

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

**ELECTRONIC APPLICATION OF COLUMBIA/ADAIR)
UTILITIES DISTRICT FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY TO)
CONSTRUCT A SYSTEM IMPROVEMENTS PROJECT) Case No. 2024-00250
AND AN ORDER AUTHORIZING THE ISSUANCE)
OF SECURITIES PURSUANT TO 278.300)**

** *** **** ***** **** *** **

APPLICATION

The Applicant, Columbia/Adair Utilities District ("Columbia/Adair District"), files this Electronic Application pursuant to KRS 278.020(1), KRS 278.300 and KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") grant Columbia/Adair District a Certificate of Public Convenience and Necessity ("CPCN") to construct a system improvements project (the "Project") and an order authorizing the issuance of securities to finance said Project. In support of this Application, and in compliance with the rules and regulations of the Commission, Columbia/Adair District states as follows:

1. Columbia/Adair District, formerly known as the Adair County Water District, was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the Adair County Judge/Executive, which Order is on file in the County Court Order Books in the office of the Adair County Clerk. Columbia/Adair District is now, and has been since its inception, regulated by the Commission, and all records and proceedings of the

Commission with reference to Columbia/Adair District are incorporated in this Application by reference. Columbia/Adair District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

2. The governing body of Columbia/Adair District is its Board of Commissioners which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purpose as provided for in KRS 74.070 and all applicable law and regulations.

3. The mailing address of Columbia/Adair District is as follows:

Columbia/Adair Utilities District
c/o Mr. Bradley Miller, General Manager
109 Grant Lane
Columbia, Kentucky 42728
Telephone: (270) 384-2181
Fax: (270) 384-3437
Email: bradley.miller@caud.net

4. A general description of Columbia/Adair District's system property, together with a statement of the original cost, is contained in Columbia/Adair District's Annual Report for 2023 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. Pursuant to 807 KAR 5:001, Section 15 - Applications for Certificates of Public Convenience and Necessity, Columbia/Adair District hereby responds as follows:

(i) Section 15(2)(a): Facts Relied Upon to Show Public Necessity: The proposed Project and the need for the Project is described in **Exhibit "A"** attached hereto.

(ii) Section 15(2)(b): Copies of Permits: Required permits are attached hereto as **Exhibit "B"**.

- (iii) Section 15(2)(c): Description of Proposed Location or Route. Construction of the Project is being performed within the boundaries of Columbia/Adair District and is detailed in the location map referred to in paragraph 5(iv) below. The proposed Project will not compete with any other public utilities and will not result in any wasteful duplication.
- (iv) Section 15(2)(d)(1): Maps to Suitable Scale: one electronic storage medium map to suitable scale showing the location of the proposed Project, as well as the location of like facilities owned by others located anywhere within the map area is being filed with this Application.
- (v) Section 15(2)(d)(2): Plans and Specifications: The signed, sealed and dated Plans and Specifications in .pdf format on electronic storage medium are being filed with this Application.
- (vi) Section 15(2)(e) Financing: Columbia/Adair District is financing the Project with the proceeds of a 20 year Fund F loan from the Kentucky Infrastructure Authority ("KIA") Federally Assisted Drinking Water Revolving Loan Fund (F23-006S) in the aggregate principal amount not to exceed \$5,577,650 (original approved amount of \$4,377,650 and subsequent approved increase of \$1,200,000) at an interest rate of 1.25% per annum (the "KIA Loan"). The KIA Loan will be evidenced by an Assistance Agreement between Columbia/Adair District and KIA and Columbia/Adair District has received a original conditional commitment letter from KIA dated October 4, 2023 and a subsequent conditional commitment letter for a loan increase dated July

18, 2024 (collectively, the "Commitment"). Copies of the original commitment letter and subsequent commitment letter are attached hereto as **Exhibit "C"**. The Commitment provides for principal forgiveness in the amount of \$3,149,864.

- (vii) Section 15(2)(f) Statement of Estimated Annual Cost of Operation: a statement of the estimated annual cost of operation after the Project is placed in service is labeled "Proposed Operating Budget" and is attached hereto as **Exhibit "D"**.

6. The detailed Statement of Net Position; Statement of Revenue, Expenses and Changes in Net Position; and Statement of Cash Flows for the twelve month period ending on December 31, 2023 are attached hereto as **Exhibit "E"** respectively. A statement of operations for the period ending not more than ninety (90) days prior to the date this Application is filed is attached hereto as **Exhibit "F"**.

7. Pursuant to 807 KAR 5:001, Section 12 - Financial Exhibit; Columbia/Adair District hereby responds as follows:

- (i) Section 12(1)(a): Columbia/Adair District states that it had more than \$5,000,000 in gross annual revenue in the immediate past calendar year and accordingly files herewith a statement of operations ending not more than ninety (90) days prior to the date this Application is filed.
- (ii) Section 12(2)(a), (b) and (c) Stock: Columbia/Adair District does not have any authorized, issued or outstanding stock as of the date hereof.

- (iii) Section 12(2)(d) Mortgages: Columbia/Adair District does not have any outstanding mortgages as of the date hereof.
 - (iv) Section 12(2)(e), (f) and (g) Indebtedness: The information concerning the outstanding indebtedness of Columbia/Adair District is contained in the financial statements which have been filed with the Commission and are incorporated herein by reference.
 - (v) Section 12(2)(h) Dividends: Columbia/Adair District has no outstanding stock and therefore pays no dividends.
 - (vi) Section 12(2)(i) Financial Statements: See **Exhibit "E"** attached hereto.
8. Pursuant to 807 KAR 5:001, Section 18, Columbia/Adair District hereby responds as follows:
- (i) Section 18(1)(a): Columbia/Adair District has complied with the requirements of 807 KAR 5:001, Section 14.
 - (ii) Section 18(1)(b): A general description of Columbia/Adair District's property, its field of operation and a statement of original cost of said property and the cost to Columbia/Adair District is contained in Columbia/Adair District's 2023 Annual Report on file with this Commission.
 - (iii) Section 18(1)(c): Columbia/Adair District is not issuing any stock as part of this financing. The information concerning the proposed KIA Loan is contained in this Application and the supporting attachments. The KIA Loan will be secured by and payable from the gross revenues of Columbia/Adair District's water system.

- (iv) Section 18(1)(d): Columbia/Adair District is not refunding any outstanding obligations in connection with this Project. The proceeds of the KIA Loan are being used for the construction of the Project described in **Exhibit "A"**.
- (v) Section 18(1)(e): See paragraph 5(i) above and paragraph 8(x) below.
- (vi) Section 18(1)(f): Columbia/Adair District is not refunding any outstanding obligations in connection with this Project.
- (vii) Section 18(1)(g): Written notification of the proposed issuance of the KIA Loan is being provided to the State Local Debt Officer (see **Exhibit "G"** attached hereto).
- (viii) Section 18(2)(a): See paragraph #7 above.
- (ix) Section 18(2)(b): Columbia/Adair District does not have any outstanding trust deeds or mortgages.
- (x) Section 18(2)(c): A detailed estimate of the acquired property, arranged according to the Uniform System of Accounts for Class A/B Water Districts and Associations is attached hereto as **Exhibit "H"**.

9. Copies of the bid tabulations as certified by the Engineers and letters of recommendation are attached hereto as **Exhibit "I"**.

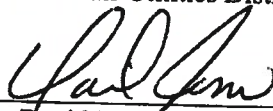
10. The Estimated and As Bid Project Cost Summary is attached hereto as **Exhibit "J"**.

11. No rate adjustment is being requested in connection with this Application.

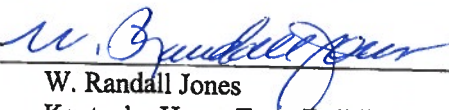
WHEREFORE, the Columbia/Adair Utilities District respectfully requests that the Commission take the following actions:

- A. Grant Columbia/Adair District a Certificate of Public Convenience and Necessity permitting Columbia/Adair District to construct the Project;
- B. Authorize the issuance of securities pursuant to the KIA Assistance Agreement evidencing the KIA Loan in an amount not to exceed \$5,577,650; and
- C. Grant Columbia/Adair District any other relief to which it is entitled.

Columbia/Adair Utilities District

By 
David Jones, Chairman
109 Grant Lane
Columbia, Kentucky 42728
Telephone: (270) 384-2181
Fax: (270) 384-3437
Email: bradley.miller@caud.net


Rubin & Hays

By 
W. Randall Jones
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7534
Fax: (502) 569-7555
Counsel for Columbia/Adair Utilities District
wjones@rubinhays.com

STATE OF KENTUCKY)
) SS
COUNTY OF ADAIR)

The affiant, David Jones, being first duly sworn, states: That is the Chairman of the Columbia/Adair Utilities District, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters which are herein stated to be based on information or belief, and that these matters, believes to be true and correct.


IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 7th day of August, 2024.



David Jones, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by David Jones, Chairman of the Columbia/Adair Utilities District on this the 7th day of August, 2024.

My Commission expires: March 4, 2028.



Notary Public
Notary ID#: KYNP 86190

CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that Columbia/Adair Utilities District's electronic filing of the foregoing Application is a true and accurate copy of the same document being transmitted via electronic filing to the Kentucky Public Service Commission on August 8, 2024; that there are currently no parties that the Kentucky Public Service Commission has excused from participation by electronic means in this proceeding.



W. Randall Jones, Esq.

Rubin & Hays

Kentucky Home Trust Building

450 South Third Street

Louisville, Kentucky 40202

Phone: (502) 569-7534

Fax: (502) 569-7555

Counsel for Columbia/Adair Utilities District

wjones@rubinhays.com

EXHIBIT A

Public Necessity and Project Description

Columbia/Adair Utilities District

Water Treatment Plant and System Improvements

Project Description

The water treatment plant improvements include upgrades to the sludge dewatering equipment including sludge pumps and polymer feed system, installing plate settlers and a sludge removal system to the sedimentation basins and converting the disinfection system from chlorine gas to sodium hypochlorite.

Six of the distribution system storage tanks will be rehabilitated including installation of mixing systems.

Water lines will be extended along Bull Run Road. This area does not currently have water service. The water lines will be constructed within the road rights of way. If funds are available towards the end of the project, an additional line extension maybe made along Damron Creek road. This was an add alternate in the bidding of the project.

Project Cost and Funding

Originally the project cost was projected to be \$4,377,650 with it being entirely funded by a Drinking Water State Revolving Fund loan. After opening construction bids, the base bids came in over the original loan amount. A request was made to KIA for an additional \$1,200,000 in DWSRF funding. This was approved at the July 11, 2024, KIA Board Meeting. The total DWSRF loan is \$5,577,650 with \$3,629,468 in principal forgiveness resulting in a net loan amount of \$1,948,182 at 1.25% interest for 20 years.

There were 3 contracts bid: WTP Improvements, Water Line Extension, and Water Storage Tank Rehab. The total project cost of \$5,577,650 is based on the base bids only. If additional SRF funding should become available CAUD has made it known to KIA it would be interested in securing at least an additional \$1,449,000 to be able to accept the Add Alternate for the WTP Improvements. This Add Alternate is to install a sludge removal system at the Water Treatment Plant for its backwash water.

Need for the Project

Many of the plant improvements are necessary to improve operation efficiencies that will result in better water quality. The conversion from chlorine gas to sodium hypochlorite will be safer for the plant personnel as well as the surrounding area.

The tank renovations will result in improved water quality being maintained as it travels through the distribution system and the water line extension will enable the residents along Bull Run Road to have access to potable water.

EXHIBIT B

Required Permits



Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

300 Sower Boulevard
Frankfort, Kentucky 40601
Phone: (502) 564-2150
Fax: 502-564-4245

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

May 15, 2024

Mr. Lennon Stone
Columbia Adair Utilities District
555 Griffin Springs Rd
Campbellsville, KY 42718-

RE: Phase 23 Contract 1 Water Treatment Plant
and System Improvements
F23-006S
Taylor County, KY
Columbia-Adair Co Water Commission
AI #: 55137, FGL20230009

Dear Mr. Lennon Stone:

The Kentucky Division of Water (DOW) has reviewed for completeness and adequacy the construction plans and specifications submitted for the above referenced contract(s). The DOW now approves these plans and specifications with respect to sanitary features of design in accordance with the requirements contained in the attached construction permit. The plans consist of Water Treatment Plant improvements which include upgrades to the sludge dewatering equipment (including sludge pumps and polymer feed system), installing plate settlers and a sludge removal system to the sedimentation basins, carbon feed equipment improvements, and converting the disinfection system from chlorine gas to on-site generated sodium hypochlorite. The approval conditions and a list of eligible/ineligible items are enclosed. Please note that ineligible items cannot be funded using State Revolving Fund (SRF) monies, and must be paid by other funding sources.

We are enclosing one (1) set of approved plans and specifications. An identical set should be made available at the project site at all times. If modifications are made to these plans and specifications before bidding, two (2) complete sets of as-bid plans and specifications must be submitted to the DOW for approval. A second DOW construction approval must be issued by separate correspondence before proceeding with advertising for bids. Any red line changes that were made by DOW personnel on the approved plans shall be incorporated into the bid set plans unless an alternative is approved.

You may now advertise for bids on the construction of this project. In addition to other notifications, this project must be advertised in the newspaper of the largest daily circulation in the project area.

Phase 23 Contract 1 Water Treatment Plant and System Improvements

F23-006S

Columbia-Adair Co Water Commission

AI #: 55137, FGL20230009

May 15, 2024

Page 2 of 3

You are cautioned not to advertise unless you have a proper wage decision. The Federal Davis-Bacon wage rates are applicable for this project. Please contact all other funding sources for their requirements pertaining to federal wage rates.

You are reminded that the construction contracts are subject to the equal employment opportunity requirements contained in Executive Order 11246. Equal employment opportunity affirmative action by the prime contractors and all subcontractors is mandated throughout the duration of the contract. Documentation of efforts to comply with Executive Order 11246, Equal Employment Opportunity is required to be kept by the borrower.

Review the attached Project Review and Cost Summary form for details of the information to be collected and retained in your files or to be submitted to DOW for review and approval. This form must be completed, signed by the recipient, and with the necessary information be then forwarded to the DOW. This signature will certify that all the information to be retained by the recipient has been secured and is available for review by the Division at the pre-construction conference. The required information must be approved by the DOW before executing any contracts.

Along with the Project Review and Cost Summary form, the following items must be submitted to the DOW for review and approval before executing any contracts:

- The bid advertisement
- Revised Project Budget
- Certified bid tabulation
- Documentation of compliance with DBE Good Faith Effort in accordance with 40 CFR 33.301

These items will be reviewed as a part of the Authority to Award process. The DOW will authorize you to award the contracts once these documents are approved

After the Notice to Proceed is signed, the DOW will need a copy of the executed contract documents, including plans and specifications.

Changes orders will require approval from the DOW before payment can be authorized from the State Revolving Fund. Submission of plans and specifications may be required for change order work.

Upon completion of the project, as-built drawings shall be provided to the DOW. As-builts shall be stamped, signed and dated by a professional engineer. A written certification stating that the project was constructed according to the approved plans shall be provided to the DOW by a professional engineer.

The construction permit included in this letter has been issued under the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of providing a future demonstration and/ or certification that the on-site generated sodium hypochlorite meets the appropriate ANSI/AWWA standards and/or ANSI/NSF Standard 60 should a demonstration and/or certification be requested by this Cabinet. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Phase 23 Contract 1 Water Treatment Plant and System Improvements

F23-006S

Columbia-Adair Co Water Commission

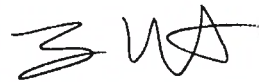
AI #: 55137, FGL20230009

May 15, 2024

Page 3 of 3

You are cautioned that the advertisement and award of this contract will be subject to the laws and regulations that govern the State Revolving Fund (SRF) and to the conditions of your loan agreement. If we can be of further assistance, please call Cassie Campbell, Project Engineer, at (502) 782-6909.

Sincerely,



Terry Humphries, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

TH:CC

Enclosures

Eligible List, Ineligible List, Approval Conditions
Project Review and Cost Summary Form
1 set plans and specification

C: Kentucky Engineering Group
Kentucky Infrastructure Authority
Cabinet for Economic Development
Adair County Health Department
Division of Plumbing

F23-006S
Columbia Adair Utilities District

SRF ELIGIBLE ITEMS:

Contract No. 1: ALL

SRF INELIGIBLE ITEMS:

Contract No. 1: None

APPROVAL CONDITIONS:

1. Provide Clear Site Certificates
 2. Complete and return the Project Review and Cost Summary Form.
-
-

PROJECT REVIEW AND COST SUMMARY

This questionnaire/checklist is furnished as an administrative aid and is required for use in supplying information and documents, reporting minor changes, and project status. The information and documents should be submitted to DOW as soon as possible after bid opening.

DRINKING WATER SRF

CLEAN WATER SRF

SECTION 1.

1. Project Name _____ Project Number _____
2. Changes: Have there been any changes in the project since DOW's approval of the plans and specifications?
- Yes No Construction Drawings. If yes, submit revised drawings and addenda. **See Note***
- Yes No Specifications. If yes, submit addenda. **See Note***
- Yes No Site Changes. If so, new Clear Site Certificates are required prior to start of construction.
- Yes No Authorized Representative (Mayor, City Manager, etc.). If so, provide name and title.

***Note:** Prior approval is required for changes in design, scope, type of treatment, size, capacity, time to complete the project, etc. Changes, which result in increase in the amount of a contract, must be procured in accordance with state and federal requirements, as applicable.

SECTION 2.

Date Bids Opened: _____ Date Bids Expire: _____

1. The following items should be submitted to DOW after bid opening:
- a) Executed Project Review & Cost Summary Form (this form).
 - b) Revised (As-bid) Budget (form attached).
 - c) Original bid advertisement or copy of advertisement with affidavit of publication.
 - d) Certified Bid Tabulations with engineer's seal.
 - e) Davis-Bacon ATA Certification form (with Project Wage Rate Sheet HUD-4720 form).
 - g) Clear Site Certificates.
 - h) DBE Documentation (See Attachment No. 11 of the Supplemental General Conditions (SGC)):
 - (1) Disadvantaged Business Enterprise Participation Policy form from the successful low bidder with DBE certifications and executed subcontracts with DBEs or letters of intent signed by both parties; and documentation on the level of effort taken

- to obtain DBEs including copies of correspondence with DBE contractors, requesting quotes and copies of any advertisements soliciting DBE contractors, copies of returned envelopes and certified mail receipts, telephone log, etc.
- (2) Bidder's List Form from recipient and successful bidder.

2. The following items must be submitted to DOW at the Pre-construction Meeting:

- a) Executed Contract Documents (once contract is signed).
- b) Notice of Award, Notice to Proceed, Bid Bond, Payment Bond, and Performance Bond (generally included in executed contract).
- c) Technical Specification (generally included in executed contract).
- d) Contractor's Certification Regarding Lobbying (See Attachment No. 11 in the SGC).
- e) Contractor's Debarred Firm Certification (See Attachment No. 10 in the SGC).

3. A copy of the items identified in Section 2.1 and Section 2.2, above, and the following must be retained by the owner. This documentation is subject for review, by DOW, at the time of the pre-construction conference.

- a) Name and qualifications of the proposed resident inspector(s).
- b) Proposal of the successful bidder(s).
- c) EEO documentation required by Executive Order 11246 as amended. Items 1 through 11 (See Attachment No. 7 in the SGC), is required for all contracts over \$10,000 except supplier contracts. Supplier contracts require:
 - (1) Name, address, and telephone number.
 - (2) Materials to be supplied and dollar value.For contracts below \$10,000, the same information required for supplier contracts must be submitted.
- d) Engineer's letter to the loan recipient recommending award of the contract. Letter must include a description of work, dollar amount, and name of the low bidder. If award is recommended to be made to other than the low bidder, a justification indicating why the low bidder is not responsive or responsible.
- e) Contractor project construction schedule and payment schedule.
- f) Applicable wage rate determination letter.
- g) Tentative Award Resolution.

4. **Comments:** _____

I hereby certify that all documentation outlined in Section 2.1, 2.2 and 2.3 will be retained in our project files and all documentation outlined in Section 2.1 has been submitted to DOW and all documentation outlined in Section 2.2 will be submitted to DOW during the Pre-construction meeting.

