BEARSKIN	2	2	1	1	
CARTER COUNTY LINE	2	3	2	2	
US 60 EAST	2	3	2	2	
Assessment Area: ZONE 02					
CCC TRAIL	2	1	1	0	
CHRISTY CREEK	2	2	2	1	
Assessment Area: ZONE 03					
MILL BRANCH	2	1	1	0	
Assessment Area: ZONE 04					
CLEAR FORK	1	2	1	0	
HALLWOOD	2	2	1	0	
KINDER BRANCH	2	2	1	0	
LAKE LEUMAN	2	2	1	0	
OLD HILDA	2	1	1	0	
ROCK FORK	2	1	1	0	
UNIVERSITY FARM	2	1	1	0	



WRIS Asset Inventory Report
KY1030375 - Rowan Water, Inc



Rating Code	Condition Rating	Performance Rating	Priority Rating
0			Not a priority
1	New or Excellent - None or minor defects.	Exceeds/Meets all performance targets.	It would be nice to have.
2	Good Defects that have not begun to deteriorate.	Minor performance deficiencies.	Improved system operations & maintenance (O&M) efficiency.
3	Fair - Moderate defects that will continue to deteriorate.	Considerable performance deficiencies.	Internal safety concern or public nuisance.
4	Poor Severe defects that will collapse/break in near future.	Major performance deficiencies.	Potential public health, safety, or environmental concern.
5	Inoperable - Defects need immediate attention.	Fails to meet performance targets.	Existing threat to public health, safety, or environment.

Water Treatment Plants

EXHIBIT C

NEW TRUCK LEASES REQUESTING APPROVAL

Prepared For: Rowan Water, Inc.
Patrick, Jerry

Date 11/28/2023
AE/AM C1M/C1M

Unit #

Year 2024 **Make** Chevrolet **Model** Silverado 2500HD
Series Work Truck 4x4 Crew Cab 8 ft. box 172 in. WB

Vehicle Order Type In-Stock **Term** 60 **State** KY **Customer#** 595628

\$ 69,535.42	Capitalized Price of Vehicle ¹
\$ 0.00 *	Sales Tax <u>0.0000%</u> State <u>KY</u>
\$ 23.00 *	Initial License Fee
\$ 0.00	Registration Fee
\$ 140.00 *	Other: (See Page 2)
\$ 0.00 *	Capitalized Price Reduction
\$ 0.00 *	Tax on Capitalized Price Reduction
\$ 17,000.00	Gain Applied From Prior Unit
\$ 1,020.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive (Taxable Incentive Total : \$0.00)

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name	
Exterior Color	Summit White
Interior Color	Jet Black w/Vinyl Seat Trim
Lic. Plate Type	Unknown
GVWR	0

\$ 52,535.42	Total Capitalized Amount (Delivered Price)
\$ 788.03	Depreciation Reserve @ <u>1.5000%</u>
\$ 313.77	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²
\$ 1,101.80	Total Monthly Rental Excluding Additional Services

Additional Fleet Management

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management
---------	----------------------------

Comp/Coll Deductible 0 / 0

\$ 138.17	Full Maintenance Program ³ Contract Miles <u>100,000</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>2</u>

OverMileage Charge \$ 0.0500 Per Mile

Tires 4

Loaner Vehicle Not Included

\$ 138.17 Additional Services SubTotal

\$ 66.11	Motor Vehicle Usage Tax <u>6.0000%</u>
----------	--

State KY

\$ 1,306.08 Total Monthly Rental Including Additional Services

\$ 5,253.62	Reduced Book Value at <u>60</u> Months
-------------	--

\$ 495.00	Service Charge Due at Lease Termination
-----------	---

Quote based on estimated annual mileage of 20,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, and agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement. In the event Lessee fails or refuses to accept delivery of the ordered vehicle, Lessee agrees that Lessor shall have the right to collect damages, including, but not limited to, a \$500 disposal fee, interest incurred, and loss of value.

LESSEE Rowan Water, Inc.

BY _____ **TITLE**

DATE

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized price of vehicle may be adjusted to reflect final manufacturer's invoice, plus a pre delivery interest charge. Lessee hereby assigns to Lessor any manufacturer rebates and/or manufacturer incentives intended for the Lessee, which rebates and/or incentives have been used by Lessor to reduce the capitalized price of the vehicle.

² Monthly lease charge will be adjusted to reflect the interest rate on the delivery date (subject to a floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Aftermarket Equipment Total

Description	(B)illed or (C)apped	Price
Service/Utility - Est. Utility Body Allowance	C	\$ 15,000.00
Total Aftermarket Equipment Billed		\$ 0.00
Total Aftermarket Equipment Capitalized		\$ 15,000.00
Aftermarket Equipment Total		\$ 15,000.00

Other Totals

Description	(B)illed or (C)apped	Price
Initial Administration Fee	B	\$ 140.00
Courtesy Delivery Fee	B	\$ 0.00
Total Other Charges Billed		\$ 140.00
Total Other Charges Capitalized		\$ 0.00
Other Charges Total		\$ 140.00

VEHICLE INFORMATION:

2024 Chevrolet Silverado 2500HD Work Truck 4x4 Crew Cab 8 ft. box 172 in. WB - US

Series ID: CK20943

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$48,151.4	\$50,900.00
Total Options	\$-568.75	\$-625.00
Destination Charge	\$1,995.00	\$1,995.00
Total Price	\$49,577.65	\$52,270.00

SELECTED COLOR:

Exterior: GAZ-Summit White
 Interior: H2G-Jet Black w/Vinyl Seat Trim

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
1WT	Preferred Equipment Group 1WT	NC	NC
9J4	Rear Bumper Delete	Included	Included
9L3	Delete Spare Tire & Wheel	Included	Included
A68	Rear 60/40 Folding Bench Seat (Folds Up)	Included	Included
ACCESS	Chevrolet Connected Access Capable	Included	Included
AEQ	Power Rear Windows w/Express Down	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
AZ3	Front 40/20/40 Split-Bench Seats w/Lockable Storage	STD	STD
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
BTM	Push Button Start	Included	Included
CAP	Capped Fuel Fill	Included	Included
CMPS	Compass	Included	Included
CTDDEL	12 Fixed Cargo Tie Downs Delete	Included	Included
CTTDEL	Hitch Guidance Delete	Included	Included
DUD	High-Visibility Vertical Trailing Mirrors	Included	Included
GAZ_01	Summit White	NC	NC
GT4	3.73 Rear Axle Ratio	Included	Included
H2G_01	Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
JGF	GVWR: 10,650 lbs (4,831 kg)	Included	Included
KW5	220 Amp Alternator	Included	Included
L8T	Engine: 6.6L Gas V8 w/Direct Injection & VVT	Included	Included
L8TBAT	720 Cold-Cranking Amps Heavy-Duty Battery	Included	Included
MCAP	Black Mirror Caps	Included	Included
MKM	Transmission: Allison 10-Speed Automatic	Included	Included
N33	Manual Tilt-Wheel Steering Column	Included	Included
NQF	2-Speed Electronic Shift Transfer Case	Included	Included
NZZ	Skid Plates	Included	Included
PAINT	Solid Paint	STD	STD

CODE	DESCRIPTION	INVOICE	MSRP
PPW	Wireless Phone Projection	Included	Included
PYN	Wheels: 17" Silver Painted Steel	Included	Included
QHQ	Tires: LT245/75R17E AS BW	Included	Included
SFW	SEO: Back-Up Alarm Calibration	Included	Included
STDTM	Vinyl Seat Trim	STD	STD
STPDEL	Black BedStep Delete	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included
UE1	OnStar & Chevrolet Connected Services Capable	Included	Included
UQF	6-Speaker Audio System	Included	Included
VH6	Black Front Bumper	Included	Included
VV4	Wi-Fi Hotspot Capable	Included	Included
VYU	Snow Plow Prep/Camper Package	\$482.30	\$530.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
Z82DEL	Trailer Package Delete	Included	Included
Z85	Suspension Package	Included	Included
ZW9	Pickup Bed Delete	\$-1,051.05	\$-1,155.00

