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 AUTHORIZING THE ISSUANCE OF SECURITIES PURSUANT TO THE PROVISIONS OF KRS 278.020, KRS 278.300 AND 807 KAR 5:001	**) Case No. 2025 - 00022**

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RESPONSE TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION

The Applicant, McKinney Water District ("McKinney District"), by Counsel, files this Response to the February 28, 2025 Commission Staff's First Request for Information set forth below.

Request No. 1. Refer to the Application, Exhibit A. Provide any water loss improvement plans or capital improvement plans for McKinney District. If McKinney District has previously provided the Commission with either a water loss improvement plan or capital improvement plan, please provide an additional copy for this case record, along with a status update of the plan(s).

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 1. The "Water Loss Investigation and Response" is being filed separately due to its size. Said document is a part of the case record in PSC Case No. 2023-00194.

In response to PSC Case #2023-00194, McKinney District undertook the evaluation of water loss for the water system. Attached as **Exhibit "A"** is the response sent to the PSC and the follow up responses to the submitted plan.

(a) McKinney District Loss Prevention - Audit and Plan

(b) Response to PSC Letter 4-18-24

(c) Response to PSC Case #2023-00194

Status Report:

OPERATIONS TARGETING WATER LOSS:

1. Objective: Communication and Board Support:

McKinney District will hold monthly meetings to address the status of water loss. The Staff and/or contractors will provide to the Board the information as determined by the accounting of the various meter branches in the system. The Board will provide support for the staff and/or contractors in adequate personnel, funds and equipment to assure a unified team effort in the water loss program.

Status Objective 1:

The Board continues to receive evaluations on monthly water purchases and water loss. The Board receives verbal reports on the results of the evaluations as to the probable causes and efforts to accomplish the reduction of water loss. The Board continues to pursue multiple projects including Phase 1A, Phase 1B and Phase 3. Phase 1A will reduce the cost of purchased water and lessen the impact of water loss. Phase 1B has the potential to find aged and defective water mains, service lines and improperly connected water services. The Phase 3 project is specifically designed

to attack the water loss problems by repairing aging facilities that have consistently been problematic.

2. Data analysis:

McKinney District will continue to account for water loss in the zones identified above. The existing and proposed check meters and the portable ultrasonic meter will be used in various parts of the system to further split the zones into smaller parts to assist in the identification of problem areas. These sites will be shown on a map. The check meter sites that exist and any other added will be used to check for specific unexplained water flow in a particular branch in order to identify areas where the portable meter may be useful. This will add to the data analysis that will narrow the problem areas to a more manageable level.

McKinney District will use the data to identify the trouble zones in the system and concentrate the leak detection effort in the areas with either the highest rate of loss or the largest amount of water loss. This will assure the most financial gain for the effort and funds expended.

Status Objective 2:

This item is specifically planned for the Phase 3 project which is currently in the WRIS drinking water plans under the WX21137065 project number. A copy of the Pre-application (WRIS Phase 3 Profile) is attached hereto as **Exhibit "B"** and includes the project description, budget, and related information.

3. Consistent meter reading schedule and accuracy:

The Board will establish a schedule for the reading of all meters in the system. Master and Zone meters should be read daily and the customers meters should be read as nearly to the same time of the month as possible. The 18th day of each month will be used as the day to compare water

loss to customers meter readings. It generally takes four (4) days to read customer meters. This generally begins on the 15th day of each month and continues until complete. Adjustments are made when the 15th and 18th falls on weekends. Monthly water loss calculation dates should match as nearly as possible the customer reading dates. The Board must confirm and monitor the reading of all meters and identify and minimize the estimating of meter readings within the system. The staff and/or contractors must identity all estimated readings each day or month within the accounting or computer system. Accurate and timely meter readings are the most essential part of any water loss program. Every meter in the system will be mapped.

McKinney District will begin the implementation of an automated meter reading system to include replacement of water meters with automation capabilities and develop the other related hardware and software to implement this system over time. It is anticipated that the total conversion of the meter reading system to an automated system will be complete by the end of 2026.

The Board will continue to test the Master Meters and will begin testing Zone check meters on an annual basis.

Status Objective 3:

Some of these items are planned for the Phase 3 project as stated above. Also, as stated above, the Board is being updated in regard to the operations and testing of the water loss, meter reading, and meter change out of the system. The work is continuing to locate and identify the problem areas by analysis of the data and installation of the portable flow meter to help reduce the areas to be searched in an effort to remove the water loss. The surcharge fund as allowed by the PSC in Case #2023-00194 is being used to accomplish some of these objectives in advance of the Phase 3 project funding.