Signature of Authorized Representative

Date

Print Name and Title

SRF Project Cost Summary

Project Title: _____

WRIS#: _____

Project Budget: **Estimated** enter date

As Bid enter date

Re

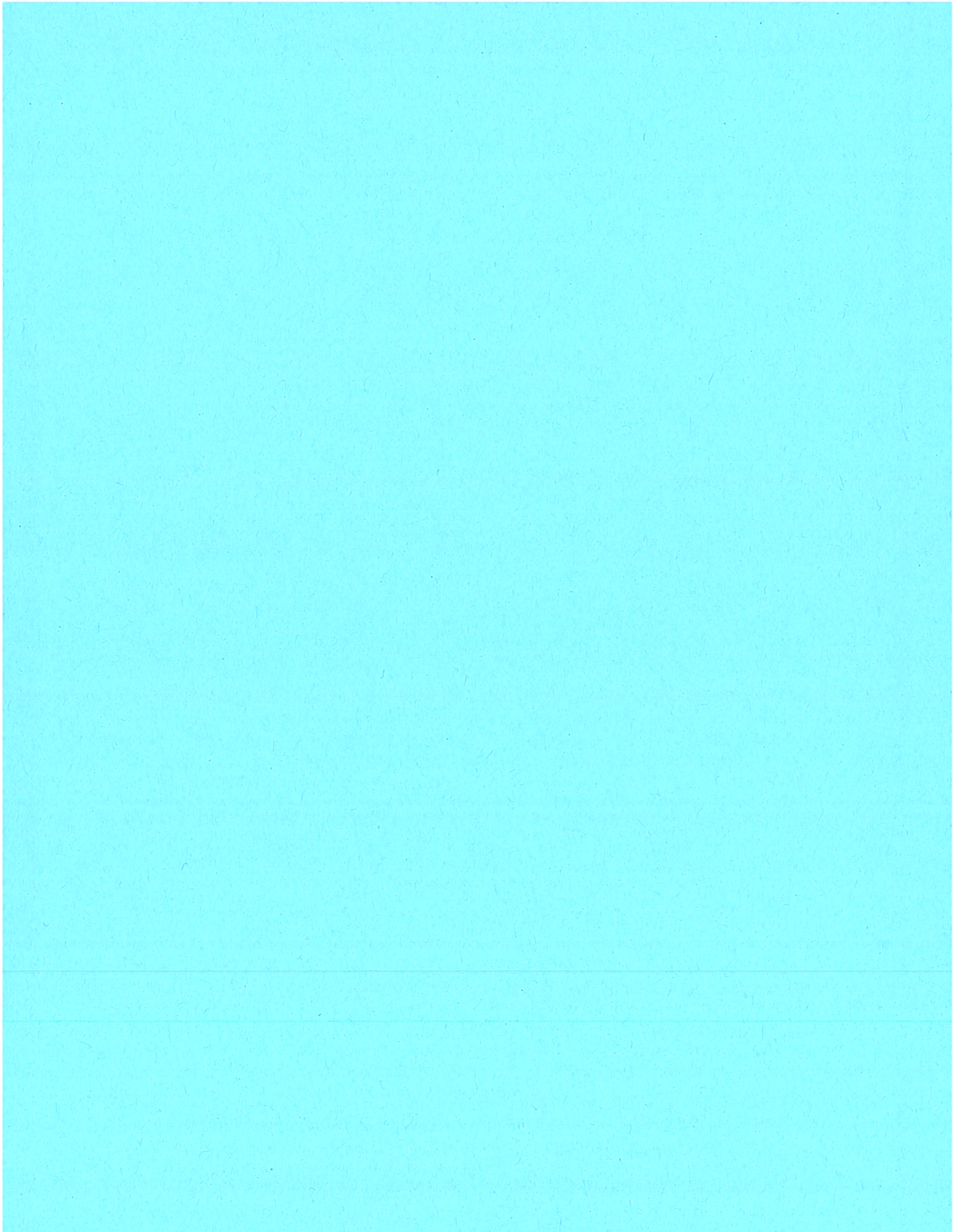
Cost Classification	SRF KIA Loan	Funding Source 1	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	
1 Administrative Expenses							
2 Legal Expenses							
3 Land, Appraisals, Easements							
4 Relocation Expenses & Payments							
5 Planning							
6 Engineering Fees – Design							
7 Engineering Fees – Construction							
8 Engineering Fees – Inspection							
9 Engineering Fees – Other							
10 Construction							
11 Equipment							
12 Miscellaneous							
13 Contingencies							
Total							

Funding Sources	Amount	Date Committed
1		
2		
3		
4		
5		
Total		

Local Funding Sources	Amount	Date Committed
1		
2		
3		
Total		

Total Funding \$ _____

Cost Categories
Treatment (DW)
Transmission and Distribution (DW)
Source (DW)
Storage (DW)
WWTP Secondary Portion (CW)
WWTP Advanced Portion (CW)
Inflow and Infiltration Correction (CW)
Major Sewer Rehabilitation (CW)
Collector Sewers (CW)
Interceptor Sewers including Pump Station (CW)
Combined Sewer Overflow Correction (CW)
Purchase of Systems (DW and CW)
Restructuring (DW and CW)
Land Acquisition (DW and CW)





Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

300 Sower Boulevard
Frankfort, Kentucky 40601
Phone: (502) 564-2150
Fax: 502-564-4245

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

December 8, 2023

Mr. Lennon Stone
Columbia Adair Utilities District
555 Griffin Springs Rd
Campbellsville, KY 42718

RE: Phase 23 Contract 2 Water Treatment Plant
and System Improvements
F23-006S
Taylor County, KY
Columbia-Adair Co Water Commission
AI #: 55137, APE20230003/FGL20230008

Dear Mr. Lennon Stone:

The Kentucky Division of Water (DOW) has reviewed for completeness and adequacy the construction plans and specifications submitted for the above referenced contract(s). The DOW now approves these plans and specifications with respect to sanitary features of design in accordance with the requirements contained in the attached construction permit. The plans consist of constructing approximately 4,310 linear feet (LF) of 4-inch PVC, 5,300 LF of 3-inch PVC, 240 LF of 6-inch HDPE, and 140 LF of 4-inch HDPE water mains along Bull Run Road and Damron Creek Road. The approval conditions and a list of eligible/ineligible items are enclosed. Please note that ineligible items cannot be funded using State Revolving Fund (SRF) monies and must be paid by other funding sources.

We are enclosing one (1) set of approved plans and specifications. An identical set should be made available at the project site at all times. If modifications are made to these plans and specifications before bidding, two (2) complete sets of as-bid plans and specifications must be submitted to the DOW for approval. A second DOW construction approval must be issued by separate correspondence before proceeding with advertising for bids. Any red line changes that were made by DOW personnel on the approved plans shall be incorporated into the bid set plans unless an alternative is approved.

You may now advertise for bids on the construction of this project. In addition to other notifications, this project must be advertised in the newspaper of the largest daily circulation in the project area.

You are cautioned not to advertise unless you have a proper wage decision. The Federal Davis-Bacon wage rates are applicable for this project. Please contact all other funding sources for their requirements pertaining to federal wage rates.

You are reminded that the construction contracts are subject to the equal employment opportunity requirements contained in Executive Order 11246. Equal employment opportunity affirmative action by the prime contractors and all subcontractors is mandated throughout the duration of the contract. Documentation of efforts to comply with Executive Order 11246, Equal Employment Opportunity is required to be kept by the borrower.

Review the attached Project Review and Cost Summary form for details of the information to be collected and retained in your files or to be submitted to DOW for review and approval. This form must be completed, signed by the recipient, and with the necessary information be then forwarded to the DOW. This signature will certify that all the information to be retained by the recipient has been secured and is available for review by the Division at the pre-construction conference. The required information must be approved by the DOW before executing any contracts.

Along with the Project Review and Cost Summary form, the following items must be submitted to the DOW for review and approval before executing any contracts:

- The bid advertisement
- Revised Project Budget
- Certified bid tabulation
- Documentation of compliance with DBE Good Faith Effort in accordance with 40 CFR 33.301

These items will be reviewed as a part of the Authority to Award process. The DOW will authorize you to award the contracts once these documents are approved.

After the Notice to Proceed is signed, the DOW will need a copy of the executed contract documents, including plans and specifications.

Changes orders will require approval from the DOW before payment can be authorized from the State Revolving Fund. Submission of plans and specifications may be required for change order work.

Upon completion of the project, as-built drawings shall be provided to the DOW. As-builts shall be stamped, signed and dated by a professional engineer. A written certification stating that the project was constructed according to the approved plans shall be provided to the DOW by a professional engineer.

The construction permit included in this letter has been issued under the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

You are cautioned that the advertisement and award of this contract will be subject to the laws and regulations that govern the State Revolving Fund (SRF) and to the conditions of your loan

Phase 23 Contract 2 Water Treatment Plant and System Improvements

F23-006S

Columbia-Adair Co Water Commission

AI #: 55137, FGL20230008

December 8, 2023

Page 3 of 3

agreement. If we can be of further assistance, please call Cassie Campbell, Project Engineer, at (502) 782-6909.

Sincerely,



Terry Humphries, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

TH:CC

Enclosures

Eligible List, Ineligible List, Approval Conditions

Project Review and Cost Summary Form

1 set plans and specification

C: Kentucky Engineering Group
Kentucky Infrastructure Authority
Cabinet for Economic Development
Adair County Health Department
Division of Plumbing

F23-006S
Columbia Adair Utilities District

SRF ELIGIBLE ITEMS:

Contract No. 2: All

SRF INELIGIBLE ITEMS:

Contract No. 2 : None Identified

APPROVAL CONDITIONS:

1. Provide Clear Site Certificates
 2. Complete and return the Project Review and Cost Summary Form.
-
-

PROJECT REVIEW AND COST SUMMARY

This questionnaire/checklist is furnished as an administrative aid and is required for use in supplying information and documents, reporting minor changes, and project status. The information and documents should be submitted to DOW as soon as possible after bid opening.

DRINKING WATER SRF

CLEAN WATER SRF

SECTION 1.

1. Project Name _____ Project Number _____

2. Changes: Have there been any changes in the project since DOW's approval of the plans and specifications?

Yes No Construction Drawings. If yes, submit revised drawings and addenda. **See Note***

Yes No Specifications. If yes, submit addenda. **See Note***

Yes No Site Changes. If so, new Clear Site Certificates are required prior to start of construction.

Yes No Authorized Representative (Mayor, City Manager, etc.). If so, provide name and title.

***Note:** Prior approval is required for changes in design, scope, type of treatment, size, capacity, time to complete the project, etc. Changes, which result in increase in the amount of a contract, must be procured in accordance with state and federal requirements, as applicable.

SECTION 2.

Date Bids Opened: _____ Date Bids Expire: _____

1. The following items should be submitted to DOW after bid opening:
 - a) Executed Project Review & Cost Summary Form (this form).
 - b) Revised (As-bid) Budget (form attached).
 - c) Original bid advertisement or copy of advertisement with affidavit of publication.
 - d) Certified Bid Tabulations with engineer's seal.
 - e) Davis-Bacon ATA Certification form (with Project Wage Rate Sheet HUD-4720 form).
 - g) Clear Site Certificates.
 - h) DBE Documentation (See Attachment No. 11 of the Supplemental General Conditions (SGC)):
 - (1) Disadvantaged Business Enterprise Participation Policy form from the successful low bidder with DBE certifications and executed subcontracts with DBEs or letters of intent signed by both parties; and documentation on the level of effort taken

to obtain DBEs including copies of correspondence with DBE contractors, requesting quotes and copies of any advertisements soliciting DBE contractors, copies of returned envelopes and certified mail receipts, telephone log, etc.

(2) Bidder's List Form from recipient and successful bidder.

2. The following items must be submitted to DOW at the Pre-construction Meeting:

- a) Executed Contract Documents (once contract is signed).
- b) Notice of Award, Notice to Proceed, Bid Bond, Payment Bond, and Performance Bond (generally included in executed contract).
- c) Technical Specification (generally included in executed contract).
- d) Contractor's Certification Regarding Lobbying (See Attachment No. 11 in the SGC).
- e) Contractor's Debarred Firm Certification (See Attachment No. 10 in the SGC).

3. A copy of the items identified in Section 2.1 and Section 2.2, above, and the following must be retained by the owner. This documentation is subject for review, by DOW, at the time of the pre-construction conference.

- a) Name and qualifications of the proposed resident inspector(s).
- b) Proposal of the successful bidder(s).
- c) EEO documentation required by Executive Order 11246 as amended. Items 1 through 11 (See Attachment No. 7 in the SGC), is required for all contracts over \$10,000 except supplier contracts. Supplier contracts require:
 - (1) Name, address, and telephone number.
 - (2) Materials to be supplied and dollar value.For contracts below \$10,000, the same information required for supplier contracts must be submitted.
- d) Engineer's letter to the loan recipient recommending award of the contract. Letter must include a description of work, dollar amount, and name of the low bidder. If award is recommended to be made to other than the low bidder, a justification indicating why the low bidder is not responsive or responsible.
- e) Contractor project construction schedule and payment schedule.
- f) Applicable wage rate determination letter.
- g) Tentative Award Resolution.

4. **Comments:** _____

I hereby certify that all documentation outlined in Section 2.1, 2.2 and 2.3 will be retained in our project files and all documentation outlined in Section 2.1 has been submitted to DOW and all documentation outlined in Section 2.2 will be submitted to DOW during the Pre-construction meeting.

Signature of Authorized Representative

Date

Print Name and Title

SRF Project Cost Summary

Project Title: _____

WRIS#: _____

Project Budget: **Estimated** enter date

As Bid enter date

Re

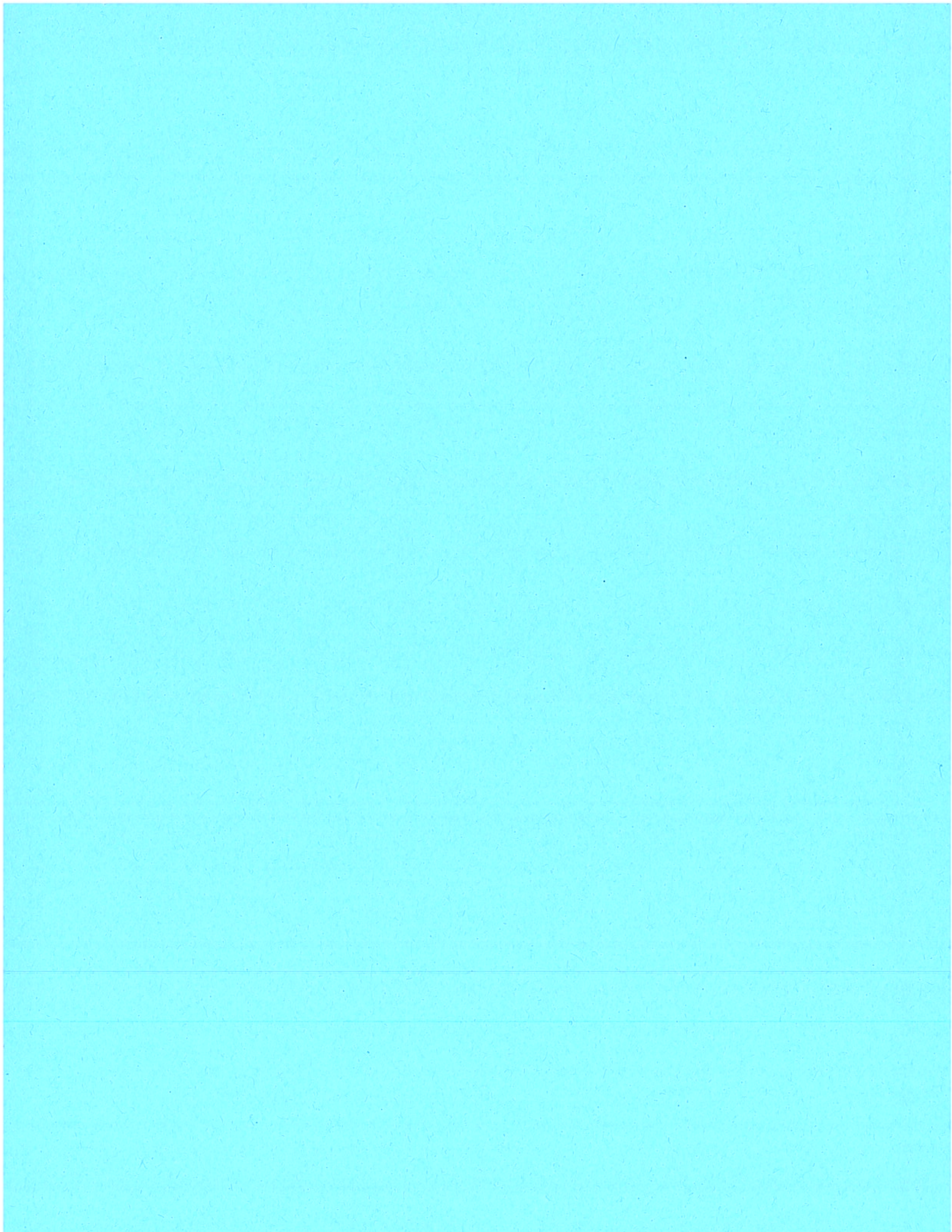
Cost Classification		SRF KIA Loan	Funding Source 1	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	
1	Administrative Expenses							
2	Legal Expenses							
3	Land, Appraisals, Easements							
4	Relocation Expenses & Payments							
5	Planning							
6	Engineering Fees – Design							
7	Engineering Fees – Construction							
8	Engineering Fees – Inspection							
9	Engineering Fees – Other							
10	Construction							
11	Equipment							
12	Miscellaneous							
13	Contingencies							
Total								

Funding Sources	Amount	Date Committed
1		
2		
3		
4		
5		
Total		

Local Funding Sources	Amount	Date Committed
1		
2		
3		
Total		

Total Funding \$ _____

Cost Categories
Treatment (DW)
Transmission and Distribution (DW)
Source (DW)
Storage (DW)
WWTP Secondary Portion (CW)
WWTP Advanced Portion (CW)
Inflow and Infiltration Correction (CW)
Major Sewer Rehabilitation (CW)
Collector Sewers (CW)
Interceptor Sewers including Pump Station (CW)
Combined Sewer Overflow Correction (CW)
Purchase of Systems (DW and CW)
Restructuring (DW and CW)
Land Acquisition (DW and CW)





Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

300 Sower Boulevard
Frankfort, Kentucky 40601
Phone: (502) 564-2150
Fax: 502-564-4245

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

December 21, 2023

Mr. Lennon Stone
Columbia Adair Utilities District
555 Griffin Springs Rd
Campbellsville, KY 42718

RE: Phase 23 Contract 3 Water Treatment Plant
and System Improvements
F23-006S
Taylor County, KY
Columbia-Adair Co Water Commission
AI #: 55137, APE20230004/FGL20230005

Dear Mr. Lennon Stone:

The Kentucky Division of Water (DOW) has reviewed for completeness and adequacy the construction plans and specifications submitted for the above referenced contract(s). The DOW now approves these specifications with respect to sanitary features of design in accordance with the requirements contained in the attached construction permit. The plans consist of rehabilitation of six (6) elevated water storage tanks including all appurtenances. The approval conditions and a list of eligible/ineligible items are enclosed. Please note that ineligible items cannot be funded using State Revolving Fund (SRF) monies, and must be paid by other funding sources.

We are enclosing one (1) set of approved specifications. An identical set should be made available at the project site at all times. If modifications are made to these plans and specifications before bidding, two (2) complete sets of as-bid plans and specifications must be submitted to the DOW for approval. A second DOW construction approval must be issued by separate correspondence before proceeding with advertising for bids. Any red line changes that were made by DOW personnel on the approved plans shall be incorporated into the bid set plans unless an alternative is approved.

You may now advertise for bids on the construction of this project. In addition to other notifications, this project must be advertised in the newspaper of the largest daily circulation in the project area.

You are cautioned not to advertise unless you have a proper wage decision. The Federal Davis-Bacon wage rates are applicable for this project. Please contact all other funding sources for their requirements pertaining to federal wage rates.

Phase 23 Contract 3 Water Treatment Plant and System Improvements

F23-006S

Columbia-Adair Co Water Commission

AI #: 55137, APE20230004/FGL20230005

December 21, 2023

Page 2 of 3

You are reminded that the construction contracts are subject to the equal employment opportunity requirements contained in Executive Order 11246. Equal employment opportunity affirmative action by the prime contractors and all subcontractors is mandated throughout the duration of the contract. Documentation of efforts to comply with Executive Order 11246, Equal Employment Opportunity is required to be kept by the borrower.

Review the attached Project Review and Cost Summary form for details of the information to be collected and retained in your files or to be submitted to DOW for review and approval. This form must be completed, signed by the recipient, and with the necessary information be then forwarded to the DOW. This signature will certify that all the information to be retained by the recipient has been secured and is available for review by the Division at the pre-construction conference. The required information must be approved by the DOW before executing any contracts.

Along with the Project Review and Cost Summary form, the following items must be submitted to the DOW for review and approval before executing any contracts:

- The bid advertisement
- Revised Project Budget
- Certified bid tabulation
- Documentation of compliance with DBE Good Faith Effort in accordance with 40 CFR 33.301

These items will be reviewed as a part of the Authority to Award process. The DOW will authorize you to award the contracts once these documents are approved.