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors: 4
Driver And Passenger Mirror: manual folding side-view door mirrors
Convex Driver Mirror: convex driver and passenger mirror
Mirror Type: manual extendable trailer mirrors
Skid Plates: skid plates
Door Handles: black
Front And Rear Bumpers: black front and rear bumpers with black rub strip
Front Bumper Insert: black front bumper insert
Front Tow Hooks: 2 front tow hooks
Body Material: galvanized steel/aluminum body material
Fender Flares: black fender flares
Grille: black grille

Convenience Features:

Air Conditioning: manual air conditioning
Power Windows: power windows with front and rear 1-touch down
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Passive Entry: proximity key
Window FOB Controls: remote window controls
Steering Wheel: steering wheel with manual tilting
Day-Night Rearview Mirror: day-night rearview mirror
Front Cupholder: front cupholder
Overhead Console: mini overhead console
Glove Box: locking glove box
Driver Door Bin: driver and passenger door bins
Rear Door Bins: rear door bins
Dashboard Storage: dashboard storage
IP Storage: covered bin instrument-panel storage
Front Underseat Storage Tray: locking front underseat storage tray
Driver Footrest: driver's footrest
Retained Accessory Power: retained accessory power
Power Accessory Outlet: 1 12V DC power outlet

Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan
Speakers: 6 speakers
Internet Access: Wi-Fi Hotspot capable internet access
1st Row LCD: 1 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: fixed antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps
Auto-Dimming Headlights: IntelliBeam auto high-beam headlights
Cab Clearance Lights: cargo bed light
Front Wipers: variable intermittent wipers
Tinted Windows: light-tinted windows
Dome Light: dome light with fade
Front Reading Lights: front and rear reading lights
Variable IP Lighting: variable instrument panel lighting
Display Type: analog appearance
Tachometer: tachometer
Voltmeter: voltmeter
Compass: compass
Exterior Temp: outside-temperature display

Low Tire Pressure Warning: tire specific low-tire-pressure warning
Trip Computer: trip computer
Trip Odometer: trip odometer
Lane Departure Warning: lane departure
Front Pedestrian Braking: front pedestrian detection
Following Distance Indicator: following distance alert
Forward Collision Alert: forward collision
Oil Pressure Gauge: oil pressure gauge
Water Temp Gauge: water temp. gauge
Clock: in-radio display clock
Systems Monitor: driver information centre
Check Control: redundant digital speedometer
Oil Pressure Warning: oil-pressure warning
Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Low Oil Level Warning: low-oil-level warning
Low Coolant Warning: low-coolant warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Low Washer Fluid Warning: low-washer-fluid warning
Door Ajar Warning: door-ajar warning
Brake Fluid Warning: brake-fluid warning
Turn Signal On Warning: turn-signal-on warning
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning
Brake Pad Wear: brake pad wear

Safety And Security:

ABS four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front and rear ventilated disc brakes
Daytime Running Lights: daytime running lights
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: curtain 1st and 2nd row overhead airbag
Occupancy Sensor: front passenger airbag occupancy sensor
Seatbelt Pretensioners: front seatbelt pre-tensioners
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt
Side Impact Bars: side-impact bars
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights
Rear Child Safety Locks: rear child safety locks
Ignition Disable: immobilizer
Panic Alarm: panic alarm
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll
Traction Control: ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 6
Front Bucket Seats: front split-bench 40-20-40 seats
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments
Reclining Driver Seat: manual reclining driver and passenger seats
Driver Fore/Aft: manual driver and passenger fore/aft adjustment
Front Centre Armrest Storage: front centre armrest with storage
Rear Seat Type: rear 60-40 split-bench seat
Rear Folding Position: rear seat fold-up cushion
Leather Upholstery: vinyl front and rear seat upholstery
Headliner Material: full cloth headliner

Floor Covering: full vinyl/rubber floor covering

Cabback Insulator: cabback insulator

Shift Knob Trim: urethane shift knob

Standard Engine:

Engine 401-hp, 6.6-liter V-8 (regular gas)

Standard Transmission:

Transmission 10-speed automatic w/ OD and auto-manual

Prepared For: Rowan Water, Inc.
Patrick, Jerry

Date 11/28/2023
AE/AM C1M/C1M

Unit #

Year 2024 **Make** Chevrolet **Model** Silverado 3500HD Chassis
Series Work Truck 4x4 Regular Cab 146 in. WB DRW

Vehicle Order Type In-Stock **Term** 60 **State** KY **Customer#** 595628

\$ 78,758.12	Capitalized Price of Vehicle ¹
\$ 0.00 *	Sales Tax <u>0.0000%</u> State <u>KY</u>
\$ 23.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 0.00	Other: (See Page 2)
\$ 0.00 *	Capitalized Price Reduction
\$ 0.00 *	Tax on Capitalized Price Reduction
\$ 35,000.00	Gain Applied From Prior Unit
\$ 2,100.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive (Taxable Incentive Total : \$0.00)

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name	
Exterior Color	Summit White
Interior Color	Jet Black w/Vinyl Seat Trim
Lic. Plate Type	Unknown
GVWR	0

\$ 43,758.12	Total Capitalized Amount (Delivered Price)
\$ 656.37	Depreciation Reserve @ <u>1.5000%</u>
\$ 286.99	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²
\$ 943.36	Total Monthly Rental Excluding Additional Services

Additional Fleet Management

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management
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Comp/Coll Deductible	<u>0 / 0</u>
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\$ 117.89	Full Maintenance Program ³ Contract Miles <u>50,000</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>2</u>

OverMileage Charge	<u>\$ 0.0500</u> Per Mile
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# Tires <u>4</u>	Loaner Vehicle Not Included
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\$ 117.89 Additional Services SubTotal

\$ 56.60	Motor Vehicle Usage Tax <u>6.0000%</u>	State <u>KY</u>
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\$ 1,117.85 Total Monthly Rental Including Additional Services

\$ 4,375.92	Reduced Book Value at <u>60</u> Months
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\$ 495.00	Service Charge Due at Lease Termination
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Quote based on estimated annual mileage of 10,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, and agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement. In the event Lessee fails or refuses to accept delivery of the ordered vehicle, Lessee agrees that Lessor shall have the right to collect damages, including, but not limited to, a \$500 disposal fee, interest incurred, and loss of value.

LESSEE Rowan Water, Inc.

BY _____ **TITLE**

DATE

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized price of vehicle may be adjusted to reflect final manufacturer's invoice, plus a pre delivery interest charge. Lessee hereby assigns to Lessor any manufacturer rebates and/or manufacturer incentives intended for the Lessee, which rebates and/or incentives have been used by Lessor to reduce the capitalized price of the vehicle.