4. Customer meter replacement program:

McKinney District will continue and accelerate the customer meter replacement program. McKinney District will continue to identify deficient meters and replace immediately. McKinney District will continue to replace meters that are more than 10 years old as identified by the customer meter installation information. McKinney District is currently behind in the replacement of old meters for 2023. This is partially due to the increase in cost of new meters. McKinney District will complete replacing all customer meters 10 years or older on an annual basis by the end of October each year. All new meters will be equipped to use a new automated reading system as well as manual read capability. McKinney District's meter replacement program will begin a program to replace all the meters in the zones with highest water loss with an automated meter reading system regardless of age. All water meters slow with age. In addition they do not record very low flow such as drips and small leaks in customer lines. New technology can help identify some of these issues.

Status Objective 4:

The surcharge fund as allowed by the PSC in Case #2023-00194 is being used to accomplish some of these objectives in advance of the Phase 3 project funding. McKinney District has collected $130,405.25 and replaced 375 meters using the surcharge funds and is continuing to progress with the project as funds and weather permits. The Phase 3 project will help continue progress toward the 10-year target along with the implementation of the meter reading system upgrade.

5. Ultrasonic Meter Placement:

McKinney District will install several permanent meter pits to be used as needed by the

ultrasonic meter to test and retest the branches of the system. This will provide safe, easy and immediate intermittent access to the water mains of primary importance to the leak detection program without the expense of a permanent check meter installation. McKinney District will develop operating procedures to best identify the locations for these meter pits. McKinney District will develop analytical methods to optimize the benefits of use of the portable meter to the water loss program. The zones where water loss and cost are the highest will be targeted using this approach. As outlined in the data analysis above, the data analysis will be used to establish these specific sites to be targeted and may change for those shown on the map over time as details are developed.

Status Objective 5:

The Phase 3 project funding will be used for this phase of the plan implementation and has not been started yet.

6. Operation of Test meters and geo-sound equipment:

McKinney District will develop a program that will consist of staff and/or consultants routinely using portable meters, test meters and/or geo-sound equipment to further investigate and isolate problem zones within the system. Using the analytical data to target the areas of high water loss the program will have personnel operate during nighttime hours to establish areas for further investigation. It is suggested that the staff work regular work hours Monday thru Thursday and nighttime hours Thursday night 11:00 PM to 7:00 AM Friday to complete the work week. This would be done during summer months and dry weather for best benefits. This also avoids overtime for employees as a routine operation. In this night-time investigation geo-phones would be used along with check meter readings, customer meter readings or portable flow meter to narrow down the zone to inspect for possible water leak locations. Customer meter/service connections will be

checked with geo-sound equipment in this area to insure that customer service lines are intact and not compromised. The area would be further investigated by excavation if needed during routine business hours.

Status Objective 6:

McKinney District staff has been working on the implementation of the project during the summer months to identify water loss with the use of the portable flow meter, pressure gauges and other devises to help determine and identify area to search for water leaks. The Phase 3 project funding will be used for a portion of this phase of the plan implementation and has not been completed.

7. Phase 1B of the water improvements project:

McKinney District is undertaking a water improvements project in the west end of Lincoln County to address a number of issues with the water system including disinfection products, low water pressure, pump station failures, and water loss. As part of this project a number of changes will be made to improve the ability of McKinney District to control their water system and to regulate and identify problem zones. Among these changes will be the addition of a new water tank to replace two standpipes, replacement of existing water mains, pressure regulators along with check meters at locations where the water system splits into two directions, thus further delineating the zones of water loss into smaller areas to investigate. The project will be replacing large sections of the existing aging water mains and meters in this portion of the water system. We are anticipating this to improve the water loss issues in this area by identifying unmetered water usage, leaking mains and service lines. Many of the mains to be replaced are 1960s vintage asbestos cement pipe. The project will increase pressures in some areas and decrease pressure in other areas. The areas

with pressure in excess of 90 psi will have pressure reducers installed on customer meters. It is anticipated the reduced pressure in the customer water lines will reduce the water loss due to low flow leaks not measured by the meter.

Status Objective 7:

The Phase 1B project is part of this case for the issuance of a Certificate of Public Convenience and Necessity. The project has been bid and is awaiting approval for award. The project will include nine check meters locations where the water system splits into two directions, thus further delineating the zones of water loss into smaller areas to investigate. This plan also will include twelve pressure reducers to allow McKinney District to better control the pressure in the system to address both low and high pressure problems which may lead to water leaks.