After the Notice to Proceed is signed, the DOW will need a copy of the executed contract documents, including plans and specifications.

Changes orders will require approval from the DOW before payment can be authorized from the State Revolving Fund. Submission of plans and specifications may be required for change order work.

Upon completion of the project, as-built drawings shall be provided to the DOW. As-builts shall be stamped, signed and dated by a professional engineer. A written certification stating that the project was constructed according to the approved plans shall be provided to the DOW by a professional engineer.

The construction permit included in this letter has been issued under the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

You are cautioned that the advertisement and award of this contract will be subject to the laws and regulations that govern the State Revolving Fund (SRF) and to the conditions of your loan agreement. If we can be of further assistance, please call Cassie Campbell, Project Engineer, at (502) 782-6909.

Phase 23 Contract 3 Water Treatment Plant and System Improvements

F23-006S

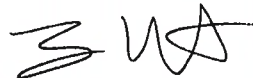
Columbia-Adair Co Water Commission

AI #: 55137, APE20230004/FGL20230005

December 21, 2023

Page 3 of 3

Sincerely,



Terry Humphries, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

TH:CC

Enclosures

Eligible List, Ineligible List, Approval Conditions
Project Review and Cost Summary Form
1 copy of Specifications

C: Kentucky Engineering Group
Kentucky Infrastructure Authority
Cabinet for Economic Development
Adair County Health Department
Division of Plumbing

F23-006S
Columbia Adair Utilities District

SRF ELIGIBLE ITEMS:

Contract No. 3: All

SRF INELIGIBLE ITEMS:

Contract No. 3: None

APPROVAL CONDITIONS:

1. Provide Clear Site Certificates
2. Complete and return the Project Review and Cost Summary Form.

PROJECT REVIEW AND COST SUMMARY

This questionnaire/checklist is furnished as an administrative aid and is required for use in supplying information and documents, reporting minor changes, and project status. The information and documents should be submitted to DOW as soon as possible after bid opening.

DRINKING WATER SRF

CLEAN WATER SRF

SECTION 1.

1. Project Name

Project Number

2. Changes: Have there been any changes in the project since DOW's approval of the plans and specifications?

Yes No

Construction Drawings. If yes, submit revised drawings and addenda. **See Note***

Yes No

Specifications. If yes, submit addenda. **See Note***

Yes No

Site Changes. If so, new Clear Site Certificates are required prior to start of construction.

Yes No

Authorized Representative (Mayor, City Manager, etc.). If so, provide name and title.

***Note:**

Prior approval is required for changes in design, scope, type of treatment, size, capacity, time to complete the project, etc. Changes, which result in increase in the amount of a contract, must be procured in accordance with state and federal requirements, as applicable.

SECTION 2.

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Date Bids Expire: _____

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- g) Clear Site Certificates.
- h) DBE Documentation (See Attachment No. 11 of the Supplemental General Conditions (SGC)):
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to obtain DBEs including copies of correspondence with DBE contractors, requesting quotes and copies of any advertisements soliciting DBE contractors, copies of returned envelopes and certified mail receipts, telephone log, etc.

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3. A copy of the items identified in Section 2.1 and Section 2.2, above, and the following must be retained by the owner. This documentation is subject for review, by DOW, at the time of the pre-construction conference.

- a) Name and qualifications of the proposed resident inspector(s).
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 - (2) Materials to be supplied and dollar value.For contracts below \$10,000, the same information required for supplier contracts must be submitted.
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- e) Contractor project construction schedule and payment schedule.
- f) Applicable wage rate determination letter.
- g) Tentative Award Resolution.

4. **Comments:** _____

I hereby certify that all documentation outlined in Section 2.1, 2.2 and 2.3 will be retained in our project files and all documentation outlined in Section 2.1 has been submitted to DOW and all documentation outlined in Section 2.2 will be submitted to DOW during the Pre-construction meeting.

Signature of Authorized Representative

Date

Print Name and Title

SRF Project Cost Summary

Project Title: _____

WRIS#: _____

Project Budget: **Estimated** enter date

As Bid enter date

Re

Cost Classification		SRF KIA Loan	Funding Source 1	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	F
1	Administrative Expenses							
2	Legal Expenses							
3	Land, Appraisals, Easements							
4	Relocation Expenses & Payments							
5	Planning							
6	Engineering Fees – Design							
7	Engineering Fees – Construction							
8	Engineering Fees – Inspection							
9	Engineering Fees – Other							
10	Construction							
11	Equipment							
12	Miscellaneous							
13	Contingencies							
Total								

Funding Sources		Amount	Date Committed
1			
2			
3			
4			
5			
Total			

Local Funding Sources		Amount	Date Committed
1			
2			
3			
Total			

Total Funding \$ _____

Cost Categories
Treatment (DW)
Transmission and Distribution (DW)
Source (DW)
Storage (DW)
WWTP Secondary Portion (CW)
WWTP Advanced Portion (CW)
Inflow and Infiltration Correction (CW)
Major Sewer Rehabilitation (CW)
Collector Sewers (CW)
Interceptor Sewers including Pump Station (CW)
Combined Sewer Overflow Correction (CW)
Purchase of Systems (DW and CW)
Restructuring (DW and CW)
Land Acquisition (DW and CW)

EXHIBIT C

KIA Commitment Letters



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
kia.ky.gov

Sandy Williams
Executive Director

October 4, 2023

David Jones, Chairman
Adair County Water District
109 Grant Lane
Columbia, KY 42728

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F23-006S)

Dear Chairman Jones:

The Kentucky Infrastructure Authority (“the Authority”) commends your efforts to improve public service facilities in your community. On February 2, 2023, the Authority approved your loan for the Phase 23 - Water Treatment Plant and System Improvements project subject to the conditions stated in Attachment A to this letter. The total cost of the project shall not exceed \$4,377,650, without prior authorization, of which the Authority is the sole source of the funding. The final loan amount will be equal to the amount of funds disbursed for the project. Attachment B incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Adair County Water District upon satisfactory performance of the conditions set forth in Attachment A. You must meet the conditions set forth in Attachment A and enter into an Assistance Agreement by October 4, 2024 (twelve months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

TEAM
KENTUCKY™

An Equal Opportunity Employer M/F/D

Chairman Jones
October 4, 2023
Page 2

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Milward Dedman
Deputy Executive Director

Attachments

cc: Holly Nicholas, Kentucky Engineering Group
Kentucky Engineering Group, James Thompson

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms along with the completed "Transparency Act Reporting Information Form". Complete the attached "Authorization for Electronic Deposit of Vendor Payment Form" and the "ACH Debit Authorization Form" **and return to the US Bank address at the bottom of each form**. Also included are the "Legal Counsel Certification Letter" sample and the "Statement of Approval of Projections of Revenue and Expenses" for you to complete at the appropriate time. These forms and an SRF loan checklist guide can be found in Attachment C of this letter.


Accepted

10-12-2023
Date

ATTACHMENT A

Conditions

Adair County Water District F23-006S

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$4,377,650 without prior authorization.
2. Principal forgiveness of 72% of the assistance amount, not to exceed \$3,149,864 will be credited to the loan balance upon the advance of the loan funds from time to time from the Authority to the Borrower.
3. The loan shall bear interest at the rate of 1.25% per annum commencing with the first draw of funds.
4. Interest shall be payable on the unforgiven amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid. KIA requires the use of Automated Clearing House (ACH) debits for payment of all balances due on the loan. This will ensure that payments are credited timely to your account without the risk of incurring late payment fees. If the due date falls on a weekend or holiday your account will be debited on the next business day. Please complete and return the "ACH Debit Authorization" form in Attachment C of this letter to U.S. Bank for processing.
5. Full principal payments will commence on the appropriate June 1, or December 1, within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. The loan shall be repaid over a period not to exceed 20 years from the date of initiation of operation for the project.
7. A loan servicing fee of 0.25% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.

9. The Authority loan funds must be expended within six months of the official date of initiation of operation.
10. Fund "F" loan funds may be considered to be federal funds. If more than \$750,000 of federal funds is disbursed during any one of Borrower's fiscal years, the Borrower is required to have a single or program-specific audit conducted for that year in accordance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
11. The Authority requires that an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.
13. The Borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
4. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the State's execution of the Assistance Agreement. The committee meets monthly. Any special conditions listed in Attachment B must be satisfied before the project is presented before the Committee.
5. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the

adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.

6. The Borrower must complete and return the "Authorization for Electronic Deposit of Borrower Payment" form in Attachment C of this letter to U.S. Bank.
7. The Borrower must provide documentation of Eclearinghouse Endorsement and Eclearinghouse Comments.
8. Prior to the project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving State Revolving Funds ("SRF") money.
9. Technical plans and specifications and a complete SRF specifications checklist shall be approved by the Division of Water prior to project bid.
10. All easements or purchases of land shall be completed prior to commencement of construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.
11. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the SRF loan project.
12. The Borrower must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
13. The Borrower shall implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
14. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates for all work relating to the subject Project.
15. The project shall comply with the reporting requirements of the Transparency Act, and shall complete the Transparency Act Reporting

Information Form in Attachment C of this letter and provide to the Authority no later than 30 days after the KIA Board approval date of your loan.

16. Based on the final “as-bid” project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The “as bid” project budget shall be reviewed and approved by the consulting engineer.
17. The Project shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, Consolidated Appropriations Act, 2014 (the “2014 Appropriations Act”) and / or the Build America, Buy America Act (“BABA”)) and related Program policy guidelines). The Borrower understands that, among other requirements, (a) all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (ii) the Authority has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project; and / or (b) (i) all iron and steel items used in projects must be produced in the United States pursuant to BABA, (ii) all manufactured products must be produced in the United States, and (iii) all construction materials must be manufactured in the United States (“BABA Requirements”); unless (y) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (z) the Authority has otherwise advised the Borrower in writing that the BABA Requirements are not applicable to the Project.
18. If the Project includes a private-side lead pipe replacement component, the Borrower must obtain a final inspection from the Division of Plumbing of the Department of Housing, Building and Construction.

ATTACHMENT B

Executive Summary and Credit Analysis

Adair County Water District
F23-006S

EXECUTIVE SUMMARY		Reviewer	John Brady	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	February 2, 2023	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F23-006S	
REVOLVING LOAN FUND		WRIS Number	WX21001032	
BORROWER		ADAIR COUNTY WATER DISTRICT ADAIR COUNTY		
BRIEF DESCRIPTION				
The Adair County Water District (the District) is requesting a Fund F loan in the amount of \$4,377,650 for the Phase 23 Water Treatment Plant (WTP) and Improvements project. Plate settlers will be installed at the WTP to increase treatment capacity of the existing basins, improve effluent quality, and reduce associated operational costs. The disinfection system at the WTP will be converted from chlorine gas to sodium hypochlorite. Five of the District's seven water tanks are experiencing corrosion and will be rehabilitated. A water main extension will also be installed to provide a connection to an unserved area.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$4,377,650	RD Fee %	Actual %	
		Administrative Expenses		\$25,000
		Legal Expenses		5,000
		Planning		25,000
		Eng - Design / Const	6.9%	6.4%
		Eng - Insp	4.4%	4.4%
		Eng - Other		25,000
		Construction		3,524,650
		Contingency		353,000
TOTAL	\$4,377,650	TOTAL		\$4,377,650
REPAYMENT	Rate	1.25%	Est. Annual Payment	\$72,642
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Aug-23		
	Construction Start	Jan-24		
	Construction Stop	Jul-25		
DEBT PER CUSTOMER	Existing	\$2,720		
	Proposed	\$2,605		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	8,453	\$44.92	(for 4,000 gallons)
	Additional	11	\$44.92	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2019	1,632,189	1,613,445	18,744	1.0
Audited 2020	1,553,434	1,627,157	(73,723)	1.0
Audited 2021	2,148,276	1,632,291	515,985	1.3
Projected 2022	2,682,791	1,607,054	1,075,737	1.7
Projected 2023	3,211,258	1,588,307	1,622,951	2.0
Projected 2024	3,731,273	1,638,052	2,093,221	2.3
Projected 2025	3,660,542	1,687,404	1,973,138	2.2
Projected 2026	3,577,496	1,676,673	1,900,823	2.1

Reviewer: John Brady
Date: February 2, 2023
Loan Number: F23-006S

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
ADAIR COUNTY WATER DISTRICT, ADAIR COUNTY
PROJECT REVIEW
WX21001032**

I. PROJECT DESCRIPTION

The Adair County Water District (ACWD) is requesting a Fund F loan in the amount of \$4,377,650 for the Phase 23 Water Treatment Plant (WTP) and Improvements project. Plate settlers will be installed at the WTP to increase treatment capacity of the existing basins, improve effluent quality, and reduce associated operational costs. The disinfection system at the WTP will be converted from chlorine gas to sodium hypochlorite. Five of the ACWD's seven water tanks are experiencing corrosion and will be rehabilitated. A water main extension will also be installed to provide a connection to an unserved area.

The ACWD currently serves approximately 7,775 residential and 675 commercial and industrial customers. They purchase water from both the Campbellsville Water and Sewer System and Jamestown Utilities and provide wholesale service to Edmonton Water Works.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 25,000
Legal Expenses	5,000
Planning	25,000
Engineering Fees - Design	199,200
Engineering Fees - Construction	49,800
Engineering Fees - Inspection	171,000
Engineering Fees - Other	25,000
Construction	3,524,650
Contingency	353,000
Total	\$ 4,377,650

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 4,377,650	100%
Total	\$ 4,377,650	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 4,377,650
Less: Principal Forgiveness	<u>3,149,864</u>
Amortized Loan Amount	\$ 1,227,786
Interest Rate	1.25%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 69,573
Administrative Fee (0.25%)	<u>3,069</u>
Total Estimated Annual Debt Service	\$ 72,642

V. PROJECT SCHEDULE

Bid Opening	August 2023
Construction Start	January 2024
Construction Stop	July 2025

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current	Proposed
Residential	7,774	11
Commercial	464	0
Industrial	<u>215</u>	<u>0</u>
Total	8,453	11

B) Rates

Water	Proposed	Current	Prior
Date of Last Rate Increase	02/09/23	02/09/22	10/21/21
First 1,000 gallons	\$23.80	\$21.85	\$19.90
Next 4,000 gallons (per 1,000)	<u>8.38</u>	<u>7.69</u>	<u>7.00</u>
Cost for 4,000 gallons	\$48.94	\$44.92	\$40.90
Increase %	8.9%	9.8%	
Affordability Index (Rate/MHI)	1.4%	1.3%	1.2%

Sewer	<u>Proposed</u>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	02/09/23	02/09/22	10/21/21
Minimum Bill	\$9.44	\$8.22	\$7.00
Per 1,000 gallons	9.70	8.45	7.20
Cost for 4,000 gallons	\$48.24	\$42.02	\$35.80
Increase %	14.8%	17.4%	
Affordability Index (Rate/MHI)	1.4%	1.2%	1.0%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2016-2020, the Utility's service area population was 16,841 with a Median Household Income (MHI) of \$42,377. The MHI for the Commonwealth is \$52,238. The project will qualify for a 1.25% interest rate.

VIII. 2021 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of \$3,149,864 will be credited to the loan balance upon release of liens on all contracts and disbursement of the final draw request by KIA to the borrower.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended December 31, 2019 through December 31, 2021. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total water and sewer revenues increased 17.3% from \$4.67 million in 2019 to \$5.47 million in 2021 due to rate adjustments for both water and sewer services. Operating expenses increased 9.7% from \$3.04 million to \$3.33 million during the same period mostly due to higher costs associated with materials, repairs, and maintenance. The debt coverage ratio was 1.0, 1.0, and 1.3 in 2019, 2020, and 2021.

The balance sheet reflects a current ratio of 0.8, a debt-to-equity ratio of 1.3, 37.2

days of sales in accounts receivable, and 2.3 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 9.8% in 2022, 8.9% in 2023, and 8.2% in 2024 due to existing rate increases.
- 2) Sewer revenues will increase 17.4% in 2022, 14.8% in 2023, and 12.9% in 2024 due to existing rate increases.
- 3) Operating expenses will increase 2% annually due to inflation.
- 4) Debt service coverage is 2.1 in 2026 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

The ACWD is regulated by the Public Service Commission (PSC) and will need to apply to the PSC, pursuant to KRS 278.300, for debt authorization for the \$4,377,650 loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$218,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$10,900 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2009 Revenue Bonds	\$ 931,400	2050
2011 Revenue Bonds	1,026,000	2051
2012 Revenue Bonds	1,278,500	2052
2013D Revenue Bonds	2,115,000	2040
2014 Revenue Bonds	628,500	2054
2020G Revenue Bonds	5,035,000	2045
2020 Revenue Bonds	1,945,000	2061
KIA Loan F06-01	1,569,907	2028
KIA Loan F07-01	372,902	2028
KIA Loan F10-01	2,298,344	2032
KIA Loan F10-02	931,384	2032
KIA Loan F11-10	690,544	2044
KIA Loan F12-04	<u>2,267,111</u>	2048
KIA Loan A20-016 (i.a.o. \$2,104,870)		TBD
KIA Loan F20-009 (i.a.o. \$1,476,783)		TBD
Total	\$21,089,592	

XI. CONTACTS

Legal Applicant

Entity Name	Adair County Water District
Authorized Official	David Jones (Chairman)
County	Adair
Email	utility@caud.net
Phone	(270) 384-2181
Address	109 Grant Lane Columbia, KY 42728

Applicant Contact

Name	Lenny Stone
Organization	Columbia/Adair Utilities District
Email	lenny.stone@caud.net
Phone	(270) 384-2181
Address	PO Box 567 Columbia, KY 42728

Project Administrator

Name	Holly Nicholas
Organization	Kentucky Engineering Group
Email	hnicholas@kyengr.com
Phone	(859) 333-9742
Address	PO Box 1034 Versailles, KY 40383

Consulting Engineer

PE Name	James Thompson
Firm Name	Kentucky Engineering Group
Email	jthompson@kyengr.com
Phone	(859) 251-4127
Address	101 High St Versailles, KY 40383

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

ADAIR COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited <u>2019</u>	Audited <u>2020</u>	Audited <u>2021</u>	Projected <u>2022</u>	Projected <u>2023</u>	Projected <u>2024</u>	Projected <u>2025</u>	Projected <u>2026</u>
Balance Sheet								
Assets								
Current Assets	869,865	905,136	1,429,328	1,705,389	2,090,680	2,570,224	2,964,852	3,345,016
Other Assets	48,018,817	45,968,650	48,139,493	47,046,534	46,391,345	49,559,773	53,562,385	53,020,054
Total	<u>48,888,682</u>	<u>46,873,786</u>	<u>49,568,821</u>	<u>48,751,923</u>	<u>48,482,025</u>	<u>52,129,997</u>	<u>56,527,237</u>	<u>56,365,070</u>
Liabilities & Equity								
Current Liabilities	1,665,688	1,799,984	1,801,734	1,763,561	1,789,979	1,955,469	1,964,307	2,125,128
Long Term Liabilities	24,637,242	23,710,634	26,169,738	24,993,414	23,797,871	25,220,374	25,093,191	23,585,100
Total Liabilities	<u>26,302,930</u>	<u>25,510,618</u>	<u>27,971,472</u>	<u>26,756,975</u>	<u>25,587,851</u>	<u>27,175,843</u>	<u>27,057,497</u>	<u>25,710,228</u>
Net Assets	<u>22,585,752</u>	<u>21,363,168</u>	<u>21,597,349</u>	<u>21,994,948</u>	<u>22,894,174</u>	<u>24,954,154</u>	<u>29,469,739</u>	<u>30,654,842</u>
Cash Flow								
Revenues	4,668,345	4,525,737	5,473,645	6,071,549	6,668,001	7,265,980	7,265,980	7,265,980
Operating Expenses	3,037,262	2,995,423	3,332,588	3,399,240	3,467,225	3,545,189	3,615,920	3,698,966
Other Income	1,106	23,120	7,219	10,482	10,482	10,482	10,482	10,482
Cash Flow Before Debt Service	<u>1,632,189</u>	<u>1,553,434</u>	<u>2,148,276</u>	<u>2,682,791</u>	<u>3,211,258</u>	<u>3,731,273</u>	<u>3,660,542</u>	<u>3,577,496</u>
Debt Service								
Existing Debt Service	1,613,445	1,627,157	1,632,291	1,607,054	1,588,307	1,638,052	1,687,404	1,604,031
Proposed KIA Loan	0	0	0	0	0	0	0	72,642
Total Debt Service	<u>1,613,445</u>	<u>1,627,157</u>	<u>1,632,291</u>	<u>1,607,054</u>	<u>1,588,307</u>	<u>1,638,052</u>	<u>1,687,404</u>	<u>1,676,673</u>
Cash Flow After Debt Service	<u>18,744</u>	<u>(73,723)</u>	<u>515,985</u>	<u>1,075,737</u>	<u>1,622,951</u>	<u>2,093,221</u>	<u>1,973,138</u>	<u>1,900,823</u>
Ratios								
Current Ratio	0.5	0.5	0.8	1.0	1.2	1.3	1.5	1.6
Debt to Equity	1.2	1.2	1.3	1.2	1.1	1.1	0.9	0.8
Days Sales in Accounts Receivable	34.1	42.4	37.2	37.2	37.2	37.2	37.2	37.2
Months Operating Expenses in Unrestricted Cash	0.7	0.6	2.3	3.1	4.1	5.5	6.7	7.8
Debt Coverage Ratio	1.0	1.0	1.3	1.7	2.0	2.3	2.2	2.1