² Monthly lease charge will be adjusted to reflect the interest rate on the delivery date (subject to a floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Aftermarket Equipment Total

Description	(B)illed or (C)apped	Price
Dump Truck - Est. Dump Body Allowance	C	\$ 15,000.00
Total Aftermarket Equipment Billed		\$ 0.00
Total Aftermarket Equipment Capitalized		\$ 15,000.00
Aftermarket Equipment Total		\$ 15,000.00

Other Totals

Description	(B)illed or (C)apped	Price
Initial Administration Fee	B	\$ 140.00
Courtesy Delivery Fee	C	\$ 0.00
Total Other Charges Billed		\$ 140.00
Total Other Charges Capitalized		\$ 0.00
Other Charges Total		\$ 140.00

VEHICLE INFORMATION:

2024 Chevrolet Silverado 3500HD Chassis Work Truck 4x4 Regular Cab 146 in. WB DRW - US
 Series ID: CK31003

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$44,935	\$47,500.00
Total Options	\$11,031.93	\$12,123.00
Destination Charge	\$1,995.00	\$1,995.00
Total Price	\$57,961.93	\$61,618.00

SELECTED COLOR:

Exterior: GAZ-Summit White
 Interior: H2G-Jet Black w/Vinyl Seat Trim

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$66.43	\$73.00
9L7	Upfitter Switch Kit (5)	\$136.50	\$150.00
A2S	4-Way Manual Driver Seat Adjuster	Included	Included
A7E	4-Way Manual Passenger Seat Adjuster	Included	Included
AKO	Deep-Tinted Glass	Included	Included
AZ3	Front 40/20/40 Split-Bench Seat w/Storage	STD	STD
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BHP	Winter Grille Cover	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C49	Electric Rear-Window Defogger	Included	Included
CAPS	Black Mirror Caps	Included	Included
COMPAS	Compass Located In Instrument Cluster	Included	Included
DD8	Auto-Dimming Inside Rearview Mirror	Included	Included
DWI	Power-Adjustable Outside Mirrors	\$655.20	\$720.00
G9Y	GVWR: 14,000 lbs (6,350 kgs)	STD	STD
GAZ_01	Summit White	NC	NC
GRILLE	Front Grille Bar w/Black Mesh Inserts	Included	Included
GU6	3.42 Rear Axle Ratio	Included	Included
H2G_02	Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
K05	Engine Block Heater	Included	Included
K34	Steering Wheel Mounted Electronic Cruise Control	Included	Included
K40	Exhaust Brake	Included	Included
KI4	120-Volt (400 Watts) Interior Power Outlet	\$136.50	\$150.00
KW5	220 Amp Alternator	Included	Included
L5P	Engine: Duramax 6.6L Turbo-Diesel V8	\$8,635.90	\$9,490.00
L5PBAT	Dual Heavy-Duty 70 Amp Battery	Included	Included
MGM	Transmission: Allison 10-Speed Automatic (MGM)	Included	Included
N33	Manual Tilt-Wheel Steering Column	Included	Included
NQF	2-Speed Electronic Shift Transfer Case	Included	Included
NZZ	Skid Plates	Included	Included
PAINT	Solid Paint	STD	STD

CODE	DESCRIPTION	INVOICE	MSRP
PCV	WT Convenience Package	\$919.10	\$1,010.00
PERLIT	Perimeter Lighting	Included	Included
PYW	Wheels: 17" Painted Steel	STD	STD
QZT	Tires: LT235/80R17E AT BW	STD	STD
STDTM	Vinyl Seat Trim	STD	STD
U95	2-Speaker Audio System Feature	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included
UE1	OnStar & Chevrolet Connected Services Capable	Included	Included
VH6	Black Front Bumper	Included	Included
VYU	Snow Plow Prep Package	\$482.30	\$530.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
Z85	Suspension Package	STD	STD
ZZT	LT235/80R17E AT Spare Tire	NA	NA

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors: 2
Driver And Passenger Mirror: auto dimming power remote heated power folding side-view door mirrors with turn signal indicator
Convex Driver Mirror: convex driver and passenger mirror
Mirror Type: manual extendable trailer mirrors
Skid Plates: skid plates
Door Handles: black
Front And Rear Bumpers: black front and rear bumpers with black rub strip
Front Bumper Insert: black front bumper insert
Front Tow Hooks: 2 front tow hooks
Body Material: galvanized steel/aluminum body material
: trailering with brake controller
Grille: black grille
Upfitter Switches: upfitter switches

Convenience Features:

Air Conditioning: manual air conditioning
Cruise Control: cruise control with steering wheel controls
Power Windows: power windows with driver and passenger 1-touch down
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Window FOB Controls: remote window controls
Steering Wheel: steering wheel with manual tilting
Day-Night Rearview Mirror: day-night rearview mirror
Auto-dimming Rearview Mirror: auto-dimming rearview mirror
Emergency SOS: OnStar and Chevrolet connected services capable
Front Cupholder: front cupholder
Overhead Console: mini overhead console
Glove Box: locking glove box
Driver Door Bin: driver and passenger door bins
IP Storage: covered bin instrument-panel storage
Front Underseat Storage Tray: locking front underseat storage tray
Driver Footrest: driver's footrest
Retained Accessory Power: retained accessory power
Power Accessory Outlet: 1 12V DC power outlet
AC Power Outlet: 1 120V AC power outlet

Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan
Audio Theft Deterrent: audio theft deterrent
Voice Activated Radio: voice activated radio
Speakers: 2 speakers
Internet Access: Wi-Fi Hotspot capable internet access
1st Row LCD: 1 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: fixed antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps
Auto-Dimming Headlights: IntelliBeam auto high-beam headlights
Cab Clearance Lights: cab clearance lights
Cargo Bed Light: cargo bed light
Front Wipers: variable intermittent wipers
Rear Window Defroster: rear window defroster
Tinted Windows: deep-tinted windows
Dome Light: dome light with fade
Front Reading Lights: front reading lights

Variable IP Lighting: variable instrument panel lighting
Display Type: analog appearance
Tachometer: tachometer
Voltmeter: voltmeter
Compass: compass
Exterior Temp: outside-temperature display
Low Tire Pressure Warning: tire specific low-tire-pressure warning
Trip Computer: trip computer
Trip Odometer: trip odometer
Front Pedestrian Braking: front pedestrian detection
Following Distance Indicator: following distance alert
Forward Collision Alert: forward collision
Oil Pressure Gauge: oil pressure gauge
Water Temp Gauge: water temp. gauge
Engine Hour Meter: engine hour meter
Clock: in-radio display clock
Systems Monitor: driver information centre
Check Control: redundant digital speedometer
Oil Pressure Warning: oil-pressure warning
Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Low Coolant Warning: low-coolant warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Low Washer Fluid Warning: low-washer-fluid warning
Door Ajar Warning: door-ajar warning
Brake Fluid Warning: brake-fluid warning
Turn Signal On Warning: turn-signal-on warning
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning
Brake Pad Wear: brake pad wear

Safety And Security:

ABS four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front and rear ventilated disc brakes
Daytime Running Lights: daytime running lights
Spare Tire Type: full-size spare tire
Spare Tire Mount: spare tire mounted frame mounted
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: curtain 1st row overhead airbag
Occupancy Sensor: front passenger airbag occupancy sensor
Seatbelt Pretensioners: front seatbelt pre-tensioners
Side Impact Bars: side-impact bars
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights
Ignition Disable: immobilizer
Panic Alarm: panic alarm
Electronic Stability: electronic stability stability control with anti-roll
Traction Control: ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 3
Front Bucket Seats: front split-bench 40-20-40 seats
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments
Reclining Driver Seat: manual reclining driver and passenger seats
Driver Fore/Aft: manual driver and passenger fore/aft adjustment
Front Centre Armrest Storage: front centre armrest with storage

Leather Upholstery: vinyl front seat upholstery

Headliner Material: full cloth headliner

Floor Covering: full vinyl/rubber floor covering

Cabback Insulator: cabback insulator

Shift Knob Trim: urethane shift knob

Standard Engine:

Engine 470-hp, 6.6-liter V-8 (diesel)

Standard Transmission:

Transmission 10-speed automatic w/ OD

Prepared For: Rowan Water, Inc.
Patrick, Jerry

Date 11/28/2023
AE/AM C1M/C1M

Unit #

Year 2024 **Make** Chevrolet **Model** Silverado 2500HD
Series Work Truck 4x4 Regular Cab 8 ft. box 142 in. WB

Vehicle Order Type In-Stock **Term** 60 **State** KY **Customer#** 595628

\$ 65,685.20	Capitalized Price of Vehicle ¹
\$ 0.00 *	Sales Tax <u>0.0000%</u> State <u>KY</u>
\$ 23.00 *	Initial License Fee
\$ 0.00	Registration Fee
\$ 140.00 *	Other: (See Page 2)
\$ 0.00 *	Capitalized Price Reduction
\$ 0.00 *	Tax on Capitalized Price Reduction
\$ 17,000.00	Gain Applied From Prior Unit
\$ 1,020.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive (Taxable Incentive Total : \$0.00)

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name	
Exterior Color	Summit White
Interior Color	Jet Black w/Vinyl Seat Trim
Lic. Plate Type	Unknown
GVWR	0

\$ 48,685.20	Total Capitalized Amount (Delivered Price)
\$ 730.28	Depreciation Reserve @ <u>1.5000%</u>
\$ 292.55	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²
\$ 1,022.83	Total Monthly Rental Excluding Additional Services

Additional Fleet Management

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management
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Comp/Coll Deductible 0 / 0

\$ 138.17	Full Maintenance Program ³ Contract Miles <u>100,000</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>2</u>

OverMileage Charge \$ 0.0500 Per Mile

Tires 4 Loaner Vehicle Not Included

\$ 138.17 Additional Services SubTotal

\$ 61.37	Motor Vehicle Usage Tax <u>6.0000%</u>
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State KY

\$ 1,222.37 Total Monthly Rental Including Additional Services

\$ 4,868.40	Reduced Book Value at <u>60</u> Months
\$ 495.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 20,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, and agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement. In the event Lessee fails or refuses to accept delivery of the ordered vehicle, Lessee agrees that Lessor shall have the right to collect damages, including, but not limited to, a \$500 disposal fee, interest incurred, and loss of value.

LESSEE Rowan Water, Inc.

BY _____ **TITLE**

DATE

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized price of vehicle may be adjusted to reflect final manufacturer's invoice, plus a pre delivery interest charge. Lessee hereby assigns to Lessor any manufacturer rebates and/or manufacturer incentives intended for the Lessee, which rebates and/or incentives have been used by Lessor to reduce the capitalized price of the vehicle.

² Monthly lease charge will be adjusted to reflect the interest rate on the delivery date (subject to a floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Aftermarket Equipment Total

Description	(B)illed or (C)apped	Price
Service/Utility - Est. Utility Body Allowance	C	\$ 15,000.00
Total Aftermarket Equipment Billed		\$ 0.00
Total Aftermarket Equipment Capitalized		\$ 15,000.00
Aftermarket Equipment Total		\$ 15,000.00

Other Totals

Description	(B)illed or (C)apped	Price
Initial Administration Fee	B	\$ 140.00
Courtesy Delivery Fee	B	\$ 0.00
Total Other Charges Billed		\$ 140.00
Total Other Charges Capitalized		\$ 0.00
Other Charges Total		\$ 140.00

VEHICLE INFORMATION:

2024 Chevrolet Silverado 2500HD Work Truck 4x4 Regular Cab 8 ft. box 142 in. WB - US

Series ID: CK20903

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$44,651.2	\$47,200.00
Total Options	\$-568.75	\$-625.00
Destination Charge	\$1,995.00	\$1,995.00
Total Price	\$46,077.45	\$48,570.00

SELECTED COLOR:

Exterior: GAZ-Summit White
 Interior: H2G-Jet Black w/Vinyl Seat Trim

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
1WT	Preferred Equipment Group 1WT	NC	NC
9J4	Rear Bumper Delete	Included	Included
9L3	Delete Spare Tire & Wheel	Included	Included
ACCESS	Chevrolet Connected Access Capable	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
AZ3	Front 40/20/40 Split-Bench Seats w/Lockable Storage	STD	STD
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
BTM	Push Button Start	Included	Included
CAP	Capped Fuel Fill	Included	Included
CMPS	Compass	Included	Included
CTDDEL	12 Fixed Cargo Tie Downs Delete	Included	Included
CTTDEL	Hitch Guidance Delete	Included	Included
GAZ_01	Summit White	NC	NC
GT4	3.73 Rear Axle Ratio	Included	Included
H2G_01	Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
JGB	GVWR: 10,250 lbs (4,649 kg)	Included	Included
KW5	220 Amp Alternator	Included	Included
L8T	Engine: 6.6L Gas V8 w/Direct Injection & VVT	Included	Included
L8TBAT	720 Cold-Cranking Amps Heavy-Duty Battery	Included	Included
MCAP	Black Mirror Caps	Included	Included
MKM	Transmission: Allison 10-Speed Automatic	Included	Included
N33	Manual Tilt-Wheel Steering Column	Included	Included
NQF	2-Speed Electronic Shift Transfer Case	Included	Included
NZZ	Skid Plates	Included	Included
PAINT	Solid Paint	STD	STD
PPW	Wireless Phone Projection	Included	Included
PYN	Wheels: 17" Silver Painted Steel	Included	Included
QHJ	Tires: LT245/75R17E AS BW	Included	Included

CODE	DESCRIPTION	INVOICE	MSRP
SFW	SEO: Back-Up Alarm Calibration	Included	Included
STD	Vinyl Seat Trim	STD	STD
STPDEL	Black BedStep Delete	Included	Included
U95	2-Speaker Audio System Feature	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included
UE1	OnStar & Chevrolet Connected Services Capable	Included	Included
VH6	Black Front Bumper	Included	Included
VV4	Wi-Fi Hotspot Capable	Included	Included
VYU	Snow Plow Prep/Camper Package	\$482.30	\$530.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
Z82DEL	Trailer Package Delete	Included	Included
Z85	Suspension Package	Included	Included
ZW9	Pickup Bed Delete	\$-1,051.05	\$-1,155.00

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors: 2
Driver And Passenger Mirror: manual folding side-view door mirrors
Convex Driver Mirror: convex driver and passenger mirror
Mirror Type: manual extendable trailer mirrors
Skid Plates: skid plates
Door Handles: black
Front And Rear Bumpers: black front and rear bumpers with black rub strip
Front Bumper Insert: black front bumper insert
Front Tow Hooks: 2 front tow hooks
Body Material: galvanized steel/aluminum body material
Fender Flares: black fender flares
Grille: black grille

Convenience Features:

Air Conditioning: manual air conditioning
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Passive Entry: proximity key
Window FOB Controls: remote window controls
Steering Wheel: steering wheel with manual tilting
Day-Night Rearview Mirror: day-night rearview mirror
Front Cupholder: front cupholder
Overhead Console: mini overhead console
Glove Box: locking glove box
Driver Door Bin: driver and passenger door bins
Dashboard Storage: dashboard storage
IP Storage: covered bin instrument-panel storage
Front Underseat Storage Tray: locking front underseat storage tray
Driver Footrest: driver's footrest
Retained Accessory Power: retained accessory power
Power Accessory Outlet: 1 12V DC power outlet

Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan
Speakers: 2 speakers
Internet Access: Wi-Fi Hotspot capable internet access
1st Row LCD: 1 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: fixed antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps
Auto-Dimming Headlights: IntelliBeam auto high-beam headlights
Cab Clearance Lights: cargo bed light
Front Wipers: variable intermittent wipers
Tinted Windows: light-tinted windows
Dome Light: dome light with fade
Front Reading Lights: front reading lights
Variable IP Lighting: variable instrument panel lighting
Display Type: analog appearance
Tachometer: tachometer
Voltmeter: voltmeter
Compass: compass
Exterior Temp: outside-temperature display
Low Tire Pressure Warning: tire specific low-tire-pressure warning
Trip Computer: trip computer

Trip Odometer: trip odometer
Lane Departure Warning: lane departure
Front Pedestrian Braking: front pedestrian detection
Following Distance Indicator: following distance alert
Forward Collision Alert: forward collision
Oil Pressure Gauge: oil pressure gauge
Water Temp Gauge: water temp. gauge
Clock: in-radio display clock
Systems Monitor: driver information centre
Check Control: redundant digital speedometer
Oil Pressure Warning: oil-pressure warning
Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Low Oil Level Warning: low-oil-level warning
Low Coolant Warning: low-coolant warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Low Washer Fluid Warning: low-washer-fluid warning
Door Ajar Warning: door-ajar warning
Brake Fluid Warning: brake-fluid warning
Turn Signal On Warning: turn-signal-on warning
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning
Brake Pad Wear: brake pad wear

Safety And Security:

ABS four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front and rear ventilated disc brakes
Daytime Running Lights: daytime running lights
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: curtain 1st row overhead airbag
Occupancy Sensor: front passenger airbag occupancy sensor
Seatbelt Pretensioners: front seatbelt pre-tensioners
Side Impact Bars: side-impact bars
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights
Ignition Disable: immobilizer
Panic Alarm: panic alarm
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll
Traction Control: ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 3
Front Bucket Seats: front split-bench 40-20-40 seats
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments
Reclining Driver Seat: manual reclining driver and passenger seats
Driver Fore/Aft: manual driver and passenger fore/aft adjustment
Front Centre Armrest Storage: front centre armrest with storage
Leather Upholstery: vinyl front seat upholstery
Headliner Material: full cloth headliner
Floor Covering: full vinyl/rubber floor covering
Cabbback Insulator: cabbback insulator
Shift Knob Trim: urethane shift knob

Standard Engine:

Engine 401-hp, 6.6-liter V-8 (regular gas)

Standard Transmission:

Fleet Overview

Year	Make	Model	Series	Driver Name	VIN	MIS	Monthly Payment	Projected Current Odometer	Current RBV	Current Market Value	Current Equity Position	Estimated Annual Odometer	12 Month Future Odometer	12 Month RBV	12 Month Market Value	12 Month Equity Position
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	Patrick, Jerry	3GCUAED8 PG251426	5	\$652.93	477	\$23,467	\$37,263	\$13,796	1,092	1,569	\$19,139	\$35,388	\$16,249
2023	Chevrolet	Colorado	WT 4x4 Crew Cab 5 ft. box 131 in. WB	TBD	1GCGTBEC7 P1139289	2	\$652.99	3,685	\$20,734	\$31,975	\$11,241	20,033	23,718	\$17,036	\$28,200	\$11,164
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	TBD	3GCUAED1 PG269864	3	\$923.21	6,270	\$31,235	\$36,988	\$5,753	20,033	26,303	\$25,501	\$33,863	\$8,362
2023	Chevrolet	Silverado 1500	RST 4x4 Crew Cab 6.6 ft. box 157 in. WB	Patrick, Jerry	3GCUDEED0 PG271337	3	\$605.28	6,270	\$20,400	\$47,550	\$27,150	20,033	26,303	\$16,704	\$44,375	\$27,671
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	Crisp, Ronnie	3GCUAED5 PG269849	4	\$909.84	7,617	\$30,846	\$36,838	\$5,992	19,669	27,286	\$25,132	\$33,638	\$8,506
2021	Chevrolet	Silverado 3500HD Chassis	Work Truck 4x4 Regular Cab 146.3 in. WB DRW	Mason, Dave	1GB3YSEY5 MF112123	32	\$443.65	34,437	\$11,540	\$48,705	\$37,165	10,927	45,364	\$8,906	\$41,895	\$32,989
2021	Chevrolet	Silverado 2500HD	Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB	LEWIS, MARK	1GB3YLE77 MF110788	34	\$525.27	43,212	\$11,445	\$33,324	\$21,879	13,113	56,325	\$7,375	\$29,824	\$22,449
2020	Chevrolet	Silverado 2500HD	Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB	Moore, Raymond	1GB0YLE79 LF260810	38	\$567.92	66,901	\$10,961	\$26,460	\$15,499	21,855	88,756	\$6,591	\$22,543	\$15,952

Truck Cost Comparison

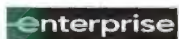


YMMS	2024 Chevrolet Silverado 3500HD Chassis Work Truck 4x4 Regular Cab 146 in. WB DRW CK31003 With Dump Body	2024 Chevrolet Silverado 2500HD Work Truck 4x4 Regular Cab 8 ft. box 142 in. WB CK20903 With Utility Body	2024 Chevrolet Silverado 2500HD Work Truck 4x4 Crew Cab 8 ft. box 172 in. WB CK20943 With Utility Body
Vehicle Type	Cab Chassis	3/4 Ton Pickup	3/4 Ton Pickup
Engine	Duramax 6.6L Turbo-Diesel V8	6.6L Gas V8 w/Direct Injection & VVT	6.6L Gas V8 w/Direct Injection & VVT
Lease Term	60 Months	60 Months	60 Months
Holding Period	5 Years	5 Years	5 Years
Annual Mileage	10,000	20,000	20,000
EPA MPG City	10	10	10
Total Fuel Cost	\$16,266	\$32,532	\$32,532
Invoice	\$63,758	\$50,685	\$54,535
AME Upfit Allowance	\$15,000	\$15,000	\$15,000
Acquisition Cost	\$78,758	\$65,685	\$69,535
Gains Applied	(\$35,000)	(\$17,000)	(\$17,000)
Delivered Cost	\$43,758	\$48,685	\$52,535
Monthly Depreciation	\$656.37	\$730.28	\$788.03
Monthly Management Fee	\$94.51	\$78.82	\$83.44
Monthly Interest	\$192.48	\$213.73	\$230.33
Monthly Use Tax	\$56.60	\$61.37	\$66.11
Monthly Maintenance	\$117.89	\$138.17	\$138.17
Monthly Payment with Tax & Maint	\$1,117.85	\$1,222.37	\$1,306.08
RBV at Term	\$4,376	\$4,869	\$5,254

**TRUCK LEASES
BEING REPLACED WITH REQUESTED
TRUCK LEASES**

Fleet Overview




Year	Make	Model	Series	Driver Name	VIN	MIS	Monthly Payment	Projected Current Odometer	Current RBV	Current Market Value	Current Equity Position	Estimated Annual Odometer	12 Month Future Odometer	12 Month RBV	12 Month Market Value	12 Month Equity Position
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2023	Chevrolet	Silverado 1500	RST 4x4 Crew Cab 6.6 ft. box 157 in. WB	Patrick, Jerry	3GCUDEED0 PG271337	3	\$605.28	6,270	\$20,400	\$47,550	\$27,150	20,033	26,303	\$16,704	\$44,375	\$27,671
2023	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 6.6 ft. box 157 in. WB	Crisp, Ronnie	3GCUDAED5 PG269849	4	\$909.84	7,617	\$30,846	\$36,838	\$5,992	19,669	27,286	\$25,132	\$33,638	\$8,506
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2020	Chevrolet	Silverado 2500HD	Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB	Moore, Raymo	1GB0YLE79 LF260810	38	\$567.92	66,901	\$10,961	\$26,460	\$15,499	21,855	88,755	\$6,591	\$22,543	\$15,952

