

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF THE)
McKINNEY WATER DISTRICT)
FOR THE ISSUANCE OF A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
TO CONSTRUCT A WATER SYSTEM)
IMPROVEMENTS PROJECT AND AN ORDER) Case No. 2025 - 00022
AUTHORIZING THE ISSUANCE OF SECURITIES)
PURSUANT TO THE PROVISIONS OF)
KRS 278.020, KRS 278.300 AND 807 KAR 5:001)

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

Supplemental Information Filing and Clarification

The Applicant, McKinney Water District ("McKinney District"), by Counsel, files this Supplemental Information Filing and Clarification supplementing and clarifying the Application filed with the Kentucky Public Service Commission on February 13, 2025, as follows:

When McKinney District applied for the KIA Loan, the plan was to have the City of Danville fund the entire Phase 1A project through the proceeds of bonds they were issuing to finance various projects. This scenario would have saved McKinney District substantial costs of issuance on bonds issued to fund its portion of Phase 1A.

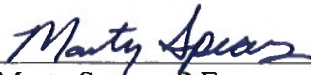
The information on unnumbered page 98 of 140, "Debt Obligations" sent to KIA as part of the funding application included a listing of Phase 1A Danville Financing in the amount of \$648,856 which encompassed an estimate of the cost of Division 2 of the Phase 1A project. This was the McKinney District portion of the Phase 1A project that was to be built and owned by McKinney

District. This debt obligation would have been repaid through the rates charged to McKinney District by the City of Danville.

Due to the delays in obtaining funding for the project and significant cost increases, it was decided that the more feasible option would be for McKinney District to borrow funds from the Rural Water Financing Agency to fund their portion of the Phase 1A project. Unnumbered page 17 of 140, Exhibit "A" shows the amount of expected funding for the project as it is now proposed. The \$530,777 is the amount that will be paid by the City of Danville from their funds to build Division 1 of the Phase 1A project. It is included in the project as a combined contract because neither Division 1 or 2 can stand on its own and must be built together. For efficiency and coordination, Divisions 1 and 2 of the Phase 1A project were combined into one contract with cost and ownership split between McKinney District and the City of Danville. McKinney District **will not** have to repay the \$530,777 furnished by the City of Danville and accordingly, McKinney District is not requesting approval of said debt obligation as part of this Case.

Verification of Supplemental Information Filing and Clarification


The undersigned, Marty Spears, P.E., states that he is a registered professional engineer with the firm of AGE Engineering Services, Inc., and that he has personal knowledge of the matters set forth in the Supplemental Information Filing and Clarification are true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry.



Marty Spears, P.E.
AGE Engineering Services, Inc.
Registered Professional
Engineer, State of Kentucky
No. 31674

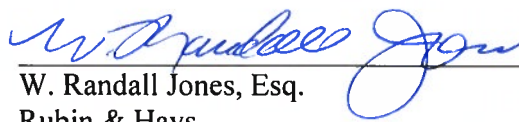
Respectfully Submitted

Rubin & Hays

By 
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CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that McKinney Water District's electronic filing of the foregoing Supplemental Information Filing and Clarification is a true and accurate copy of the same document being transmitted via electronic filing to the Kentucky Public Service Commission on March 12, 2025; that there are currently no parties that the Kentucky Public Service Commission has excused from participation by electronic means in this proceeding.


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