ATTACHMENT C

Forms

Adair County Water District
F23-006S

SRF LOAN CONDITIONS CHECKLIST

Congratulations on receiving a conditional commitment of funding from the State Revolving Fund (SRF) Program. Borrowers will now be assigned a Compliance Analyst to help guide them through the rest of the loan process based on which Area Development District (ADD) they are located. Please submit all documents to one of the following contacts:

- Julie Bickers (Julie.Bickers@ky.gov, 502-892-3455): Purchase, Pennyrile, Green River, Barren River, Lake Cumberland, Big Sandy, Cumberland Valley, KY River
- Debbie Landrum (Debbie.Landrum@ky.gov, 502-892-3454): Lincoln Trail, KIPDA, Northern KY, Bluegrass, Buffalo Trace, Gateway, FIVCO

After all of the conditions of the Conditional Commitment Letter have been fulfilled, KIA will initiate the Assistance Agreement with the borrower. The Assistance Agreement must be fully executed before any funds may be disbursed. The following is a list of items needed to process your loan (forms can be found here <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>):

Before bid opening, submit the following items to the designated Compliance Analyst/DOW Contact:

Submit

- | | | |
|------------|--------------------------|---|
| To:
KIA | <input type="checkbox"/> | Conditional Commitment Letter (this letter is sent to the borrower via email shortly following KIA board approval and is to be signed by the authorizing official); |
| USBANK | <input type="checkbox"/> | Authorization for Electronic Deposit/Debit of Borrower Disbursements/ Payment (these forms are attached to the loan commitment letter sent after KIA board approval and are to be signed by the authorizing official and forwarded directly to US Bank via Email: KentuckyInfrastructureAuth@usbank.com) |
| KIA | <input type="checkbox"/> | Transparency Form (this form is attached to the loan commitment letter sent after KIA board approval) |
| DOW | <input type="checkbox"/> | Fiscal Sustainability Plan Certification and Cost and Effectiveness Certification (required for "A" loans only, prior to plans approval) |
| DOW | <input type="checkbox"/> | Environmental review (Kentucky Division of Water will review and is required prior to plans approval. KIA will need copy of approval letter) |
| DOW | <input type="checkbox"/> | Plans and specifications (Kentucky Division of Water will review and KIA will need copy of approval letter) |
| KIA | <input type="checkbox"/> | Proof of compliance with any special condition identified in the Conditional Commitment Letter (e.g. adopted ordinance) |

After the project has opened bids, please submit the following items to the designated Compliance Analyst/DOW Contact. It is imperative that the remaining standard conditions are fulfilled by the deadlines set forth in the Conditional Commitment Letter.

Submit

- | | | |
|------------|--------------------------|--|
| To:
DOW | <input type="checkbox"/> | Authority to Award (ATA) Package , the Kentucky Division of Water will review and forward approval to KIA. |
| DOW | <input type="checkbox"/> | Davis-Bacon prevailing wage rates , the Kentucky Division of Water will review and forward approval to KIA. |
| KIA | <input type="checkbox"/> | Procurement and Wage Certification (KIA sends to borrower after bid opening.) |
| KIA | <input type="checkbox"/> | Certification of obtainable revenue projections (KIA sends to borrower after bid opening.) |
| DOW | <input type="checkbox"/> | Certification of clear site (DOW will forward to KIA.) |
| | <input type="checkbox"/> | Plans and specifications approval from the Kentucky Division of Water (DOW will send approval to KIA.) |
| KIA | <input type="checkbox"/> | Public Service Commission (PSC) approval , (CPCN and Authorization to Incur Debt) if applicable. |

TRANSPARENCY ACT REPORTING INFORMATION FORM

CLEAN WATER STATE REVOLVING FUND AND DRINKING WATER STATE REVOLVING FUND

This form is required for projects funded in whole or in part from the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund. This form is to be completed and returned with the signed Conditional Commitment Letter from the Kentucky Infrastructure Authority.

Borrower Information:

Name:	
Unique Entity ID (generated by SAM.gov)*:	
KIA Loan Number:	
Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Borrower Utility Service Area:	

*If the Unique Entity ID provided above is registered under a different name than the recipient of funding, please provide the registration name below:

Unique Entity ID Name	
-----------------------	--

*If the recipient has not yet obtained a Unique Entity ID, please do so no later than 30 days after the KIA Board approval date of your loan request and provide notification to KIA of the number once issued.

Physical Location of Project (Primary Place of Performance)

Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Project Location	

Reliance upon Federal Assistance (please answer the below questions Yes or No):

Did recipient receive 80% or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Did recipient receive \$25 million or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Does the public have access to compensation of senior executives of the recipient through periodic reports filed under Section 13A or 15D of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986?	

Unique Entity ID Registration Information: <https://sam.gov>

Use for Loan Disbursements

KIA Loan # F23-006S

ACH AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR DISBURSEMENT PAYMENTS

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department ("U.S. Bank") to initiate debit entries to the Checking Savings (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____

ADDRESS _____

TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____

Authorized Signer

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

ACH DEBIT AUTHORIZATION FORM

**AUTHORIZATION AGREEMENT FOR PRE-ARRANGED PAYMENTS
(DEBITS)**

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department (“U.S. Bank”) to initiate debit entries to the Checking Savings (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
KIA Loan # F23-006S**

Borrower Information:

Name: _____

Address: _____

City: _____ State: KY Zip: _____

Federal I.D. #: _____ Telephone: _____

Contact Name: _____

Email: _____

Financial Institution Information:

Bank Name: _____

Branch: _____ Telephone: _____

City: _____ State: KY Zip: _____

Transit / ABA No: _____

Account Name: _____

Account Number: _____

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature: _____ Date: _____

Name Printed: _____ Job Title: _____

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

SAMPLE LETTER

[Letterhead of Counsel for Water Utility]

[Date]

Kentucky Infrastructure Authority
100 Airport Road
Frankfort, Kentucky 40601

RE: SRF Loan#
 City of xxxxx

Ladies and Gentlemen:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the XXXXXXXXXXXXX, hereinafter referred to as the "Water Utility ". I am familiar with the organization and existence of the Water Utility and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the water project (the "Project") with respect to which the funding commitment by and between the Kentucky Infrastructure Authority ("Authority") and the Water Utility.

I have reviewed the commitment letter by and between the Authority and the Water Utility and the documentation regarding wage rates and procurement with respect to the Project.

Based upon my review I am of the opinion that:

The Water Utility has prepared construction specifications in accordance with all applicable federal wage rate laws and that the procurement procedures including those for construction, land, equipment and professional services that are a part of the project are in compliance with all applicable federal, state and local procurement laws.

Respectfully,

COMPLETE AFTER BID OPENING

**STATEMENT OF APPROVAL
OF PROJECTIONS OF REVENUE AND EXPENSES**

Borrower Name: _____

Loan No.: _____

I hereby certify that the revenue projections in the attached descriptions are still obtainable and that projections of operating expenses have not materially changed based on the "as-bid" budget submitted for the Project.

Signed: _____

Borrower

Date



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
kia.ky.gov

Sandy Williams
Executive Director

July 18, 2024

David Jones, Chairman
Adair County Water District
109 Grant Lane
Columbia, KY 42728

**KENTUCKY INFRASTRUCTURE AUTHORITY
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND
CONDITIONAL COMMITMENT LETTER (F23-006S (Increase))
INCREASE**

Dear Chairman Jones:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On July 11, 2024, the Authority approved your request for a loan increase in the amount of \$1,200,000, subject to the conditions stated in Attachment A to this letter. The total cost of the project shall not exceed \$5,577,650, without prior authorization, of which the Authority is the sole source of the funding. The final loan amount will be equal to the amount of funds disbursed for the project. Attachment B incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Adair County Water District upon satisfactory performance of the conditions set forth in Attachment A. You must meet the conditions set forth in Attachment A and enter into an Assistance Agreement by January 18, 2025 (six months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

**TEAM
KENTUCKY**

An Equal Opportunity Employer M/F/D

Chairman Jones
July 18, 2024
Page 2

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Milward Dedman
Deputy Executive Director

Attachments

cc: Holly Nicholas, Kentucky Engineering Group
Kentucky Engineering Group, James Thompson

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Also included in Attachment C of this letter is the "Statement of Approval of Projections of Revenue and Expenses" for you to complete after bid opening.



Accepted

7-30-24

Date

ATTACHMENT A

Conditions

Adair County Water District F23-006S (Increase)

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$5,577,650 without prior authorization.
2. Principal forgiveness of 65.0716% of the assistance amount, not to exceed \$3,629,468 will be credited to the loan balance upon release of liens on all contracts and disbursement of the final draw request by KIA to the borrower.
3. The loan shall bear interest at the rate of 1.25% per annum commencing with the first draw of funds.
4. Interest shall be payable on the unforgiven amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid. KIA requires the use of Automated Clearing House (ACH) debits for payment of all balances due on the loan. This will ensure that payments are credited timely to your account without the risk of incurring late payment fees. If the due date falls on a weekend or holiday your account will be debited on the next business day.
5. Full principal payments will commence on the appropriate June 1, or December 1, within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. The loan shall be repaid over a period not to exceed 20 years from the date of initiation of operation for the project.
7. A loan servicing fee of 0.25% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
9. The Authority loan funds must be expended within six months of the official date of initiation of operation.

10. Fund "F" loan funds may be considered to be federal funds. If more than \$750,000 of federal funds is disbursed during any one (borrower) fiscal year, the borrower is required to have a single or program-specific audit conducted for that year in accordance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
11. The Authority requires that an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.
13. The Borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
4. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the State's execution of the Assistance Agreement. The committee meets monthly. Any special conditions listed in Attachment B must be satisfied before the project is presented before the Committee.
5. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.

6. The Borrower must provide documentation of Eclearinghouse Endorsement and Eclearinghouse Comments.
7. Prior to the project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving State Revolving Funds ("SRF") money.
8. Technical plans and specifications and a complete SRF specifications checklist shall be approved by the Division of Water prior to project bid.
9. All easements or purchases of land shall be completed prior to commencement of construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.
10. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the SRF loan project.
11. The Borrower must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
12. The Borrower shall implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
13. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates for all work relating to the subject Project.
14. The project shall comply with the reporting requirements of the Transparency Act.
15. Based on the final "as-bid" project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by the consulting engineer.

16. The Project shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, Consolidated Appropriations Act, 2014 (the "2014 Appropriations Act") and / or the Build America, Buy America Act ("BABA")) and related Program policy guidelines). The Borrower understands that, among other requirements, (a) all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (ii) the Authority has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project; and / or (b) (i) all iron and steel items used in projects must be produced in the United States pursuant to BABA, (ii) all manufactured products must be produced in the United States, and (iii) all construction materials must be manufactured in the United States ("BABA Requirements"); unless (y) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (z) the Authority has otherwise advised the Borrower in writing that the BABA Requirements are not applicable to the Project.
17. If the Project includes a private-side lead pipe replacement component, the Borrower must obtain a final inspection from the Division of Plumbing of the Department of Housing, Building and Construction.

ATTACHMENT B

Executive Summary and Credit Analysis

**Adair County Water District
F23-006S (Increase)**

EXECUTIVE SUMMARY		Reviewer	John Brady	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	July 11, 2024	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F23-006S (Increase)	
REVOLVING LOAN FUND		WRIS Number	WX21001032	
BORROWER	ADAIR COUNTY WATER DISTRICT ADAIR COUNTY			
BRIEF DESCRIPTION				
<p>The Adair County Water District is requesting a Fund F loan increase in the amount of \$1,200,000 for the Phase 23 Water Treatment Plant (WTP) and System Improvements project. The original loan of \$4,377,650 was approved by the KIA Board on February 2, 2023. This will bring the total KIA loan amount to \$5,577,650. The request for additional funds is due to bids coming in higher than expected. No additional work is being funded with the loan increase. The project consists of installing plate settlers at the WTP to increase treatment capacity of the existing basins, improve effluent quality, and reduce associated operational costs. The disinfection system at the WTP will be converted from chlorine gas to sodium hypochlorite. Five of the District's seven water tanks are experiencing corrosion and will be rehabilitated. A water main extension will also be installed to provide a connection to an unserved area.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$5,577,650	Administrative Expenses	\$25,000	
		Legal Expenses	5,000	
		Planning	25,000	
		Eng - Design / Const	301,000	
		Eng - Insp	171,000	
		Eng - Other	25,000	
		Construction	4,619,850	
		Contingency	405,800	
TOTAL	<u>\$5,577,650</u>	TOTAL	<u>\$5,577,650</u>	
REPAYMENT	Rate	1.25%	Est. Annual Payment \$115,265	
	Term	20 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Jun-24		
	Construction Start	Oct-24		
	Construction Stop	Oct-25		
DEBT PER CUSTOMER	Existing	\$2,069		
	Proposed	\$2,008		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	<u>Users</u> 8,453	<u>Avg. Bill</u> \$48.94	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2021	2,148,276	1,632,291	515,985	1.3
Audited 2022	2,125,460	1,682,752	442,708	1.3
Audited 2023	2,526,962	1,693,138	833,824	1.5
Projected 2024	2,985,045	1,665,063	1,319,982	1.8
Projected 2025	2,901,564	1,661,968	1,239,596	1.7
Projected 2026	2,802,513	1,694,244	1,108,269	1.7
Projected 2027	2,708,978	1,816,068	892,910	1.5
Projected 2028	2,620,387	1,670,577	949,810	1.6

Reviewer: John Brady
Date: July 11, 2024
Loan Number: F23-006S

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
ADAIR COUNTY WATER DISTRICT, ADAIR COUNTY
PROJECT REVIEW
WX21001032**

I. PROJECT DESCRIPTION

The Adair County Water District is requesting a Fund F loan increase in the amount of \$1,200,000 for the Phase 23 Water Treatment Plant (WTP) and System Improvements project. The original loan of \$4,377,650 was approved by the KIA Board on February 2, 2023. This will bring the total KIA loan amount to \$5,577,650. The request for additional funds is due to bids coming in higher than expected. No additional work is being funded with the loan increase.

The project consists of installing plate settlers at the WTP to increase treatment capacity of the existing basins, improve effluent quality, and reduce associated operational costs. The disinfection system at the WTP will be converted from chlorine gas to sodium hypochlorite. Five of the Water District's seven water tanks are experiencing corrosion and will be rehabilitated. A water main extension will also be installed to provide a connection to an unserved area.

The Water District currently serves 7,774 residential customers and 670 commercial and industrial customers.

II. PROJECT BUDGET

	Total
Administrative Expenses	\$ 25,000
Legal Expenses	5,000
Planning	25,000
Engineering Fees - Design	251,200
Engineering Fees - Construction	49,800
Engineering Fees - Inspection	171,000
Engineering Fees - Other	25,000
Construction	4,619,850
Contingency	405,800
Total	\$ 5,577,650

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 5,577,650	100%
Total	\$ 5,577,650	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 5,577,650
Less: Principal Forgiveness	<u>3,629,468</u>
Amortized Loan Amount	\$ 1,948,182
Interest Rate	1.25%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 110,395
Administrative Fee (0.25%)	<u>4,870</u>
Total Estimated Annual Debt Service	\$ 115,265

V. PROJECT SCHEDULE

Bid Opening:	June 2024
Construction Start:	October 2024
Construction Stop:	October 2025

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	<u>Current</u>
Residential	7,774
Commercial	464
Industrial	<u>215</u>
Total	8,453

B) Rates

Water	<u>Current</u>	<u>Prior</u>	<u>Prior</u>
Date of Last Rate Increase	02/09/24	02/09/23	02/09/22
First 1,000 gallons	\$25.76	\$23.80	\$21.85
Next 4,000 gallons (per 1,000)	<u>9.06</u>	<u>8.38</u>	<u>7.69</u>
Cost for 4,000 gallons	\$52.94	\$48.94	\$44.92
Increase %	8.2%	8.9%	
Affordability Index (Rate/MHI)	1.5%	1.4%	1.3%

Sewer	<u>Proposed</u>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	02/09/24	02/09/23	02/09/22
Minimum Bill	\$10.66	\$9.44	\$8.22
Per 1,000 gallons	10.95	9.70	8.45
Cost for 4,000 gallons	\$54.46	\$48.24	\$42.02
Increase %	12.9%	14.8%	
Affordability Index (Rate/MHI)	1.5%	1.4%	1.2%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2016-2020, the Utility's service area population was 16,841 with a Median Household Income (MHI) of \$42,377. The MHI for the Commonwealth was \$52,238. The loan will qualify for a 1.25% interest rate.

VIII. 2023 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of \$3,629,468 will be credited to the loan balance.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended December 31, 2021 through December 31, 2023. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total revenues increased 20.4% from \$5.47 million in 2021 to \$6.59 million in 2023 due to rate increases. Operating expenses increased 22.8% from \$3.33 million to \$4.09 million during the same period due to costs of materials and repairs. The debt coverage ratio was 1.3, 1.3, and 1.5 in 2021, 2022, and 2023.

The balance sheet reflects a current ratio of 1.7, a debt-to-equity ratio of 1.2, 31.5 days of sales in accounts receivable, and 1.9 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 8.2% in 2024 due to an existing rate increase approved by the Public Service Commission (PSC).
- 2) Sewer revenues will increase 12.9% in 2024 due to an existing rate increase approved by the PSC.
- 3) Operating expenses will increase 2% annually due to inflation.
- 4) Debt service coverage is 1.7 in 2026 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

The Water District is regulated by the PSC and will need to apply to the PSC, pursuant to KRS 278.300, for debt authorization for the \$5,577,650 loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$278,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$13,900 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2009 Revenue Bonds	\$ 888,000	2050
2011 Revenue Bonds	977,500	2051
2012 Revenue Bonds	1,221,000	2052
2013D Revenue Bonds	1,690,000	2040
2014 Revenue Bonds	600,500	2054
2020G Revenue Bonds	4,715,000	2045
2020 Revenue Bonds	1,870,500	2061
KIA Loan F06-01	1,097,654	2028
KIA Loan F07-01	269,002	2028
KIA Loan F10-01	1,899,000	2032
KIA Loan F10-02	761,416	2032
KIA Loan F11-10	636,585	2044
KIA Loan F12-04	2,114,437	2048
KIA Loan F20-09	793,057	2052
KIA Loan A20-016	1,875,065	2052
KIA Loan A24-007 (i.a.o. \$2,672,250)		TBD
Total	\$21,408,716	

XI. CONTACTS

Legal Applicant

Entity Name Adair County Water District
Authorized Official David Jones (Chairman)
County Adair
Email utility@caud.net
Phone (270) 384-2181
Address 109 Grant Lane
Columbia, KY 42728

Applicant Contact

Name Lenny Stone
Organization Columbia/Adair Utilities District
Email lenny.stone@caud.net
Phone (270) 384-2181
Address PO Box 567
Columbia, KY 42728

Project Administrator

Name Holly Nicholas
Organization Kentucky Engineering Group
Email hnicholas@kyengr.com
Phone (859) 333-9742
Address PO Box 1034
Versailles, KY 40383

Consulting Engineer

PE Name James Thompson
Firm Name Kentucky Engineering Group
Email jthompson@kyengr.com
Phone (859) 251-4127
Address 101 High St
Versailles, KY 40383