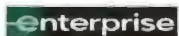


Source: Internal Data

Confidential and Proprietary

Truck Cost Comparison

			
YMMS	2024 Chevrolet Silverado 3500HD Chassis Work Truck 4x4 Regular Cab 146 in. WB DRW CK31003 With Dump Body	2024 Chevrolet Silverado 2500HD Work Truck 4x4 Regular Cab 8 ft. box 142 in. WB CK20903 With Utility Body	2024 Chevrolet Silverado 2500HD Work Truck 4x4 Crew Cab 8 ft. box 172 in. WB CK20943 With Utility Body
Vehicle Type	Cab Chassis	3/4 Ton Pickup	3/4 Ton Pickup
Engine	Duramax 6.6L Turbo-Diesel V8	6.6L Gas V8 w/Direct Injection & VVT	6.6L Gas V8 w/Direct Injection & VVT
Lease Term	60 Months	60 Months	60 Months
Holding Period	5 Years	5 Years	5 Years
Annual Mileage	10,000	20,000	20,000
EPA MPG City	10	10	10
Total Fuel Cost	\$16,266	\$32,532	\$32,532
Invoice	\$63,758	\$50,685	\$54,535
AME Upfit Allowance	\$15,000	\$15,000	\$15,000
Acquisition Cost	\$78,758	\$65,685	\$69,535
Gains Applied	(\$35,000)	(\$17,000)	(\$17,000)
Delivered Cost	\$43,758	\$48,685	\$52,535
Monthly Depreciation	\$656.37	\$730.28	\$788.03
Monthly Management Fee	\$94.51	\$78.82	\$83.44
Monthly Interest	\$192.48	\$213.73	\$230.33
Monthly Use Tax	\$56.60	\$61.37	\$66.11
Monthly Maintenance	\$117.89	\$138.17	\$138.17
Monthly Payment with Tax & Maint	\$1,117.85	\$1,222.37	\$1,306.08
RBV at Term	\$4,376	\$4,869	\$5,254



Source: Internal Data

↓
This Tractor replaces the 2021 Chevy 3500
Dave Mason

Raymond
↓
Mr. Kease is about up on this truck

Mark
Kease
↓
mileage about up on this truck

Confidential and Proprietary



Prepared For: Rowan Water, Inc. **UTN 1GB3YSEYS m F 112 123**
Patrick, Jerry

Date 07/28/2020
AE/AM C1M/C1M

Unit # **23N3G8**
Year 2021 Make Chevrolet Model Silverado 3500HD Chassis
Series Work Truck 4x4 Regular Cab 146.3 in. WB DRW

Truck 103

Vehicle Order Type Ordered Term 60 State KY Customer# 595628

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

\$ 48,880.88	Capitalized Price of Vehicle ¹
\$ 0.00 *	Sales Tax <u>0.0000%</u> State <u>KY</u>
\$ 23.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 260.00	Other: (See Page 2)
\$ 0.00 *	Capitalized Price Reduction
\$ 0.00 *	Tax on Capitalized Price Reduction
\$ 30,000.00	Gain Applied From Prior Unit
\$ 1,800.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive(Taxable Incentive Total : \$0.00)

Order Information

Driver Name	
Exterior Color	(0 P) Summit White
Interior Color	(0 I) Jet Black w/Vinyl Seat Trim
Lic. Plate Type	Truck
	GVWR 0

\$ 19,140.88	Total Capitalized Amount (Delivered Price)
\$ 239.26	Depreciation Reserve @ <u>1.2500%</u>
\$ 105.06	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²
\$ 344.32	Total Monthly Rental Excluding Additional Services

Additional Fleet Management

Master Policy Enrollment Fees

\$ 0.00 Commercial Automobile Liability Enrollment (Estimate Only)
Liability Limit \$0.00

\$ 0.00 Physical Damage Management (Estimate Only)

Comp/Coll Deductible 0 / 0

\$ 108.80 Full Maintenance Program³ Contract Miles 75,000
Incl: # Brake Sets (1 set = 1 Axle) 2

OverMileage Charge \$ 0.0500 Per Mile

Tires 6

Loaner Vehicle Not Included

\$ 108.80 Additional Services SubTotal

\$ 20.66 Motor Vehicle Usage Tax 6.0000%

State KY

\$ 473.78 Total Monthly Rental Including Additional Services

\$ 4,785.28 Reduced Book Value at 60 Months

\$ 375.00 Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 15,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSEE Rowan Water, Inc.

BY TITLE manager

DATE

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

² Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Aftermarket Equipment Total

Description	(B)illed or (C)apped	Price
Utility	C	\$ 10,000.00
Total Aftermarket Equipment Billed		\$ 0.00
Total Aftermarket Equipment Capitalized		\$ 10,000.00
Aftermarket Equipment Total		\$ 10,000.00

Other Totals

Description	(B)illed or (C)apped	Price
NVA Fee	C	\$ 60.00
Courtesy Delivery Fee	C	\$ 200.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 260.00
Other Charges Total		\$ 260.00

VEHICLE INFORMATION:

2021 Chevrolet Silverado 3500HD Chassis Work Truck 4x4 Regular Cab 146.3 in. WB DRW - US
 Series ID: CK31003

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$ 35,758.80	\$ 37,800.00
Total Options	\$ 10,727.08	\$ 11,788.00
Destination Charge	\$ 1,595.00	\$ 1,595.00
Total Price	\$ 48,080.88	\$ 51,183.00

SELECTED COLOR:

Exterior: GAZ - (0 P) Summit White
 Interior: H2G - (0 I) Jet Black w/Vinyl Seat Trim

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$ 66.43	\$ 73.00
A2S	4-Way Manual Driver Seat Adjuster	Included	Included
A7E	4-Way Manual Passenger Seat Adjuster	Included	Included
AE7	Front 40/20/40 Split-Bench Seat	STD	STD
AED	Power Front Windows w/Passenger Express Down	Included	Included
AKO	Deep-Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BHP	Winter Grille Cover	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C49	Electric Rear-Window Defogger	Included	Included
CAPS	Black Mirror Caps	Included	Included
DBG	Power Adjustable Outside Mirrors	Included	Included
G9Y	GVWR: 14,000 lbs (6,350 kgs)	STD	STD
GAZ_01	(0 P) Summit White	NC	NC
GRILLE	Front Grille Bar w/Black Mesh Inserts	Included	Included
GU6	3.42 Rear Axle Ratio	Included	Included
H2G_02	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
K05	Engine Block Heater	Included	Included
K34	Steering Wheel Mounted Electronic Cruise Control	Included	Included
K40	Exhaust Brake	Included	Included
KW5	220 Amp Alternator	Included	Included
L5P	Engine: Duramax 6.6L Turbo-Diesel V8	\$ 8,999.90	\$ 9,890.00
L5PBAT	Dual Heavy-Duty 70 Amp Battery	Included	Included
MGM	Transmission: Allison 10-Speed Automatic	Included	Included
N33	Manual Tilt-Wheel Steering Column	Included	Included
NQF	2-Speed Electronic Shift Transfer Case	Included	Included
PAINT	Solid Paint	STD	STD
PCV	WT Convenience Package	\$ 1,660.75	\$ 1,825.00
PYW	Wheels: 17" Painted Steel	STD	STD
QQO	Tires: LT235/80R17E AS Highway BW	Included	Included
STDTM	Vinyl Seat Trim	STD	STD
U95	2-Speaker Audio System Feature	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included