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

**ADAIR COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)**

	Audited 2021	Audited 2022	Audited 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028
Balance Sheet								
Assets								
Current Assets	1,429,328	2,313,933	2,838,240	2,745,638	3,985,234	5,093,503	5,986,413	6,936,224
Other Assets	48,139,493	46,059,526	44,603,905	42,466,660	45,907,065	46,302,629	43,959,136	41,615,644
Total	49,568,821	48,373,459	47,442,145	45,212,298	49,892,299	51,396,132	49,945,549	48,551,867
Liabilities & Equity								
Current Liabilities	1,801,734	1,629,910	1,665,655	1,688,814	1,730,102	1,862,898	1,745,982	1,493,331
Long Term Liabilities	26,169,738	26,005,825	23,970,674	22,670,169	23,280,058	23,789,601	22,442,629	21,352,006
Total Liabilities	27,971,472	27,635,735	25,636,329	24,358,983	25,010,160	25,652,499	24,188,610	22,845,338
Net Assets	21,597,349	20,737,724	21,805,816	20,853,315	24,882,139	25,743,633	25,756,939	25,706,530
Cash Flow								
Revenues	5,473,645	5,953,698	6,591,506	7,182,878	7,182,878	7,182,878	7,182,878	7,182,878
Operating Expenses	3,332,588	3,832,784	4,092,220	4,225,509	4,308,990	4,408,041	4,501,576	4,590,167
Other Income	7,219	4,546	27,676	27,676	27,676	27,676	27,676	27,676
Cash Flow Before Debt Service	2,148,276	2,125,460	2,526,962	2,985,045	2,901,564	2,802,513	2,708,978	2,620,387
Debt Service								
Existing Debt Service	1,632,291	1,682,752	1,693,138	1,665,063	1,661,968	1,578,979	1,700,803	1,670,577
Proposed KIA Loan	0	0	0	0	0	115,265	115,265	115,265
Total Debt Service	1,632,291	1,682,752	1,693,138	1,665,063	1,661,968	1,694,244	1,816,068	1,785,842
Cash Flow After Debt Service	515,985	442,708	833,824	1,319,982	1,239,596	1,108,269	892,910	949,810
Ratios								
Current Ratio	0.8	1.4	1.7	1.6	2.3	2.7	3.4	4.6
Debt to Equity	1.3	1.3	1.2	1.2	1.0	1.0	0.9	0.9
Days Sales in Accounts Receivable	37.2	32.5	31.5	31.5	31.5	31.5	31.5	31.5
Months Operating Expenses in Unrestricted Cash	2.3	3.7	1.9	5.6	9.0	11.9	14.1	16.6
Debt Coverage Ratio	1.3	1.3	1.5	1.8	1.7	1.7	1.5	1.6

ATTACHMENT C

Forms

Adair County Water District
F23-006S (Increase)

SRF LOAN CONDITIONS CHECKLIST

Congratulations on receiving a conditional commitment of funding from the State Revolving Fund (SRF) Program. Borrowers will now be assigned a Compliance Analyst to help guide them through the rest of the loan process based on which Area Development District (ADD) they are located. Please submit all documents to one of the following contacts:

- Julie Bickers (Julie.Bickers@ky.gov, 502-892-3455): Purchase, Pennyrite, Green River, Barren River, Lake Cumberland, Big Sandy, Cumberland Valley, KY River
- Debbie Landrum (Debbie.Landrum@ky.gov, 502-892-3454): Lincoln Trail, KIPDA, Northern KY, Bluegrass, Buffalo Trace, Gateway, FIVCO

After all of the conditions of the Conditional Commitment Letter have been fulfilled, KIA will initiate the Assistance Agreement with the borrower. The Assistance Agreement must be fully executed before any funds may be disbursed. The following is a list of items needed to process your loan (forms can be found here <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>):

Before bid opening, submit the following items to the designated Compliance Analyst/DOW Contact:

Submit To:		
KIA	<input type="checkbox"/>	Conditional Commitment Letter (this letter is sent to the borrower via email shortly following KIA board approval and is to be signed by the authorizing official);
USBANK	<input type="checkbox"/>	Authorization for Electronic Deposit/Debit of Borrower Disbursements/ Payment (these forms are attached to the loan commitment letter sent after KIA board approval and are to be signed by the authorizing official and forwarded directly to US Bank via Email: usbank.infocenter@usbank.com)
KIA	<input type="checkbox"/>	Transparency Form (this form is attached to the loan commitment letter sent after KIA board approval)
DOW	<input type="checkbox"/>	Fiscal Sustainability Plan Certification and Cost and Effectiveness Certification (required for "A" loans only, prior to plans approval)
DOW	<input type="checkbox"/>	Environmental review (Kentucky Division of Water will review and is required prior to plans approval. KIA will need copy of approval letter)
DOW	<input type="checkbox"/>	Plans and specifications (Kentucky Division of Water will review and KIA will need copy of approval letter)
KIA	<input type="checkbox"/>	Proof of compliance with any special condition identified in the Conditional Commitment Letter (e.g. adopted ordinance)

After the project has opened bids, please submit the following items to the designated Compliance Analyst/DOW Contact. It is imperative that the remaining standard conditions are fulfilled by the deadlines set forth in the Conditional Commitment Letter.

Submit To:		
DOW	<input type="checkbox"/>	Authority to Award (ATA) Package , the Kentucky Division of Water will review and forward approval to KIA.
DOW	<input type="checkbox"/>	Davis-Bacon prevailing wage rates , the Kentucky Division of Water will review and forward approval to KIA.
KIA	<input type="checkbox"/>	Procurement and Wage Certification (KIA sends to borrower after bid opening.)
KIA	<input type="checkbox"/>	Certification of obtainable revenue projections (KIA sends to borrower after bid opening.)
DOW	<input type="checkbox"/>	Certification of clear site (DOW will forward to KIA.)
	<input type="checkbox"/>	Plans and specifications approval from the Kentucky Division of Water (DOW will send approval to KIA.)
KIA	<input type="checkbox"/>	Public Service Commission (PSC) approval , (CPCN and Authorization to Incur Debt) If applicable.

COMPLETE AFTER BID OPENING

**STATEMENT OF APPROVAL
OF PROJECTIONS OF REVENUE AND EXPENSES**

Borrower Name: _____

Loan No.: _____

I hereby certify that the revenue projections in the attached descriptions are still obtainable and that projections of operating expenses have not materially changed based on the "as-bid" budget submitted for the Project.

Signed: _____ *[Signature]*

Borrower

7-30-24

Date

EXHIBIT D

Proposed Operating Budget

XXXI. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - EXISTING USERS

(1st Full Year of Operation)

Year Ending

2026

A.	Operating Income:		
	Water Sales	\$	5,100,000
	Disconnect/Reconnect/Late Charge Fees	\$	150,000
	Other (Describe)		
	Less Allowances and Deductions		
	Total Operating Income	\$	5,250,000
B.	Operation and Maintenance Expenses:		
	Personnel Services	\$	1,275,000
	Contractual Services	\$	65,000
	Supplies and materials	\$	800,000
	Repairs and maintenance	\$	200,000
	Operational	\$	775,000
	Total Operating Expenses	\$	3,115,000
	Net Operating Income	\$	2,135,000
C.	Non-Operating Income:		
	Interest on Deposits	\$	14,622
	Other (Identify)	\$	50,778
	Total Non-Operating Income	\$	65,400
D.	Net Income	\$	2,200,400
E.	Debt Repayment:		
	Interest	\$	1,209,723
	Principal	\$	498,614
	Reserve	\$	64,100
	Total Debt Repayment	\$	1,772,437
	Short Lived Assets	\$	187,367
F.	Balance Available for Coverage and Depreciation	\$	240,596
	Debt Coverage Ratio		1.24

EXHIBIT E

Financial Statements

**ADAIR COUNTY WATER DISTRICT
DBA COLUMBIA/ADAIR UTILITIES DISTRICT
STATEMENT OF NET POSITION
December 31, 2023**

	Water	Sewer	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 390,261	\$ 243,976	\$ 634,237
Investments	963,654	500,000	1,463,654
Customer accounts receivable, net	459,571	109,159	568,730
Inventory	135,395	7,126	142,521
Prepays	29,098	-	29,098
Total current assets	<u>1,977,979</u>	<u>860,261</u>	<u>2,838,240</u>
Noncurrent assets			
Restricted cash and cash equivalents	809,023	-	809,023
Net OPEB asset	40,083	9,915	49,998
Capital assets			
Nondepreciable capital assets	520,219	95,901	616,120
Property, plant and equipment, net	32,533,844	10,052,003	42,585,847
Total noncurrent assets	<u>33,903,169</u>	<u>10,157,819</u>	<u>44,060,988</u>
Total assets	<u>35,881,148</u>	<u>11,018,080</u>	<u>46,899,228</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension	282,247	69,791	352,038
Deferred outflows - OPEB	153,038	37,841	190,879
Total deferred outflows of resources	<u>435,285</u>	<u>107,632</u>	<u>542,917</u>
Total assets and deferred outflows of resources	<u>\$ 36,316,433</u>	<u>\$ 11,125,712</u>	<u>\$ 47,442,145</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 151,994	\$ 18,655	\$ 170,649
Accrued payroll	17,032	4,311	21,343
Accrued sick leave	70,175	12,913	83,088
Accrued expenses	61,888	14,255	76,143
Accrued interest	156,033	6,411	162,444
Customer deposits payable	33,635	-	33,635
Current portion of notes and bonds payable	1,206,058	74,739	1,280,797
Total current liabilities	<u>1,696,815</u>	<u>131,284</u>	<u>1,828,099</u>
Noncurrent liabilities			
Noncurrent notes and bonds payable	17,974,353	2,400,826	20,375,179
Net pension liability	1,862,958	460,652	2,323,610
Total noncurrent liabilities	<u>19,837,311</u>	<u>2,861,478</u>	<u>22,698,789</u>
Total liabilities	<u>21,534,126</u>	<u>2,992,762</u>	<u>24,526,888</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pension	226,782	56,076	282,858
Deferred inflows - OPEB	662,714	163,869	826,583
Total deferred inflows of resources	<u>889,496</u>	<u>219,945</u>	<u>1,109,441</u>
NET POSITION			
Net investment in capital assets	13,873,652	7,672,339	21,545,991
Restricted	809,023	-	809,023
Unrestricted	(789,864)	240,666	(549,198)
Total net position	<u>13,892,811</u>	<u>7,913,005</u>	<u>21,805,816</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 36,316,433</u>	<u>\$ 11,125,712</u>	<u>\$ 47,442,145</u>

The accompanying notes are an integral
part of the financial statements.

**ADAIR COUNTY WATER DISTRICT
DBA COLUMBIA/ADAIR UTILITIES DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
for the year ended December 31, 2023**

	Water Fund	Sewer Fund	Total
OPERATING INCOME			
Water sales	\$ 5,091,254	\$ 1,347,975	\$ 6,439,229
Other revenue	<u>151,740</u>	<u>537</u>	<u>152,277</u>
Total operating income	<u>5,242,994</u>	<u>1,348,512</u>	<u>6,591,506</u>
OPERATING EXPENSES			
Personnel services	1,242,111	274,175	1,516,286
Contractual services	64,929	26,594	91,523
Supplies and materials	785,226	79,275	864,501
Repairs and maintenance	160,457	170,606	331,063
Operational	748,439	317,011	1,065,450
Depreciation and amortization	<u>1,566,945</u>	<u>570,300</u>	<u>2,137,245</u>
Total operating expenses	<u>4,568,107</u>	<u>1,437,961</u>	<u>6,006,068</u>
Operating income (loss) before depreciation	674,887	(89,449)	585,438
Non-operating income (expenses)			
Other non-utility income	50,778	-	50,778
Interest income	14,622	13,054	27,676
Interest expenses	(402,704)	(21,097)	(423,801)
Amortization of bond premium	<u>10,836</u>	<u>-</u>	<u>10,836</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	348,419	(97,492)	250,927
Capital contributions	93,400	500	93,900
KIA loan forgiveness	671,265	-	671,265
Grants	<u>52,000</u>	<u>-</u>	<u>52,000</u>
Change in net position	1,165,084	(96,992)	1,068,092
Net position, beginning of year	<u>12,727,727</u>	<u>8,009,997</u>	<u>20,737,724</u>
NET POSITION, END OF YEAR	<u>\$ 13,892,811</u>	<u>\$ 7,913,005</u>	<u>\$ 21,805,816</u>

The accompanying notes are an integral
part of the financial statements.

**ADAIR COUNTY WATER DISTRICT
DBA COLUMBIA/ADAIR UTILITIES DISTRICT
STATEMENT OF CASH FLOWS
for the year ended December 31, 2023**

	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 5,220,061	\$ 1,333,212	\$ 6,553,273
Payments to suppliers	(1,701,603)	(588,985)	(2,290,588)
Payments for employee services and benefits	<u>(1,408,907)</u>	<u>(334,049)</u>	<u>(1,742,956)</u>
Net cash provided (used) by operating activities	<u>2,109,551</u>	<u>410,178</u>	<u>2,519,729</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on bonds and notes	(1,185,623)	(73,940)	(1,259,563)
Interest paid on bonds and notes	(412,304)	(21,271)	(433,575)
Purchases of capital assets	(484,243)	(28,026)	(512,269)
Proceeds from issuance of debt	15,025	10,010	25,035
Capital contributed - grants	52,000	-	52,000
Other capital contributions	<u>144,178</u>	<u>500</u>	<u>144,678</u>
Net cash provided (used) by capital and related financing activities	<u>(1,870,967)</u>	<u>(112,727)</u>	<u>(1,983,694)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of certificates of deposit	(550,000)	(500,000)	(1,050,000)
Interest income	<u>14,622</u>	<u>13,054</u>	<u>27,676</u>
Net cash provided (used) by investing activities	<u>(535,378)</u>	<u>(486,946)</u>	<u>(1,022,324)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	(296,794)	(189,495)	(486,289)
Cash and cash equivalents, beginning of year	<u>1,496,078</u>	<u>433,471</u>	<u>1,929,549</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,199,284</u>	<u>\$ 243,976</u>	<u>\$ 1,443,260</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 674,887	\$ (89,449)	\$ 585,438
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,566,945	570,300	2,137,245
Net pension liability activity	(60,320)	(32,376)	(92,696)
Net OPEB liability activity	(100,515)	(30,186)	(130,701)
Changes in assets and liabilities:			
(Increase) decrease in receivables	(23,773)	(15,300)	(39,073)
(Increase) decrease in inventory	31,889	1,680	33,569
(Increase) decrease in prepaids	(2,758)	-	(2,758)
Increase (decrease) in accounts payable	291	(4,246)	(3,955)
Increase (decrease) in customer deposits	840	-	840
Increase (decrease) in accrued payroll	4,592	1,087	5,679
Increase (decrease) in accrued sick leave	(10,553)	1,601	(8,952)
Increase (decrease) in accrued expenses	<u>28,026</u>	<u>7,067</u>	<u>35,093</u>
Net cash provided by operating activities	<u>\$ 2,109,551</u>	<u>\$ 410,178</u>	<u>\$ 2,519,729</u>
Supplemental disclosure of cash flow information:			
Noncash capital and related financing activities:			
Accounts payable for capital items, net	<u>\$ (25,032)</u>	<u>\$ -</u>	<u>\$ (25,032)</u>

The accompanying notes are an integral part of the financial statements.

EXHIBIT F

Statement of Operations

June	2023 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$2,489,898.07	\$5,000,000.00	\$2,510,101.93
SEWER COLLECTIONS	\$641,012.49	\$1,700,000.00	\$1,058,987.51
SERVICE FEES	\$53,956.80	\$90,000.00	\$36,043.20
PENALTIES	\$59,177.02	\$100,000.00	\$40,822.98
INTEREST INCOME	\$414.55	\$8,000.00	\$7,585.95
GRANT	\$57,360.76	\$15,000.00	(\$42,360.76)
	\$3,301,819.69	\$6,913,000.00	\$3,611,180.31

OPERATING EXPENSES

WATER PURCHASE	\$37,707.44	\$125,000.00	\$87,292.56
CHEMICALS	\$178,379.44	\$450,000.00	\$271,620.56
PURCHASED POWER	\$238,346.58	\$480,000.00	\$241,653.42
TELEPHONE	\$11,216.37	\$25,000.00	\$13,783.63
INSURANCE EMPLOYEE HEALTH	\$136,538.03	\$300,000.00	\$163,461.97
INSURANCE WORKERS COMP	\$6,868.89	\$15,000.00	\$8,131.11
INSURANCE VEHICLES	\$12,273.82	\$25,000.00	\$12,726.18
INSURANCE GENERAL LIABILITY	\$28,169.59	\$45,000.00	\$16,830.41
INSURANCE OTHER (Bonds)	\$1,272.50	\$5,000.00	\$3,727.50
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$2,000.00	\$25,000.00	\$23,000.00
CONTRACTUAL SERVICES WATER TESTING	\$16,759.39	\$25,000.00	\$8,240.61
CONTRACTUAL SERVICES OTHER	\$7,504.47	\$45,000.00	\$37,495.53
PSC ASSESSMENT	\$7,751.71	\$15,000.00	\$7,248.29
SERVICE MATERIALS	\$273,804.60	\$540,000.00	\$266,195.40
PUMP REPAIRS	\$11,497.07	\$22,000.00	\$10,502.93
SERVICE EQUIPMENT REPAIRS	\$27,694.51	\$75,000.00	\$47,305.49
SERVICE VEHICLE OPERATION	\$33,298.73	\$100,000.00	\$66,701.27
OFFICE SUPPLIES	\$11,661.50	\$20,000.00	\$8,338.50
UNIFORMS	\$4,002.78	\$24,000.00	\$19,997.22
MAINTENANCE	\$106,082.60	\$250,000.00	\$143,917.40
POSTAGE	\$27,849.83	\$70,000.00	\$42,150.17
BILLING EXPENSES	\$63,488.59	\$120,000.00	\$56,511.41
MISCELLANEOUS	\$63,947.67	\$75,000.00	\$11,052.33
PAYROLL	\$513,298.45	\$1,250,000.00	\$736,701.54
PAYROLL TAXES	\$40,438.31	\$125,000.00	\$84,561.69
RETIREMENT EXPENSE	\$120,423.39	\$350,000.00	\$229,576.61
	\$1,982,276.27	\$4,611,000.00	\$2,628,723.73
Operating Margin	\$1,319,542.92	\$2,302,000.00	

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$915,097.07	\$1,617,000.00	\$701,902.93
Trucks	\$73,344.00	\$75,000.00	(\$3,344.00)
OFFICE EQUIPMENT	\$11,497.27	\$75,000.00	\$63,502.73
CONTINUING EDUCATION	\$5,668.55	\$15,000.00	\$9,331.45
VEHICLE EQUIPMENT/TOOLS	\$15,928.17	\$28,000.00	\$12,071.83
IN PROGRESS		\$30,000.00	\$30,000.00
Over Replacement Fund	\$140,000.00	\$120,000.00	(\$20,000.00)
	\$1,165,530.06	\$1,960,000.00	\$793,469.94
TOTAL ALL EXPENSES	\$3,148,806.33		
Profit Margin	\$153,012.86		

August	2023 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$3,406,494.43	\$5,000,000.00	\$1,593,505.57
SEWER COLLECTIONS	\$873,741.94	\$1,700,000.00	\$826,258.06
SERVICE FEES	\$79,821.72	\$90,000.00	\$10,178.28
PENALTIES	\$80,123.85	\$100,000.00	\$19,876.15
INTEREST INCOME	\$498.68	\$8,000.00	\$7,501.32
MISC.	\$58,076.33	\$15,000.00	(\$43,076.33)
	\$4,498,756.95	\$6,913,000.00	\$2,414,243.05

OPERATING EXPENSES

WATER PURCHASE	\$56,928.55	\$125,000.00	\$68,071.45
CHEMICALS	\$279,831.06	\$450,000.00	\$170,168.94
PURCHASED POWER	\$309,355.77	\$480,000.00	\$170,644.23
TELEPHONE	\$14,489.69	\$25,000.00	\$10,510.31
INSURANCE EMPLOYEE HEALTH	\$186,316.09	\$300,000.00	\$113,683.91
INSURANCE WORKERS COMP	\$5,619.89	\$15,000.00	\$9,380.11
INSURANCE VEHICLES	\$17,477.78	\$25,000.00	\$7,522.22
INSURANCE GENERAL LIABILITY	\$40,219.81	\$45,000.00	\$4,780.19
INSURANCE OTHER (Bonds)	\$2,322.06	\$5,000.00	\$2,677.94
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$26,570.00	\$25,000.00	(\$1,570.00)
CONTRACTUAL SERVICES WATER TESTING	\$20,149.39	\$25,000.00	\$4,850.61
CONTRACTUAL SERVICES OTHER	\$9,201.38	\$45,000.00	\$35,798.62
PSC ASSESSMENT	\$7,751.71	\$15,000.00	\$7,248.29
SERVICE MATERIALS	\$363,867.22	\$540,000.00	\$176,132.78
PUMP REPAIRS	\$11,497.07	\$22,000.00	\$10,502.93
SERVICE EQUIPMENT REPAIRS	\$42,612.24	\$75,000.00	\$32,387.76
SERVICE VEHICLE OPERATION	\$45,148.75	\$100,000.00	\$54,851.25
OFFICE SUPPLIES	\$13,172.97	\$20,000.00	\$6,827.03
UNIFORMS	\$5,642.98	\$24,000.00	\$18,357.02
MAINTENANCE	\$188,865.29	\$250,000.00	\$61,134.71
POSTAGE	\$37,353.49	\$70,000.00	\$32,646.51
BILLING EXPENSES	\$82,927.48	\$120,000.00	\$37,072.52
MISCELLANEOUS	\$69,437.66	\$75,000.00	\$5,562.34
PAYROLL	\$665,696.78	\$1,250,000.00	\$584,303.22
PAYROLL TAXES	\$52,272.32	\$125,000.00	\$72,727.68
RETIREMENT EXPENSE	\$146,332.71	\$350,000.00	\$203,667.29
	\$2,701,060.14	\$4,611,000.00	\$1,909,939.86

Operating Margin	\$1,797,696.81	\$2,302,000.00	
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CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$1,068,136.04	\$1,663,000.00	\$594,863.96
Trucks	\$78,344.00	\$175,000.00	\$96,656.00
OFFICE EQUIPMENT	\$11,497.27	\$75,000.00	\$63,502.73
CONTINUING EDUCATION	\$5,926.05	\$25,000.00	\$19,073.95
SERVICE EQUIPMENT	\$68,947.34	\$80,000.00	\$11,052.66
SERVICE TOOLS	\$26,873.17	\$25,000.00	(\$1,873.17)
IN HOUSE LINES		\$25,000.00	\$25,000.00
O/M Replacement Fund	\$180,000.00	\$105,000.00	(\$75,000.00)
BUILDING UPGRADES		\$129,000.00	\$129,000.00
	\$1,439,723.87	\$2,302,000.00	\$862,276.13
TOTAL ALL EXPENSES	\$4,140,784.01		
Profit Margin	\$357,972.94		

September	2023 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$3,879,695.70	\$5,000,000.00	\$1,120,304.30
SEWER COLLECTIONS	\$1,010,070.86	\$1,700,000.00	\$689,929.14
SERVICE FEES	\$82,842.88	\$90,000.00	\$7,157.12
PENALTIES	\$90,466.35	\$100,000.00	\$9,533.65
INTEREST INCOME	\$552.20	\$8,000.00	\$7,447.80
MISC.	\$58,069.36	\$15,000.00	(\$43,069.36)
	\$5,121,697.35	\$6,913,000.00	\$1,791,302.65
OPERATING EXPENSES			
WATER PURCHASE	\$65,436.85	\$125,000.00	\$59,563.15
CHEMICALS	\$300,319.38	\$450,000.00	\$149,680.62
PURCHASED POWER	\$341,505.53	\$480,000.00	\$138,494.47
TELEPHONE	\$15,961.42	\$25,000.00	\$9,038.58
INSURANCE EMPLOYEE HEALTH	\$210,886.28	\$300,000.00	\$89,113.72
INSURANCE WORKERS COMP	\$6,596.77	\$15,000.00	\$8,403.23
INSURANCE VEHICLES	\$20,078.33	\$25,000.00	\$4,921.67
INSURANCE GENERAL LIABILITY	\$46,218.73	\$45,000.00	(\$1,218.73)
INSURANCE OTHER (Bonds)	\$2,322.06	\$5,000.00	\$2,677.94
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$26,570.00	\$25,000.00	(\$1,570.00)
CONTRACTUAL SERVICES WATER TESTING	\$22,579.39	\$25,000.00	\$2,420.61
CONTRACTUAL SERVICES OTHER	\$9,356.28	\$45,000.00	\$35,643.72
PSC ASSESSMENT	\$7,751.71	\$15,000.00	\$7,248.29
SERVICE MATERIALS	\$433,791.03	\$540,000.00	\$106,208.97
PUMP REPAIRS	\$18,467.94	\$22,000.00	\$3,532.06
SERVICE EQUIPMENT REPAIRS	\$45,534.88	\$75,000.00	\$29,465.12
SERVICE VEHICLE OPERATION	\$51,856.94	\$100,000.00	\$48,143.06
OFFICE SUPPLIES	\$14,885.57	\$20,000.00	\$5,114.43
UNIFORMS	\$6,583.90	\$24,000.00	\$17,416.10
MAINTENANCE	\$203,503.97	\$250,000.00	\$46,496.03
POSTAGE	\$42,840.39	\$70,000.00	\$27,159.61
BILLING EXPENSES	\$93,652.14	\$120,000.00	\$26,347.86
MISCELLANEOUS	\$70,987.59	\$75,000.00	\$4,012.41
PAYROLL	\$750,777.58	\$1,250,000.00	\$499,222.42
PAYROLL TAXES	\$58,748.09	\$125,000.00	\$66,251.91
RETIREMENT EXPENSE	\$163,230.60	\$350,000.00	\$186,769.40
	\$3,030,443.35	\$4,611,000.00	\$1,580,556.65
Operating Margin	\$2,091,254.00	\$2,302,000.00	

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$1,116,320.52	\$1,663,000.00	\$546,679.48
Trucks	\$78,344.00	\$175,000.00	\$96,656.00
OFFICE EQUIPMENT	\$11,497.27	\$75,000.00	\$63,502.73
CONTINUING EDUCATION	\$5,926.05	\$25,000.00	\$19,073.95
SERVICE EQUIPMENT	\$79,120.34	\$80,000.00	\$879.66
SERVICE TOOLS	\$26,873.17	\$25,000.00	(\$1,873.17)
IN HOUSE LINES		\$25,000.00	\$25,000.00
O/M Replacement Fund	\$200,000.00	\$105,000.00	(\$95,000.00)
BUILDING UPGRADES		\$129,000.00	\$129,000.00
	\$1,518,081.35	\$2,302,000.00	\$783,918.65
TOTAL ALL EXPENSES	\$4,548,524.70		
Profit Margin	\$573,172.65		

October	2023 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$4,333,748.08	\$5,000,000.00	\$666,251.92
SEWER COLLECTIONS	\$1,138,380.31	\$1,700,000.00	\$561,619.69
SERVICE FEES	\$94,444.36	\$90,000.00	(\$4,444.36)
PENALTIES	\$102,484.08	\$100,000.00	(\$2,484.08)
INTEREST INCOME	\$626.62	\$8,000.00	\$7,373.38
MISC.	\$58,268.96	\$15,000.00	(\$43,268.96)
	\$5,727,952.41	\$6,913,000.00	\$1,185,047.59
OPERATING EXPENSES			
WATER PURCHASE	\$75,530.13	\$125,000.00	\$49,469.87
CHEMICALS	\$336,792.84	\$450,000.00	\$113,207.16
PURCHASED POWER	\$384,405.33	\$480,000.00	\$95,594.67
TELEPHONE	\$17,779.59	\$25,000.00	\$7,220.41
INSURANCE EMPLOYEE HEALTH	\$235,238.86	\$300,000.00	\$64,761.14
INSURANCE WORKERS COMP	\$8,494.41	\$15,000.00	\$6,505.59
INSURANCE VEHICLES	\$20,078.33	\$25,000.00	\$4,921.67
INSURANCE GENERAL LIABILITY	\$46,486.31	\$45,000.00	(\$1,486.31)
INSURANCE OTHER (Bonds)	\$2,322.06	\$5,000.00	\$2,677.94
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$26,570.00	\$25,000.00	(\$1,570.00)
CONTRACTUAL SERVICES WATER TESTING	\$24,179.39	\$25,000.00	\$820.61
CONTRACTUAL SERVICES OTHER	\$9,456.90	\$45,000.00	\$35,543.10
PSC ASSESSMENT	\$7,751.71	\$15,000.00	\$7,248.29
SERVICE MATERIALS	\$529,440.07	\$540,000.00	\$10,559.93
PUMP REPAIRS	\$22,672.06	\$22,000.00	(\$672.06)
SERVICE EQUIPMENT REPAIRS	\$51,987.71	\$75,000.00	\$23,012.29
SERVICE VEHICLE OPERATION	\$57,265.34	\$100,000.00	\$42,734.66
OFFICE SUPPLIES	\$15,004.94	\$20,000.00	\$4,995.06
UNIFORMS	\$7,342.12	\$24,000.00	\$16,657.88
MAINTENANCE	\$211,547.72	\$250,000.00	\$38,452.28
POSTAGE	\$46,996.86	\$70,000.00	\$23,003.14
BILLING EXPENSES	\$103,307.10	\$120,000.00	\$16,692.90
MISCELLANEOUS	\$71,703.49	\$75,000.00	\$3,296.51
PAYROLL	\$836,961.49	\$1,250,000.00	\$413,038.51
PAYROLL TAXES	\$65,382.77	\$125,000.00	\$59,617.23
RETIREMENT EXPENSE	\$180,810.04	\$350,000.00	\$169,189.96
	\$3,395,507.57	\$4,611,000.00	\$1,215,492.43
Operating Margin	\$2,332,444.84	\$2,302,000.00	

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$1,164,505.00	\$1,663,000.00	\$498,495.00
Trucks	\$117,297.00	\$175,000.00	\$57,703.00
OFFICE EQUIPMENT	\$11,497.27	\$75,000.00	\$63,502.73
CONTINUING EDUCATION	\$6,225.05	\$25,000.00	\$18,774.95
SERVICE EQUIPMENT	\$79,120.34	\$80,000.00	\$879.66
SERVICE TOOLS	\$26,873.17	\$25,000.00	(\$1,873.17)
IN HOUSE LINES		\$25,000.00	\$25,000.00
O/M Replacement Fund	\$220,000.00	\$105,000.00	(\$115,000.00)
BUILDING UPGRADES		\$129,000.00	\$129,000.00
	\$1,625,517.83	\$2,302,000.00	\$676,482.17
TOTAL ALL EXPENSES	\$5,021,025.40		
Profit Margin	\$706,927.01		

November	2023 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$4,751,427.05	\$5,000,000.00	\$248,572.95
SEWER COLLECTIONS	\$1,248,677.88	\$1,700,000.00	\$451,322.12
SERVICE FEES	\$99,747.16	\$90,000.00	(\$9,747.16)
PENALTIES	\$110,997.28	\$100,000.00	(\$10,997.28)
INTEREST INCOME	\$707.71	\$8,000.00	\$7,292.29
MISC.	\$59,489.95	\$15,000.00	(\$44,489.95)
	\$6,271,047.03	\$6,913,000.00	\$641,952.97

OPERATING EXPENSES

WATER PURCHASE	\$83,914.03	\$125,000.00	\$41,085.97
CHEMICALS	\$349,182.84	\$450,000.00	\$100,817.16
PURCHASED POWER	\$416,752.93	\$480,000.00	\$63,247.07
TELEPHONE	\$19,479.08	\$25,000.00	\$5,520.92
INSURANCE EMPLOYEE HEALTH	\$259,778.98	\$300,000.00	\$40,221.02
INSURANCE WORKERS COMP	\$8,494.41	\$15,000.00	\$6,505.59
INSURANCE VEHICLES	\$25,279.43	\$25,000.00	(\$279.43)
INSURANCE GENERAL LIABILITY	\$58,330.30	\$45,000.00	(\$13,330.30)
INSURANCE OTHER (Bonds)	\$2,322.06	\$5,000.00	\$2,677.94
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$26,570.00	\$25,000.00	(\$1,570.00)
CONTRACTUAL SERVICES WATER TESTING	\$25,582.39	\$25,000.00	(\$582.39)
CONTRACTUAL SERVICES OTHER	\$40,553.03	\$45,000.00	\$4,446.97
PSC ASSESSMENT	\$7,751.71	\$15,000.00	\$7,248.29
SERVICE MATERIALS	\$574,362.04	\$540,000.00	(\$34,362.04)
PUMP REPAIRS	\$22,672.06	\$22,000.00	(\$672.06)
SERVICE EQUIPMENT REPAIRS	\$54,024.41	\$75,000.00	\$20,975.59
SERVICE VEHICLE OPERATION	\$62,333.79	\$100,000.00	\$37,666.21
OFFICE SUPPLIES	\$15,905.28	\$20,000.00	\$4,094.72
UNIFORMS	\$8,324.76	\$24,000.00	\$15,675.24
MAINTENANCE	\$255,436.11	\$250,000.00	(\$5,436.11)
POSTAGE	\$51,890.92	\$70,000.00	\$18,109.08
BILLING EXPENSES	\$113,684.92	\$120,000.00	\$6,315.08
MISCELLANEOUS	\$73,880.81	\$75,000.00	\$1,119.19
PAYROLL	\$995,113.92	\$1,250,000.00	\$254,886.08
PAYROLL TAXES	\$77,437.68	\$125,000.00	\$47,562.32
RETIREMENT EXPENSE	\$214,649.43	\$350,000.00	\$135,350.57
	\$3,843,707.32	\$4,611,000.00	\$767,292.68
Operating Margin	\$2,427,339.71	\$2,302,000.00	

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$1,212,689.48	\$1,663,000.00	\$450,310.52
Trucks	\$196,497.00	\$175,000.00	(\$21,497.00)
OFFICE EQUIPMENT	\$11,497.27	\$75,000.00	\$63,502.73
CONTINUING EDUCATION	\$6,262.30	\$25,000.00	\$18,737.70
SERVICE EQUIPMENT	\$79,120.34	\$80,000.00	\$879.66
SERVICE TOOLS	\$26,873.17	\$25,000.00	(\$1,873.17)
IN HOUSE LINES		\$25,000.00	\$25,000.00
O/M Replacement Fund	\$240,000.00	\$105,000.00	(\$135,000.00)
BUILDING UPGRADES		\$129,000.00	\$129,000.00
	\$1,772,939.56	\$2,302,000.00	\$529,060.44
TOTAL ALL EXPENSES	\$5,616,646.88		
Profit Margin	\$654,400.15		

December	2023 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$5,179,503.41	\$5,000,000.00	(\$179,503.41)
SEWER COLLECTIONS	\$1,365,467.62	\$1,700,000.00	\$334,532.38
SERVICE FEES	\$109,631.26	\$90,000.00	(\$19,631.26)
PENALTIES	\$120,602.12	\$100,000.00	(\$20,602.12)
INTEREST INCOME	\$12,254.11	\$8,000.00	(\$4,254.11)
MISC.	\$59,539.41	\$15,000.00	(\$44,539.41)
	\$6,846,997.93	\$6,913,000.00	\$66,002.07
OPERATING EXPENSES			
WATER PURCHASE	\$95,137.36	\$125,000.00	\$29,862.64
CHEMICALS	\$386,356.05	\$450,000.00	\$63,643.95
PURCHASED POWER	\$444,863.58	\$480,000.00	\$35,136.42
TELEPHONE	\$20,474.02	\$25,000.00	\$4,525.98
INSURANCE EMPLOYEE HEALTH	\$284,342.10	\$300,000.00	\$15,657.90
INSURANCE WORKERS COMP	\$10,445.81	\$15,000.00	\$4,554.19
INSURANCE VEHICLES	\$27,879.98	\$25,000.00	(\$2,879.98)
INSURANCE GENERAL LIABILITY	\$64,400.10	\$45,000.00	(\$19,400.10)
INSURANCE OTHER (Bonds)	\$2,322.06	\$5,000.00	\$2,677.94
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$26,570.00	\$25,000.00	(\$1,570.00)
CONTRACTUAL SERVICES WATER TESTING	\$29,212.39	\$25,000.00	(\$4,212.39)
CONTRACTUAL SERVICES OTHER	\$40,688.73	\$45,000.00	\$4,311.27
PSC ASSESSMENT	\$7,751.71	\$15,000.00	\$7,248.29
SERVICE MATERIALS	\$603,911.02	\$540,000.00	(\$63,911.02)
PUMP REPAIRS	\$22,672.06	\$22,000.00	(\$672.06)
SERVICE EQUIPMENT REPAIRS	\$55,691.91	\$75,000.00	\$19,308.09
SERVICE VEHICLE OPERATION	\$66,943.31	\$100,000.00	\$33,056.69
OFFICE SUPPLIES	\$17,377.23	\$20,000.00	\$2,622.77
UNIFORMS	\$9,126.20	\$24,000.00	\$14,873.80
MAINTENANCE	\$268,734.60	\$250,000.00	(\$18,734.60)
POSTAGE	\$57,029.74	\$70,000.00	\$12,970.26
BILLING EXPENSES	\$123,506.72	\$120,000.00	(\$3,506.72)
MISCELLANEOUS	\$75,704.22	\$75,000.00	(\$704.22)
PAYROLL	\$1,079,353.26	\$1,250,000.00	\$170,646.74
PAYROLL TAXES	\$83,859.55	\$125,000.00	\$41,140.45
RETIREMENT EXPENSE	\$232,473.60	\$350,000.00	\$117,526.40
	\$4,136,827.31	\$4,611,000.00	\$474,172.69
Operating Margin	\$2,710,170.62	\$2,302,000.00	

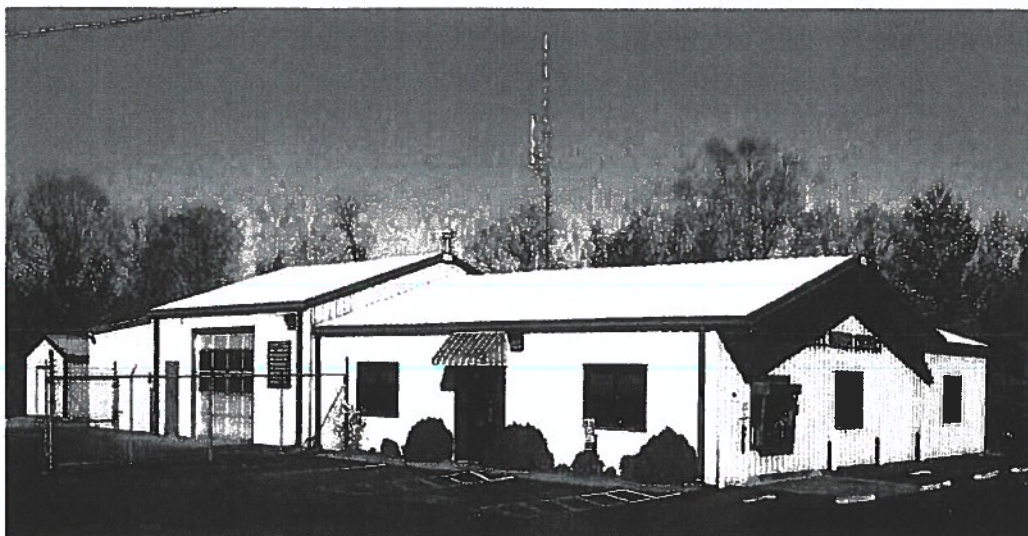
CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$1,695,315.47	\$1,663,000.00	(\$32,315.47)
Trucks	\$196,497.00	\$175,000.00	(\$21,497.00)
OFFICE EQUIPMENT	\$11,497.27	\$75,000.00	\$63,502.73
CONTINUING EDUCATION	\$6,262.30	\$25,000.00	\$18,737.70
SERVICE EQUIPMENT	\$79,120.34	\$80,000.00	\$879.66
SERVICE TOOLS	\$26,873.17	\$25,000.00	(\$1,873.17)
IN HOUSE LINES		\$25,000.00	\$25,000.00
O/M Replacement Fund	\$260,000.00	\$105,000.00	(\$155,000.00)
BUILDING UPGRADES		\$129,000.00	\$129,000.00
	\$2,275,565.55	\$2,302,000.00	\$26,434.45
TOTAL ALL EXPENSES	\$6,412,392.86		
Profit Margin	\$434,605.07		

CAUD

2024 Revenues & Expenses

Operating Revenues	2023 Actual	2024 Proposal
Water Sales	5,179,503.41	6,000,000.00
Sewer Collections	1,365,467.62	1,600,000.00
Service Fees	109,631.26	125,000.00
Penalties	120,602.12	130,000.00
Interest Income	12,254.11	15,000.0
Miscellaneous	59,539.41	25,000.00
TOTAL REVENUES	6,846,997.93	\$7,895,000.00
Operating Expenses	2023 Actual	2024 Proposal
Water Purchase	95,137.36	125,000.00
Chemicals	386,356.05	425,000.00
Purchased Power	444,863.58	500,000.00
Telephone	20,474.02	25,000.00
Insurance Employee Health	284,342.10	315,000.00
Insurance Workers Comp.	10,445.81	15,000.00
Insurance Vehicles	27,879.98	35,000.00
Insurance General Liability	64,400.10	75,000.00
Insurance Other (Bonds)	2,322.06	5,000.00
Contractual Services Engineering		10,000.00
Contractual Services Accounting	26,570.00	30,000.00
Contractual Services Water Testing	29,212.39	40,000.00
Contractual Services Other	40,688.73	50,000.00
PSC Assessment	7,751.71	9,000.00

Operating Expenses	2023 Actual	2024 Proposal
Service Materials	603,911.02	725,000.00
Pump Repairs	22,672.06	200,000.00
Service Equipment Repairs	55,691.91	60,000.00
Service Vehicle Operation	66,943.31	75,000.00
Office Supplies	17,377.23	20,000.00
Uniforms	9,126.20	15,000.00
Maintenance	268,734.60	325,000.00
Postage	57,029.74	65,000.00
Billing Expenses	123,506.72	150,000.00
Miscellaneous	75,704.22	90,000.00
Payroll	1,079,353.26	1,250,000.00
Payroll Taxes	83,859.55	95,000.00
Retirement Expense	232,473.60	260,000.00
TOTAL EXPENSES	2,710,170.62	4,989,000.00