Prepared For: Rowan Water, Inc. VIN 1GBOYLE79LF260810

Date 10/18/2019 AE/AM C1M/C1M

Unit # 23CDHQ Year 2020 Make Chevrolet Model Silverado 2500HD Series Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB

Truck 109

Delivered 8/31/2020

Vehicle Order Type Ordered Term 60 State KY Customer# 595628

Number of Units 1 JP

\$ 42,489.35 Capitalized Price of Vehicle1
\$ 0.00 * Sales Tax 0.0000% State KY
\$ 23.00 * Initial License Fee
\$ 0.00 * Registration Fee
\$ 260.00 Other: (See Page 2)
\$ 12,000.00 * Capitalized Price Reduction
\$ 720.00 * Tax on Capitalized Price Reduction
\$ 0.00 Gain Applied From Prior Unit
\$ 0.00 * Tax on Gain On Prior
\$ 0.00 * Security Deposit
\$ 0.00 * Tax on Incentive(Taxable Incentive Total : \$0.00)

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name
Exterior Color (0 P) Summit White / Black Front Grille
Interior Color (0 I) Jet Black w/Vinyl Seat Trim
Lic. Plate Type Unknown
GVWR 0

\$ 30,749.35 Total Capitalized Amount (Delivered Price)
\$ 461.24 Depreciation Reserve @ 1.5000%
\$ 132.97 Monthly Lease Charge (Based on Interest Rate - Subject to a Floor)2
\$ 594.21 Total Monthly Rental Excluding Additional Services

Additional Fleet Management

Master Policy Enrollment Fees
\$ 0.00 Commercial Automobile Liability Enrollment
Liability Limit \$0.00
\$ 0.00 Physical Damage Management
\$ 72.41 Full Maintenance Program3 Contract Miles 75,000
Incl: # Brake Sets (1 set = 1 Axle) 2

Comp/Coll Deductible 0 / 0
OverMileage Charge \$ 0.0500 Per Mile
Tires 4 Loaner Vehicle Not included

\$ 72.41 Additional Services SubTotal

\$ 35.65 Motor Vehicle Usage Tax 6.0000% State KY

\$ 702.27 Total Monthly Rental Including Additional Services

\$ 3,074.95 Reduced Book Value at 60 Months

\$ 375.00 Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 15,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)
Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSOR Rowan Water, Inc. manager TITLE DATE October 21, 2019
BY Jerry Patrick

* INDICATES ITEMS TO BE BILLED ON DELIVERY
1 Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle
2 Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor)
3 The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote] all such maintenance services are to be performed by Enterprise Fleet Management, Inc. and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc. pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc. provided that such maintenance fees are being billed by Enterprise FM Trust and are payable at the direction of Enterprise FM Trust solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Aftermarket Equipment Total

Description	(Billed or Capitalized)	Price
Knapheide 8' standard service body (696)	C	\$ 9,800.00
Total Aftermarket Equipment Billed		\$ 0.00
Total Aftermarket Equipment Capitalized		\$ 9,800.00
Aftermarket Equipment Total		\$ 9,800.00

Other Totals

Description	(Billed or Capitalized)	Price
NVA Fee	C	\$ 60.00
Courtesy Delivery Fee	C	\$ 200.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 260.00
Other Charges Total		\$ 260.00

JP



VEHICLE INFORMATION:

2020 Chevrolet Silverado 2500HD Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB - US
Series ID: CK20903

Pricing Summary:

Table with 3 columns: Description, INVOICE, MSRP. Rows include Base Vehicle, Total Options, Destination Charge, and Total Price.

SELECTED COLOR:

Exterior: GAZ / GRIL - (0 P) Summit White / Black Front Grille
Interior: H2G - (0 I) Jet Black w/Vinyl Seat Trim

SELECTED OPTIONS:

Table with 4 columns: CODE, DESCRIPTION, INVOICE, MSRP. Lists various vehicle options and their associated costs.

JP

Prepared For: Rowan Water, Inc.
Patrick, Jerry

Date 07/28/2020
AE/AM C1M/C1M

*Uin 1GB34LE77MF 110788
23N3 GD*

*Truck 2
1.06*

Delivered 12/15/2020

Unit #
Year 2021 Make Chevrolet Model Silverado 2500HD
Series Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB
Vehicle Order Type Ordered Term 60 State KY Customer# 595628

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

\$ 37,785.38	Capitalized Price of Vehicle ¹
\$ 0.00 *	Sales Tax 0.0000% State KY
\$ 23.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 260.00	Other: (See Page 2)
\$ 0.00 *	Capitalized Price Reduction
\$ 0.00 *	Tax on Capitalized Price Reduction
\$ 12,000.00	Gain Applied From Prior Unit
\$ 720.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive(Taxable Incentive Total : \$0.00)
\$ 26,045.38	Total Capitalized Amount (Delivered Price)
\$ 390.68	Depreciation Reserve @ 1.5000%
\$ 102.21	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor)²

Order Information

Driver Name	
Exterior Color	(0 P) Summit White / Black Front Grille
Interior Color	(0 I) Jet Black w/Vinyl Seat Trim
Lic. Plate Type	Truck
GVWR	0

\$ 492.89 Total Monthly Rental Excluding Additional Services

Additional Fleet Management

Master Policy Enrollment Fees

\$ 0.00 Commercial Automobile Liability Enrollment (Estimate Only)
Liability Limit \$0.00

\$ 0.00 Physical Damage Management (Estimate Only)

\$ 72.41 Full Maintenance Program³ Contract Miles 75,000
Incl: # Brake Sets (1 set = 1 Axle) 2

Comp/Coll Deductible 0 / 0

OverMileage Charge \$ 0.0500 Per Mile

Tires 4

Loaner Vehicle Not Included

\$ 72.41 Additional Services SubTotal

\$ 29.57 Motor Vehicle Usage Tax 6.0000%

State KY

\$ 594.87 Total Monthly Rental Including Additional Services

\$ 2,604.58 Reduced Book Value at 60 Months

\$ 375.00 Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 15,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)
Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle.
Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSEE Rowan Water, Inc.

BY _____ TITLE manager DATE _____

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

² Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.



*Trans 2
106*

Aftermarket Equipment Total

Description	(B)illed or (C)apped	Price
Utility	C	\$ 10,000.00
Total Aftermarket Equipment Billed		\$ 0.00
Total Aftermarket Equipment Capitalized		\$ 10,000.00
Aftermarket Equipment Total		\$ 10,000.00

Other Totals

Description	(B)illed or (C)apped	Price
NVA Fee	C	\$ 60.00
Courtesy Delivery Fee	C	\$ 200.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 260.00
Other Charges Total		\$ 260.00

VEHICLE INFORMATION:

2021 Chevrolet Silverado 2500HD Work Truck 4x4 Regular Cab 8 ft. box 141.6 in. WB - US
 Series ID: CK20903

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$ 35,475.00	\$ 37,500.00
Total Options	\$ -984.62	\$ -1,082.00
Destination Charge	\$ 1,595.00	\$ 1,595.00
Total Price	\$ 36,085.38	\$ 38,013.00

SELECTED COLOR:

Exterior: GAZ / GRIL - (0 P) Summit White / Black Front Grille
 Interior: H2G - (0 I) Jet Black w/Vinyl Seat Trim