February	2024 Year to Date Budget Totals	At Year End	Difference
OPERATING REVENUES	Actual	Budgeted	
		\$6,000,000.00	\$5,105,727.71
WATER SALES	\$894,272.29	\$1,600,000.00	\$1,361,368.64
SEWER COLLECTIONS	\$238,631.36	\$125,000.00	\$102,163.76
SERVICE FEES	\$22,836.24	\$130,000.00	\$110,079.80
PENALTIES	\$19,920.20	\$15,000.00	(\$15,074.95)
INTEREST INCOME	\$30,074.96	\$25,000.00	\$23,845.03
MISC.	\$1,154.97	\$7,895,000.00	\$6,688,109.98
	\$1,206,890.02		
OPERATING EXPENSES			
		\$125,000.00	\$105,500.31
WATER PURCHASE	\$19,499.69	\$425,000.00	\$383,061.61
CHEMICALS	\$41,938.39	\$500,000.00	\$412,024.85
PURCHASED POWER	\$87,975.15	\$25,000.00	\$20,394.73
TELEPHONE	\$4,605.27	\$315,000.00	\$265,896.76
INSURANCE EMPLOYEE HEALTH	\$49,103.24	\$15,000.00	\$13,048.60
INSURANCE WORKERS COMP	\$1,951.40	\$35,000.00	\$29,606.14
INSURANCE VEHICLES	\$5,393.86	\$75,000.00	\$62,442.09
INSURANCE GENERAL LIABILITY	\$12,557.91	\$5,000.00	\$5,000.00
INSURANCE OTHER (Bonds)		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ENGINEERING		\$30,000.00	\$30,000.00
CONTRACTUAL SERVICES ACCOUNTING		\$40,000.00	\$36,917.50
CONTRACTUAL SERVICES WATER TESTING	\$3,082.50	\$50,000.00	\$46,921.75
CONTRACTUAL SERVICES OTHER	\$3,078.25	\$9,000.00	\$9,000.00
PSC ASSESSMENT		\$725,000.00	\$532,641.94
SERVICE MATERIALS	\$192,358.06	\$200,000.00	\$151,522.30
PUMP REPAIRS	\$48,477.70	\$60,000.00	\$58,531.62
SERVICE EQUIPMENT REPAIRS	\$1,468.38	\$75,000.00	\$67,089.32
SERVICE VEHICLE OPERATION	\$7,910.68	\$20,000.00	\$16,416.83
OFFICE SUPPLIES	\$3,583.17	\$15,000.00	\$13,305.31
UNIFORMS	\$1,694.69	\$325,000.00	\$300,830.99
MAINTENANCE	\$24,169.01	\$65,000.00	\$59,785.16
POSTAGE	\$5,214.84	\$150,000.00	\$132,214.23
BILLING EXPENSES	\$17,785.77	\$90,000.00	\$86,984.45
MISCELLANEOUS	\$3,015.55	\$1,250,000.00	\$1,098,487.26
PAYROLL	\$151,512.74	\$95,000.00	\$83,011.88
PAYROLL TAXES	\$11,988.12	\$260,000.00	\$227,151.93
RETIREMENT EXPENSE	\$32,848.07	\$4,989,000.00	\$4,257,787.56
Totals	\$731,212.44		
		\$2,906,000.00	
Operating Margin	\$475,677.58		

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$283,538.97	\$1,750,000.00	\$1,466,461.03
Trucks		\$90,000.00	\$90,000.00
OFFICE EQUIPMENT		\$176,000.00	\$176,000.00
CONTINUING EDUCATION	\$1,919.50	\$25,000.00	\$23,080.50
SERVICE EQUIPMENT	\$17,055.65	\$310,000.00	\$292,944.35
SERVICE TOOLS		\$30,000.00	\$30,000.00
IN HOUSE LINES		\$50,000.00	\$50,000.00
O/M Replacement Fund	\$40,000.00	\$300,000.00	\$260,000.00
BUILDING UPGRADES		\$175,000.00	\$175,000.00
	\$342,514.12	\$2,906,000.00	\$2,563,485.88
TOTAL ALL EXPENSES	\$1,073,726.56		
Profit Margin	\$133,163.46		

March	2024 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$1,311,443.78	\$6,000,000.00	\$4,688,556.22
SEWER COLLECTIONS	\$366,966.91	\$1,600,000.00	\$1,233,033.09
SERVICE FEES	\$27,492.40	\$125,000.00	\$97,507.60
PENALTIES	\$31,917.35	\$130,000.00	\$98,082.65
INTEREST INCOME	\$30,074.96	\$15,000.00	(\$15,074.96)
MISC.	\$1,168.17	\$25,000.00	\$23,831.83
	\$1,769,063.57	\$7,895,000.00	\$6,125,936.43

OPERATING EXPENSES

WATER PURCHASE	\$30,895.13	\$125,000.00	\$94,104.87
CHEMICALS	\$65,118.69	\$425,000.00	\$359,881.31
PURCHASED POWER	\$127,270.97	\$500,000.00	\$372,729.03
TELEPHONE	\$6,274.18	\$25,000.00	\$18,725.82
INSURANCE EMPLOYEE HEALTH	\$72,708.84	\$315,000.00	\$242,291.16
INSURANCE WORKERS COMP	\$2,927.10	\$15,000.00	\$12,072.90
INSURANCE VEHICLES	\$7,994.42	\$35,000.00	\$27,005.58
INSURANCE GENERAL LIABILITY	\$18,585.93	\$75,000.00	\$56,414.07
INSURANCE OTHER (Bonds)		\$5,000.00	\$5,000.00
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING		\$30,000.00	\$30,000.00
CONTRACTUAL SERVICES WATER TESTING	\$3,292.50	\$40,000.00	\$36,707.50
CONTRACTUAL SERVICES OTHER	\$3,261.68	\$50,000.00	\$46,738.32
PSC ASSESSMENT		\$9,000.00	\$9,000.00
SERVICE MATERIALS	\$252,858.74	\$725,000.00	\$472,141.26
PUMP REPAIRS	\$48,477.70	\$200,000.00	\$151,522.30
SERVICE EQUIPMENT REPAIRS	\$4,029.04	\$60,000.00	\$55,970.96
SERVICE VEHICLE OPERATION	\$12,645.09	\$75,000.00	\$62,354.91
OFFICE SUPPLIES	\$4,190.31	\$20,000.00	\$15,809.69
UNIFORMS	\$2,425.44	\$15,000.00	\$12,574.56
MAINTENANCE	\$46,622.83	\$325,000.00	\$278,377.17
POSTAGE	\$11,076.18	\$65,000.00	\$53,923.82
BILLING EXPENSES	\$27,221.78	\$150,000.00	\$122,778.22
MISCELLANEOUS	\$3,600.60	\$90,000.00	\$86,399.40
PAYROLL	\$242,602.11	\$1,250,000.00	\$1,007,397.89
PAYROLL TAXES	\$19,098.01	\$95,000.00	\$75,901.99
RETIREMENT EXPENSE	\$51,967.58	\$260,000.00	\$208,032.42
Totals	\$1,065,144.85	\$4,989,000.00	\$3,923,855.15

Operating Margin	\$703,918.72	\$2,906,000.00	
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CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$331,723.45	\$1,750,000.00	\$1,418,276.55
Trucks		\$90,000.00	\$90,000.00
OFFICE EQUIPMENT		\$176,000.00	\$176,000.00
CONTINUING EDUCATION	\$1,935.49	\$25,000.00	\$23,064.51
SERVICE EQUIPMENT	\$17,718.03	\$310,000.00	\$292,281.97
SERVICE TOOLS	\$684.34	\$30,000.00	\$29,315.66
IN HOUSE LINES		\$50,000.00	\$50,000.00
O/M Replacement Fund	\$60,000.00	\$300,000.00	\$240,000.00
BUILDING UPGRADES		\$175,000.00	\$175,000.00
	\$412,061.31	\$2,906,000.00	\$2,493,938.69
TOTAL ALL EXPENSES	\$1,477,206.16		
Profit Margin	\$291,857.41		

April	2024 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$1,783,011.91	\$6,000,000.00	\$4,216,988.09
SEWER COLLECTIONS	\$520,655.77	\$1,600,000.00	\$1,079,344.23
SERVICE FEES	\$41,022.68	\$125,000.00	\$83,977.32
PENALTIES	\$41,787.84	\$130,000.00	\$88,212.16
INTEREST INCOME	\$24,848.97	\$15,000.00	\$9,848.97
MISC.	\$5,419.81	\$25,000.00	\$19,580.19
	\$2,416,746.98	\$7,895,000.00	\$5,478,253.02

OPERATING EXPENSES

WATER PURCHASE	\$39,896.97	\$125,000.00	\$85,103.03
CHEMICALS	\$108,156.77	\$425,000.00	\$316,843.23
PURCHASED POWER	\$164,802.99	\$500,000.00	\$335,197.01
TELEPHONE	\$9,290.89	\$25,000.00	\$15,709.11
INSURANCE EMPLOYEE HEALTH	\$98,207.41	\$315,000.00	\$216,792.59
INSURANCE WORKERS COMP	\$3,902.81	\$15,000.00	\$11,097.19
INSURANCE VEHICLES	\$10,594.97	\$35,000.00	\$24,405.03
INSURANCE GENERAL LIABILITY	\$24,613.75	\$75,000.00	\$50,386.25
INSURANCE OTHER (Bonds)		\$5,000.00	\$5,000.00
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING		\$30,000.00	\$30,000.00
CONTRACTUAL SERVICES WATER TESTING	\$3,652.50	\$40,000.00	\$36,347.50
CONTRACTUAL SERVICES OTHER	\$3,383.68	\$50,000.00	\$46,616.32
PSC ASSESSMENT		\$9,000.00	\$9,000.00
SERVICE MATERIALS	\$266,481.06	\$725,000.00	\$458,518.94
PUMP REPAIRS	\$48,477.70	\$200,000.00	\$151,522.30
SERVICE EQUIPMENT REPAIRS	\$7,099.34	\$60,000.00	\$52,900.66
SERVICE VEHICLE OPERATION	\$18,420.41	\$75,000.00	\$56,579.59
OFFICE SUPPLIES	\$7,262.61	\$20,000.00	\$12,737.39
UNIFORMS	\$3,237.55	\$15,000.00	\$11,762.45
MAINTENANCE	\$61,767.82	\$325,000.00	\$263,232.18
POSTAGE	\$16,262.56	\$65,000.00	\$48,737.44
BILLING EXPENSES	\$37,828.49	\$150,000.00	\$112,171.51
MISCELLANEOUS	\$4,449.56	\$90,000.00	\$85,550.44
PAYROLL	\$335,427.77	\$1,250,000.00	\$914,572.23
PAYROLL TAXES	\$27,471.19	\$95,000.00	\$67,528.81
RETIREMENT EXPENSE	\$71,101.79	\$260,000.00	\$188,898.21
Totals	\$1,371,790.59	\$4,989,000.00	\$3,617,209.41

Operating Margin \$1,044,956.39 \$2,906,000.00

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$379,907.93	\$1,750,000.00	\$1,370,092.07
Trucks		\$90,000.00	\$90,000.00
OFFICE EQUIPMENT		\$176,000.00	\$176,000.00
CONTINUING EDUCATION	\$3,149.08	\$25,000.00	\$21,850.92
SERVICE EQUIPMENT	\$18,535.52	\$310,000.00	\$291,464.48
SERVICE TOOLS	\$684.34	\$30,000.00	\$29,315.66
IN HOUSE LINES		\$50,000.00	\$50,000.00
O/M Replacement Fund	\$87,000.00	\$300,000.00	\$213,000.00
BUILDING UPGRADES		\$175,000.00	\$175,000.00
	\$489,276.87	\$2,906,000.00	\$2,416,723.13
TOTAL ALL EXPENSES	\$1,861,067.46		
Profit Margin	\$555,679.52		

May	2024 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$2,269,607.86	\$6,000,000.00	\$3,730,392.14
SEWER COLLECTIONS	\$658,999.78	\$1,600,000.00	\$941,000.22
SERVICE FEES	\$51,821.98	\$125,000.00	\$73,178.02
PENALTIES	\$51,904.37	\$130,000.00	\$78,095.63
INTEREST INCOME	\$24,925.83	\$15,000.00	(\$9,925.83)
MISC.	\$9,728.83	\$25,000.00	\$15,271.17
	\$3,066,988.65	\$7,895,000.00	\$4,828,011.35
OPERATING EXPENSES			
WATER PURCHASE	\$49,379.31	\$125,000.00	\$75,620.69
CHEMICALS	\$136,970.25	\$425,000.00	\$288,029.75
PURCHASED POWER	\$204,793.10	\$500,000.00	\$295,206.90
TELEPHONE	\$11,117.62	\$25,000.00	\$13,882.38
INSURANCE EMPLOYEE HEALTH	\$123,953.81	\$315,000.00	\$191,046.19
INSURANCE WORKERS COMP	\$3,902.81	\$15,000.00	\$11,097.19
INSURANCE VEHICLES	\$15,515.22	\$35,000.00	\$19,484.78
INSURANCE GENERAL LIABILITY	\$30,649.90	\$75,000.00	\$44,350.10
INSURANCE OTHER (Bonds)	\$1,272.50	\$5,000.00	\$3,727.50
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING		\$30,000.00	\$30,000.00
CONTRACTUAL SERVICES WATER TESTING	\$9,104.00	\$40,000.00	\$30,896.00
CONTRACTUAL SERVICES OTHER	\$9,000.23	\$50,000.00	\$40,999.77
PSC ASSESSMENT		\$9,000.00	\$9,000.00
SERVICE MATERIALS	\$309,443.42	\$725,000.00	\$415,556.58
PUMP REPAIRS	\$48,477.70	\$200,000.00	\$151,522.30
SERVICE EQUIPMENT REPAIRS	\$8,853.96	\$60,000.00	\$51,146.04
SERVICE VEHICLE OPERATION	\$25,980.23	\$75,000.00	\$49,019.77
OFFICE SUPPLIES	\$8,202.50	\$20,000.00	\$11,797.50
UNIFORMS	\$4,279.10	\$15,000.00	\$10,720.90
MAINTENANCE	\$78,703.95	\$325,000.00	\$246,296.05
POSTAGE	\$21,443.80	\$65,000.00	\$43,556.20
BILLING EXPENSES	\$50,440.39	\$150,000.00	\$99,559.61
MISCELLANEOUS	\$5,551.62	\$90,000.00	\$84,448.38
PAYROLL	\$474,329.78	\$1,250,000.00	\$775,670.22
PAYROLL TAXES	\$38,146.02	\$95,000.00	\$56,853.98
RETIREMENT EXPENSE	\$99,698.32	\$260,000.00	\$160,301.68
Totals	\$1,769,209.54	\$4,989,000.00	\$3,219,790.46
Operating Margin	\$1,297,779.11	\$2,906,000.00	

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$428,092.41	\$1,750,000.00	\$1,321,907.59
Trucks		\$90,000.00	\$90,000.00
OFFICE EQUIPMENT	\$28.98	\$176,000.00	\$175,971.02
CONTINUING EDUCATION	\$3,516.60	\$25,000.00	\$21,483.40
SERVICE EQUIPMENT	\$96,510.42	\$310,000.00	\$213,489.58
SERVICE TOOLS	\$684.34	\$30,000.00	\$29,315.66
IN HOUSE LINES		\$50,000.00	\$50,000.00
O/M Replacement Fund	\$114,000.00	\$300,000.00	\$186,000.00
BUILDING UPGRADES		\$175,000.00	\$175,000.00
	\$642,832.75	\$2,906,000.00	\$2,263,167.25
TOTAL ALL EXPENSES	\$2,412,042.29		
Profit Margin	\$654,946.36		

June	2024 Year to Date Budget Totals	At Year End	
OPERATING REVENUES	Actual	Budgeted	Difference
WATER SALES	\$2,736,158.04	\$6,000,000.00	\$3,263,841.96
SEWER COLLECTIONS	\$776,332.10	\$1,600,000.00	\$823,667.90
SERVICE FEES	\$66,462.22	\$125,000.00	\$58,537.78
PENALTIES	\$63,273.73	\$130,000.00	\$66,726.27
INTEREST INCOME	\$24,961.34	\$15,000.00	(\$9,961.34)
MISC.	\$11,759.89	\$25,000.00	\$13,240.11
	\$3,678,947.32	\$7,895,000.00	\$4,216,052.68
OPERATING EXPENSES			
WATER PURCHASE	\$58,545.77	\$125,000.00	\$66,454.23
CHEMICALS	\$164,238.96	\$425,000.00	\$260,761.04
PURCHASED POWER	\$239,691.57	\$500,000.00	\$260,308.43
TELEPHONE	\$13,531.28	\$25,000.00	\$11,468.72
INSURANCE EMPLOYEE HEALTH	\$154,217.07	\$315,000.00	\$160,782.93
INSURANCE WORKERS COMP	\$6,583.37	\$15,000.00	\$8,416.63
INSURANCE VEHICLES	\$15,515.22	\$35,000.00	\$19,484.78
INSURANCE GENERAL LIABILITY	\$30,901.95	\$75,000.00	\$44,098.05
INSURANCE OTHER (Bonds)	\$1,272.50	\$5,000.00	\$3,727.50
CONTRACTUAL SERVICES ENGINEERING		\$10,000.00	\$10,000.00
CONTRACTUAL SERVICES ACCOUNTING	\$24,000.00	\$30,000.00	\$6,000.00
CONTRACTUAL SERVICES WATER TESTING	\$12,639.00	\$40,000.00	\$27,361.00
CONTRACTUAL SERVICES OTHER	\$9,131.67	\$50,000.00	\$40,868.33
PSC ASSESSMENT		\$9,000.00	\$9,000.00
SERVICE MATERIALS	\$445,228.23	\$725,000.00	\$279,771.77
PUMP REPAIRS	\$60,627.70	\$200,000.00	\$139,372.30
SERVICE EQUIPMENT REPAIRS	\$11,012.80	\$60,000.00	\$48,987.20
SERVICE VEHICLE OPERATION	\$32,866.97	\$75,000.00	\$42,133.03
OFFICE SUPPLIES	\$9,638.65	\$20,000.00	\$10,361.35
UNIFORMS	\$5,139.24	\$15,000.00	\$9,860.76
MAINTENANCE	\$101,273.72	\$325,000.00	\$223,726.28
POSTAGE	\$26,757.57	\$65,000.00	\$38,242.43
BILLING EXPENSES	\$62,150.85	\$150,000.00	\$87,849.15
MISCELLANEOUS	\$7,304.74	\$90,000.00	\$82,695.26
PAYROLL	\$570,660.49	\$1,250,000.00	\$679,339.51
PAYROLL TAXES	\$45,475.76	\$95,000.00	\$49,524.24
RETIREMENT EXPENSE	\$120,810.02	\$260,000.00	\$139,189.98
Totals	\$2,229,215.10	\$4,989,000.00	\$2,759,784.90
Operating Margin	\$1,449,732.22	\$2,906,000.00	

CAPITAL EXPENDITURES	Actual	Budgeted	Difference
RURAL DEVELOPMENT/KIA PAYMENT	\$910,247.21	\$1,750,000.00	\$839,752.79
Trucks		\$90,000.00	\$90,000.00
OFFICE EQUIPMENT	\$28.98	\$176,000.00	\$175,971.02
CONTINUING EDUCATION	\$4,205.10	\$25,000.00	\$20,794.90
SERVICE EQUIPMENT	\$120,092.70	\$310,000.00	\$189,907.30
SERVICE TOOLS	\$684.34	\$30,000.00	\$29,315.66
IN HOUSE LINES	\$4,000.00	\$50,000.00	\$46,000.00
O/M Replacement Fund	\$141,000.00	\$300,000.00	\$159,000.00
BUILDING UPGRADES		\$175,000.00	\$175,000.00
	\$1,180,258.33	\$2,906,000.00	\$1,725,741.67
TOTAL ALL EXPENSES	\$3,409,473.43		
Profit Margin	\$269,473.89		

EXHIBIT G

State Local Debt Officer Notification

RUBIN & HAYS

— ATTORNEYS AT LAW —

KENTUCKY HOME TRUST BUILDING
450 South Third Street,
Louisville, Kentucky 40202
(502) 569-7525

August 7, 2024

Honorable Matt Sawyers
Commissioner and State Local Debt Officer
100 Airport Road, Third Floor
Frankfort, Kentucky 40601

Re: Adair County Water District, d/b/a Columbia/Adair Utilities District
Notice of Intent to Issue Securities

Dear Commissioner Sawyers:

Pursuant to the regulations of the Kentucky Public Service Commission, specifically 807 KAR 5:001: Section 18(1)(g), please be advised that the Adair County Water District, d/b/a Columbia/Adair Utilities District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a loan from the Kentucky Infrastructure Authority for the purpose of financing certain improvements to the water system of the District.