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$ 66.43	\$ 73.00
9J4	Rear Bumper Delete	Included	Included
9L3	Delete Spare Tire & Wheel	Included	Included
AE7	Front 40/20/40 Split-Bench Seat w/Storage	Included	Included
AED	Power Front Windows w/Passenger Express Down	Included	Included
AKO	Deep-Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C49	Electric Rear-Window Defogger	Included	Included
CAP	Capped Fuel Fill	Included	Included
CTDDEL	12 Fixed Cargo Tie Downs Delete	Included	Included
CTTDEL	Hitch Guidance Delete	Included	Included
DBG	Heated Vertical Trailing Mirrors	Included	Included
GAZ_01	(0 P) Summit White	NC	NC
GRIL	Black Front Grille	Included	Included
GT4	3.73 Rear Axle Ratio	STD	STD
H2G_02	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
JGB	GVWR: 10,250 lbs (4,649 kg)	Included	Included
K34	Electronic Cruise Control w/Set & Resume Speed	Included	Included
KW7	170 Amp Alternator	Included	Included
L8T	Engine: 6.6L Gas V8 w/Direct Injection & VVT	STD	STD
L8TBAT	720 Cold-Cranking Amps Heavy-Duty Battery	Included	Included
MCAP	Black Mirror Caps	Included	Included
MYD	Transmission: HD 6-Speed Automatic	STD	STD
N33	Manual Tilt-Wheel Steering Column	Included	Included
NQF	2-Speed Electronic Shift Transfer Case	Included	Included
PCV	WT Convenience Package	NA	NA
PYN	Wheels: 17" Silver Painted Steel	Included	Included
QHJ	Tires: LT245/75R17E AS BW	Included	Included
SFW	SEO: Back-Up Alarm Calibration	Included	Included
STDTM	Vinyl Seat Trim	Included	Included
STPDEL	Black BedStep Delete	Included	Included
U95	2-Speaker Audio System Feature	Included	Included

EXHIBIT D
DIRECT TESTIMONY
OF JERRY PARTICK

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
ROWAN WATER, INC. FOR FINANCING)	CASE NO.
APPROVAL PURSUANT TO KRS 278.300)	2024-00015

DIRECT TESTIMONY OF JERRY PATRICK,
GENERAL MANAGER
ON BEHALF OF ROWAN WATER, INC.

Filed: January 26, 2024

1 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 A. My name is Jerry Patrick and I serve as the General Manager for Rowan Water, Inc.
3 (“Rowan Water” or “Company”). My business address is 1765 Christy Creek Road,
4 Morehead, Kentucky 40351.

5 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATION AND PROFESSIONAL**
6 **EXPERIENCE.**

7 A. I received a Bachelor Degree in Animal Science from Morehead State University in 1989.
8 For a few years after graduation I was a farm manager for farms in Fleming and Rowan
9 Counties. I came to Rowan Water in 1997 as a meter reader. In 2000 I was promoted to
10 my current position as General Manager of Rowan Water. At that time Rowan Water had
11 a customer base of approximately 5000 meters. Currently, Rowan Water has grown to a
12 customer base of approximately 7500 meters.

13 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AT ROWAN WATER.**

14 A. In my role as General Manager I am responsible for overseeing all aspects of Rowan
15 Water’s business, including but not limited to operations, maintenance, personnel and
16 financial responsibilities. I also serve as the liaison for the Board of Directors to keep them
17 apprised of the daily operations of Rowan Water.

18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

19 A. The purpose of my testimony is to describe the relief requested in the Application,
20 including the need for the truck leases which Rowan Water is seeking Commission
21 approval and describing the three leases.

22 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

23 A. I am sponsoring Exhibits A, B and C to the Application.

1 **Q. ARE YOU FAMILIAR WITH THE APPLICATION AND SUPPORTING**
2 **EXHIBITS FILED BY ROWAN WATER IN THIS CASE?**

3 A. Yes, I am familiar with the documents filed in support of the Application and have been
4 closely involved in compiling and analyzing the necessary information for this filing.

5 **Q. PLEASE GENERALLY DESCRIBE THE RELIEF SOUGHT BY ROWAN**
6 **WATER IN THIS PROCEEDING.**

7 A. Rowan Water is seeking approval for three truck leases that will replace three expiring
8 truck leases currently held by Rowan Water. Rowan Water recently became aware (Case
9 No. 2022-00252) that it needed to seek approval of any vehicle leases that would be for a
10 term of more than two years. Rowan Water discussed lease options with Enterprise and it
11 was determined that the best option for Rowan Water was to continue its current leasing
12 terms, which would require Commission approval. Rowan Water believes that the leasing
13 of its fleet is more economical and saves its customers money on maintenance of vehicles.

14 **Q. PLEASE DESCRIBE THE SPECIFIC VEHICLES THAT ROWAN WATER IS**
15 **SEEKING APPROVAL FOR IN THIS PROCEEDING.**

16 A. Rowan Water is seeking approval for three vehicle leases. The details of the vehicles and
17 the terms of each of the leases are listed in the following table:

Year/Make/Model of Vehicle	Lease Term/Months	Monthly Payment	Included Maintenance	Mileage Allowance
2024 Chevrolet Silverado 2500HD Crew Cab	60 months	\$1,306.08	Full – 100,000 miles	20,000/year
2024 Chevrolet Silverado 3500 HD Regular Cab	60 months	\$1,117.85	Full – 50,000 miles	10,000/year
2024 Chevrolet Silverado 2500HD Regular Cab	60 months	\$1,222.37	Full – 100,000 miles	20,000/year

1 In addition, the trucks that will be replaced, once they are sold by Enterprise, any amounts
2 received above the amount owed by Rowan Water will be credited towards the new leased
3 vehicles.

4 **Q. PLEASE GENERALLY DESCRIBE THE NEED FOR THE THREE VEHICLE**
5 **LEASES.**

6 A. Rowan Water needs reliable vehicles in order to provide safe and reliable water services to
7 its customers. Prior to Rowan Water making the decision to enter into lease agreements
8 for its vehicle fleet, Rowan Water purchased all of its vehicles outright with no financing.
9 When the board of directors and I reviewed all of the maintenance records for the vehicles
10 that were purchased and owned by Rowan Water, it was determined that Rowan Water was
11 spending more than it thought it should on maintenance of the vehicles and these vehicles
12 were getting older with higher mileage and becoming less reliable. The only rental car
13 company servicing Rowan County was Enterprise. I reached out to Enterprise to inquire
14 about the pricing and terms for truck leases. When the comparison was made to the amount
15 of money being spent on the upkeep for the vehicles owned by Rowan Water, and the lease
16 agreements that would include full maintenance, the decision was made to begin leasing
17 vehicles. The leases allow Rowan Water to keep reliable trucks without the expenses of
18 the maintenance it was experiencing prior to beginning leasing vehicles. It also allows
19 Rowan Water to receive new trucks on a timely basis at a time when there is a delay in the
20 availability of new trucks of the kind and type needed to preform the necessary duties of
21 Rowan Water. These three trucks will allow Rowan Water to replace three vehicles that
22 are coming up on the end of the lease agreements and are getting higher in mileage.

1 **Q. PLEASE GENERALLY DESCRIBE HOW ROWAN WATER MADE THE**
2 **DECISION TO LEASE VEHICLES INSTEAD OF PURCHASING VEHICLES.**

3 A. Rowan Water's board of directors spent several months reviewing its costs of purchasing
4 and maintaining its fleet of vehicles versus leasing its fleet of vehicles. There was much
5 discussion of this issue during the investigation case 2022-00252 during the written
6 discovery as well as at the hearing in that matter. After much review and research, the
7 board made the decision that it would be in the best interest of Rowan Water and its
8 customers to begin leasing vehicles instead of purchasing due to the high cost of
9 maintenance on the purchased vehicles.

10 **Q. DID ROWAN WATER'S BOARD OF DIRECTORS DISCUSS AND APPROVE**
11 **THE FILING OF THIS APPLICATION WITH THE COMMISSION?**

12 A. Yes. The filing of the financing application was discussed at the August, 2023 board
13 meeting and was approved by the board of directors.

14 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

15 A. Yes.