We will file the appropriate documents with your office in accordance with the requirements of KRS 65.117, once the securities are issued.

Very truly yours,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures

EXHIBIT I

Bid Tabulations



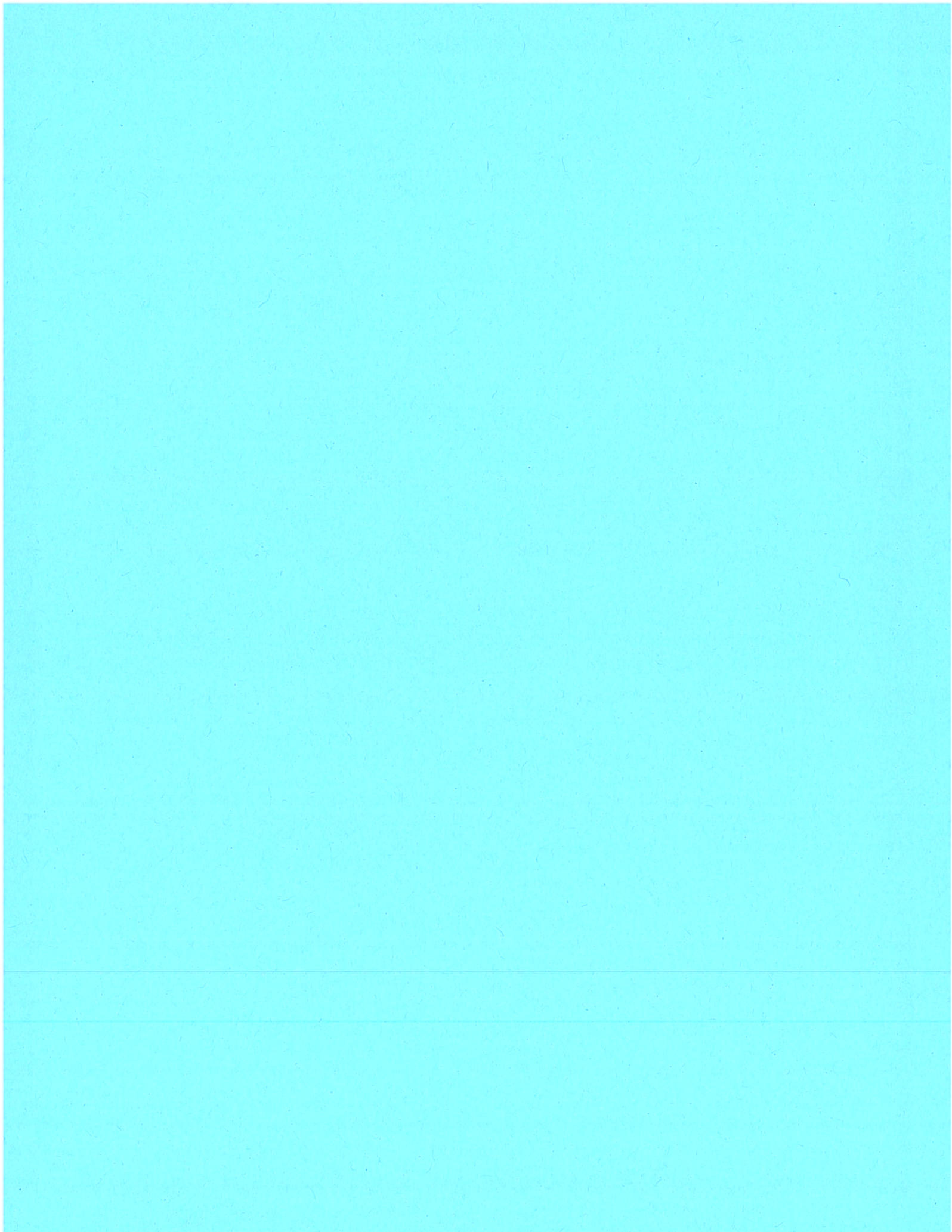
BID TABULATION - CONTRACT 1 WATER TREATMENT PLANT IMPROVEMENTS
 PHASE 23 WATER TREATMENT PLANT AND SYSTEM IMPROVEMENTS
 COLUMBIA-ADAIR UTILITIES DISTRICT
 COLUMBIA, KENTUCKY
 KEG Project No. 23011
 BID OPENING: Thursday, June 20, 2024 2:00 pm CST

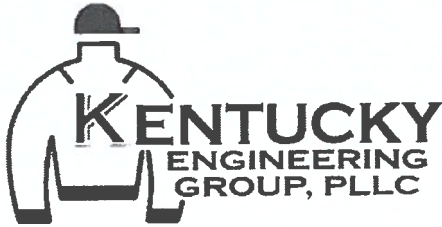
				Herrick Company, Inc. Lexington, KY	
Item No.	Description	Quantity	Unit	Bid Amount	
1	Base Bid Contract Price	1	LS	\$	3,846,000.00
TOTAL BASE BID AMOUNT				\$	3,846,000.00
Item No.	Description	Quantity	Unit	Bid Amount	
1	Additive Alternate No 1	1	LS	\$	1,449,000.00
TOTAL ADDITIVE ALTERNATE NO 1 AMOUNT				\$	1,449,000.00
TOTAL CALCULATED BASE BID + ADDITIVE ALTERNATE NO 1 AMOUNT				\$	5,295,000.00

I certify that this is a true and accurate tabulation of the bids received at 2:00 pm local time, Thursday, June 20, 2024 at the Columbia-Adair Utilities District Office, Columbia, KY

Digitally signed by
Ryan Carr
 Date: 2024.07.26
 13:46:54 -0400

Ryan Carr, PE





July 17, 2024

Mr. David Jones, Chairman
Columbia-Adair Utilities District
P.O. Box 567
Columbia, KY 42728

RE: Recommendation of Award
Contract No. 2 – Phase 23 WTP and System Improvements Project
KEG Project No. 23011

Dear Mr. Jones:

Bids for the above referenced projects were opened Thursday, June 20, 2024 at 2:00 pm local time. Five (5) bidders submitted on this contract. The low bidder was United Pipeline, Tompkinsville, KY with a base bid of \$237,180.

Upon review of the bid documents and references submitted, Kentucky Engineering Group, PLLC would recommend to the Columbia-Adair Utilities District that United Pipeline be awarded Contract No. 2 based on their base bid amount.

Enclosed is the bid tabulation worksheet for the above referenced projects.

If you have any questions or need additional information, please contact me at your convenience.

Sincerely,

KENTUCKY ENGINEERING GROUP, PLLC

James C. Thompson P.E.
Project Engineer/Manager

P.O. Box 1034
Versailles, Kentucky 40383
Phone: (859) 251.4127
Fax: (859) 251.4137
Email: info@kyengr.com
www.kyengr.com



BID TABULATION
 Phase 23 - Contract No 2 - WTP and System Improvements
 Columbia Adair Utilities District
 Columbia, Kentucky
 KUD Project No. 23011
 BID OPENING: Thursday June 20, 2024, 2:00 pm CST

Item No.	Description	Quantity	Unit	United Pipeline Tompkinsville, KY		Clay Pipeline, Inc. Manchester, KY		Bobby Luttrell & Sons Dundee, KY		McCain Bros. Excavating Springfield, KY		Cumberland Pipeline Columbia, KY		AVERAGE BID AMOUNTS	
				\$ / Unit	Bid Amount	\$ / Unit	Bid Amount	\$ / Unit	Bid Amount	\$ / Unit	Bid Amount	\$ / Unit	Bid Amount	\$ / Unit	Bid Amount
BASE BID															
1	4" PVC SDR 17, Class 250 Water Main	4,300	LF	\$ 32.00	\$ 137,600.00	\$ 47.50	\$ 162,970.00	\$ 33.40	\$ 143,620.00	\$ 36.12	\$ 155,316.00	\$ 67.00	\$ 288,100.00	\$ 41.28	\$ 177,521.20
2	4" G.V. & Box	1	EA	\$ 3,100.00	\$ 3,100.00	\$ 2,034.00	\$ 2,034.00	\$ 1,915.00	\$ 1,915.00	\$ 2,194.00	\$ 2,194.00	\$ 1,460.00	\$ 1,460.00	\$ 2,146.00	\$ 2,146.00
3	4" G.V. & Box w/By-Pass Meter	1	EA	\$ 6,000.00	\$ 6,000.00	\$ 3,278.00	\$ 3,278.00	\$ 4,180.00	\$ 4,180.00	\$ 5,954.00	\$ 5,954.00	\$ 4,061.00	\$ 4,061.00	\$ 4,694.00	\$ 4,694.00
4	Roadway Bore w/10" Steel Casing Pipe	70	LF	\$ 320.00	\$ 22,400.00	\$ 170.00	\$ 11,900.00	\$ 272.50	\$ 19,075.00	\$ 425.00	\$ 29,750.00	\$ 425.00	\$ 29,750.00	\$ 332.50	\$ 23,275.00
5	Blowoff Hydrant Assembly	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 2,881.00	\$ 2,881.00	\$ 3,900.00	\$ 3,900.00	\$ 2,772.00	\$ 2,772.00	\$ 3,204.00	\$ 3,204.00	\$ 3,551.00	\$ 3,551.00
6	Wet Tap Connection to Existing W.M.	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 4,730.00	\$ 4,730.00	\$ 4,450.00	\$ 4,450.00	\$ 3,979.00	\$ 3,979.00	\$ 2,840.00	\$ 2,840.00	\$ 4,163.00	\$ 4,163.00
7	Connector to Existing W.M.	1	EA	\$ 3,800.00	\$ 3,800.00	\$ 2,562.00	\$ 2,562.00	\$ 1,400.00	\$ 1,400.00	\$ 2,357.00	\$ 2,357.00	\$ 618.00	\$ 618.00	\$ 2,147.00	\$ 2,147.00
8	Directional Bore No. 1	1	LS	\$ 23,900.00	\$ 23,900.00	\$ 24,623.00	\$ 24,623.00	\$ 36,670.00	\$ 36,670.00	\$ 43,260.00	\$ 43,260.00	\$ 25,734.00	\$ 25,734.00	\$ 30,737.00	\$ 30,737.00
9	Directional Bore No. 2	1	LS	\$ 16,300.00	\$ 16,300.00	\$ 16,613.00	\$ 16,613.00	\$ 24,820.00	\$ 24,820.00	\$ 30,764.00	\$ 30,764.00	\$ 17,593.00	\$ 17,593.00	\$ 21,216.00	\$ 21,216.00
10	Customer Service Same Side	1	EA	\$ 2,800.00	\$ 2,800.00	\$ 2,663.00	\$ 2,663.00	\$ 2,410.00	\$ 2,410.00	\$ 1,030.00	\$ 1,030.00	\$ 1,254.00	\$ 1,254.00	\$ 2,043.00	\$ 2,043.00
11	Customer Service Opposite Side	2	EA	\$ 6,000.00	\$ 12,000.00	\$ 2,706.00	\$ 5,412.00	\$ 3,230.00	\$ 6,460.00	\$ 3,504.00	\$ 7,008.00	\$ 3,831.00	\$ 7,662.00	\$ 3,854.20	\$ 7,708.40
TOTAL CALCULATED BASE BID AMOUNT					\$ 237,900.00		\$ 239,666.00		\$ 248,730.00		\$ 287,914.00		\$ 381,796.00		\$ 279,207.20
ADD ALTERNATE NO. 1															
A-1	3" PVC SDR 17, Class 250 Water Main	5,290	LF	\$ 32.00	\$ 169,280.00	\$ 33.60	\$ 178,602.00	\$ 31.40	\$ 166,106.00	\$ 29.20	\$ 154,468.00	\$ 39.00	\$ 206,310.00	\$ 33.08	\$ 174,993.20
A-2	4" G.V. & Box	1	EA	\$ 3,000.00	\$ 3,000.00	\$ 2,156.00	\$ 2,156.00	\$ 1,845.00	\$ 1,845.00	\$ 2,069.37	\$ 2,069.37	\$ 1,436.00	\$ 1,436.00	\$ 2,113.27	\$ 2,113.27
A-3	4" G.V. & Box w/By-Pass Meter	1	EA	\$ 6,000.00	\$ 6,000.00	\$ 3,473.00	\$ 3,473.00	\$ 4,080.00	\$ 4,080.00	\$ 5,830.00	\$ 5,830.00	\$ 3,936.00	\$ 3,936.00	\$ 4,663.00	\$ 4,663.00
A-4	Connector to Existing W.M.	1	EA	\$ 3,800.00	\$ 3,800.00	\$ 2,536.00	\$ 2,536.00	\$ 1,400.00	\$ 1,400.00	\$ 1,119.00	\$ 1,119.00	\$ 632.00	\$ 632.00	\$ 1,959.00	\$ 1,959.00
A-5	Directional Bore No. 1	1	LS	\$ 4,400.00	\$ 4,400.00	\$ 10,763.00	\$ 10,763.00	\$ 10,070.00	\$ 10,070.00	\$ 18,348.00	\$ 18,348.00	\$ 6,271.00	\$ 6,271.00	\$ 10,363.00	\$ 10,363.00
A-6	Directional Bore No. 2	1	LS	\$ 4,700.00	\$ 4,700.00	\$ 11,000.00	\$ 11,000.00	\$ 19,000.00	\$ 19,000.00	\$ 43,211.00	\$ 43,211.00	\$ 9,958.00	\$ 9,958.00	\$ 10,573.00	\$ 10,573.00
A-7	Customer Service Same Side	2	EA	\$ 3,000.00	\$ 6,000.00	\$ 2,442.00	\$ 4,884.00	\$ 2,410.00	\$ 4,820.00	\$ 1,027.00	\$ 2,054.00	\$ 1,279.00	\$ 2,558.00	\$ 2,011.00	\$ 4,022.00
A-8	Customer Service Opposite Side	1	EA	\$ 6,000.00	\$ 6,000.00	\$ 2,700.00	\$ 2,700.00	\$ 3,230.00	\$ 3,230.00	\$ 1,984.00	\$ 1,984.00	\$ 3,266.00	\$ 3,266.00	\$ 3,340.00	\$ 3,340.00
TOTAL CALCULATED ADD ALTERNATE AMOUNT					\$ 210,180.00		\$ 216,138.00		\$ 210,481.00		\$ 229,423.37		\$ 214,439.00		\$ 220,132.27
TOTAL CALCULATED BID AMOUNT (Including Alternate Items)					\$ 448,080.00		\$ 455,804.00		\$ 459,211.00		\$ 517,367.37		\$ 616,235.00		\$ 499,339.47

*We believe the Bid is an accurate tabulation of the bids received.

I certify that this is true and accurate tabulation of the bids.
 The above is a true and complete tabulation of the bids received at 2:00 pm local time, Thursday, June 20, 2024 at the Columbia-Adair Utilities District Office, Columbia, Kentucky.

KENTUCKY ENGINEERING GROUP, PLLC

By: *James C. Thompson*

James C. Thompson, PE



July 17, 2024

Mr. David Jones, Chairman
Columbia-Adair Utilities District
P.O. Box 567
Columbia, KY 42728

RE: Recommendation of Award
Contract No. 3 – Phase 23 WTP and System Improvements Project
KEG Project No. 23011

Dear Mr. Jones:

Bids for the above referenced projects were opened Thursday, June 20, 2024 at 2:00 pm local time. Two (2) bidders submitted on this contract. The low bidder was Currens Construction Services, LLC, Harrodsburg, KY with a base bid of \$535,950.

Upon review of the bid documents and references submitted, Kentucky Engineering Group, PLLC would recommend to the Columbia-Adair Utilities District that Currens Construction Services, LLC be awarded Contract No. 3 based on their base bid amount.

Enclosed is the bid tabulation worksheet for the above referenced projects.

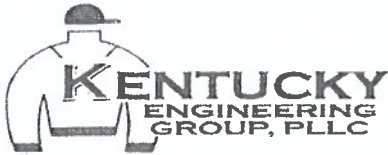
If you have any questions or need additional information, please contact me at your convenience.

Sincerely,

KENTUCKY ENGINEERING GROUP, PLLC

James C. Thompson P.E.
Project Engineer/Manager

P.O. Box 1034
Versailles, Kentucky 40383
Phone: (859) 251.4127
Fax: (859) 251.4137
Email: info@kyengr.com
www.kyengr.com



BID TABULATION
 Phase 23 - Contract No. 3 WTP & System Improvement Project
 Columbia-Adair Utilities District
 Adair County, Kentucky
 KEG Project No. 23011
 BID OPENING: Thursday, June 20, 2024 2:00 pm CST


				Currens Construction Harrodsburg, KY		Weiser Construction LaGrange, KY	
Item No.	Description	Quantity	Unit	\$ / Unit	Bid Amount	\$ / Unit	Bid Amount
1	Caldwell Ridge Tank Rehabilitation	1	LS	\$ 65,200.00	\$ 65,200.00	\$ 79,200.00	\$ 79,200.00
2	Shepherd Tank Rehabilitation	1	LS	\$ 206,950.00	\$ 206,950.00	\$ 185,000.00	\$ 185,000.00
3	Industrial Park Tank Rehabilitation	1	LS	\$ 179,500.00	\$ 179,500.00	\$ 167,000.00	\$ 167,000.00
4	Sparksville Tank Rehabilitation	1	LS	\$ 82,300.00	\$ 82,300.00	\$ 134,000.00	\$ 134,000.00
5	Welding Reinforcement Plates	50	LF	\$ 40.00	\$ 2,000.00	\$ 100.00	\$ 5,000.00
TOTAL BASE BID AMOUNT					\$ 535,950.00	\$ 570,200.00	
ADD ALTERNATES							
A-1	East 80 Tank Rehabilitation	1	LS	\$ 95,100.00	\$ 95,100.00	\$ 90,000.00	\$ 90,000.00
A-2	Walmart Tank Rehabilitation	1	LS	\$ 106,800.00	\$ 106,800.00	\$ 165,000.00	\$ 165,000.00
TOTAL ALTERNATE BID AMOUNT					\$ 201,900.00	\$ 255,000.00	
TOTAL CALCULATED BID AMOUNT (Including Alternate Items)					\$ 737,850.00	\$ 825,200.00	

*Numbers in Red indicate errors in Contractor's Bid Amount Calculations

I certify that this is true and accurate tabulation of the bids.

The above is a true and complete tabulation of the bids received at 2:00 p.m. local time, Thursday, June 20, 2024 at the Columbia-Adair Utilities District Office, Columbia, Kentucky.

KENTUCKY ENGINEERING GROUP, PLLC

By 

James C. Thompson, PE

EXHIBIT H

Uniform System of Accounts Classification

CAUD - DWSRF F23-006S

	Amount of Construction Budget
USOA	
320 Water Treatment Equipment	\$ 3,846,000.00
330 Distribution Reservoirs & Standpipes	\$ 535,950.00
331 Transmission & Distribution Mains	\$ 222,200.00
333 Services to Customers	\$ 14,800.00
334 Meters	\$ 900.00
	<hr/>
<i>total</i>	\$ 4,619,850.00

EXHIBIT J

Estimated and As Bid Project Cost Summary

Drinking Water SRF Project Cost Summary

WRIS# WX:21001032

Project Title: Phase 23 - Water Treatment Plant & System Improvements

Project Budget: Estimated Revised enter date

Cost Classification	DWSRF KIA Loan	Funding Source 1	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	Local Funds	Unfunded Costs	Total
1 Administrative Expenses	25,000								25,000
2 Legal Expenses	5,000								5,000
3 Land, Appraisals, Easements									-
4 Relocation Expense & Payments									-
5 Planning	25,000								25,000
6 Engineering Fees - Design	251,200								251,200
7 Engineering Fees - Construction	49,800								49,800
8 Engineering Fees - Inspection	171,000								171,000
9 Engineering Fees - Other	25,000								25,000
10 Construction	4,619,850								4,619,850
11 Equipment									-
12 Miscellaneous	405,800								405,800
13 Contingencies	5,577,650								5,577,650
Total									

Funding Sources	Amount	Date Committed
1	-	
2	-	
3	-	
4	-	
5	-	
Total		

Construction Cost Categories	Funding Source	Total Cost
Treatment	DWSRF	3846000
Transmission and Distribution	DWSRF	237900
Source		
Storage	DWSRF	535950
Purchase of Systems		
Restructuring		
Land Acquisition		
TOTAL CONSTRUCTION COSTS		4,619,850

Local Funding Sources	Amount	Date Committed
1		
2		
3		
Total		

Total Funding

5,577,650