Request No. 2. Refer to the Application, Exhibit A. Provide a copy of any notice of violations received from the Division of Water in the last five years.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 2. See attached **Exhibit "C"**.

Request No. 3. Refer to the Application at unnumbered page 19 of 140, Financial Impact. Provide a breakdown of the revenue requirement impact of the project including the following items:

(a) Net operating expense increase or decrease by expense component;

(b) Projected annual depreciation, including calculations, for each component for which there are different depreciation lives;

(c) Annual debt service for each debt component;

(d) Twenty percent working capital on debt service amounts in item 3(c); and

(e) Total of all items above.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 3. See attached **Exhibit "D"** Financial Impact.

Request No. 4. Provide the cost per thousand gallons impact of the total revenue requirement impact in Request No. 3 based on gallons sold of 101,905,000 as reported in the water statistics of McKinney District's 2023 Annual Report.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 4.

Net Project cost to annual operations	Phase 1A
	$51,502.89
Net Project cost to annual operations	Phase 1B
	$322,373.72
Total of Operations due to Construction	$373,876.61

Cost per unit at 101,905,000 Annual Water Sold $3.669 Per 1,000 gallons

Net Cash Flow Requirements	Phase 1A
	$5,689.11
Net Cash Flow Requirements	Phase 1B
	$144,011.00

Total minimum Cash Flow Requirement $149,700.11

Cost per unit at 101,905,000 Annual Water Sold $1.469 Per 1000 gallons

Request No. 5. Refer to the Application at 4, paragraph (vi).

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Explain whether any of the funding components could be affected by federal funding freezes or other Executive Orders.

Response No. 5(a).

McKinney District has been told by the funding agencies to proceed with the project as funded. We do not anticipate any funding interruption in the funds already approved. We are considering the possibility that the additional $750,000 request from CDBG may not be funded. We have contingencies built into the bid to account for this funding not being forthcoming. The Phase 1B project which is partially funded by CDBG has in it two add alternates with total an amount nearly equal to the requested funding shortfall. Add Alternate One is bid in the amount of $428,726 and Add Alternate Two is bid at $314,204 with contingencies of $74,293 for a total anticipated cost of $817,223. This portion of the project will not be authorized for construction until we have a commitment of the additional contingency funding.

(b) Explain how McKinney District would address any funding shortfalls or loss of funding.

Response No. 5(b). The project will be scheduled in such a way as to allow some flexibility in funding availability to allow a possible funding shortfall. The project also has three additional water lines planned to be constructed which can be deleted from the project without damage to the overall project scope and effectiveness to accomplish the project objectives. The lines include a 4-inch line on Martins Trail designed to loop the water system into Ky Hwy 698. Another is a 4-inch line on Mt Salem Road which is designed to accommodate high demand in the area due to organic farming activities. This line is also necessary to eliminate a pumping booster station on Mt Salem Road. The third line would be on McKinney Geneva Road which is planned to eliminate

some old asbestos cement water main. The total expected funds for these three lines would be approximately $261,333. If funding falls below the amount that cannot be overcome by these items above work would be suspended until additional funding may be obtained.

(c) Explain what funding sources McKinney District anticipates using to fund the remaining $62,436 for the projects.

Response No. 5(c). When this project was started in 2018, Mckinney District had funds in two CD accounts that they committed to be used for this Project. If these funds are not available when needed for the Project, it is possible to acquire additional funds from the Lincoln County Fiscal Court.

(d) Explain which of these sources of funding McKinney District seeks approval for pursuant to KRS 278.300.

Response No. 5(d). The Rural Water Financing Agency Loan in the approximate principal amount of $855,000 and the Kentucky Infrastructure Authority Loan in the amount of $2,491,916.

Request No. 6. Refer to the Application at 3, paragraph 5(vi) which states the principal amount of the Rural Water Financing Agency (RWFA Loan) is $865,000. Refer also to the Application, Exhibit C which states the principal amount of the RWFA Loan is $855,000. Provide the correct amount and explain the reason for the difference.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 6. The final interest rates and costs of issuance on the RWFA Loan will not be known until the RWFA Bonds are sold, a portion of the proceeds of which will fund said RWFA Loan. The estimated numbers submitted with the Application at Exhibit D are preliminary

and were based on an estimated principal amount of $865,000. McKinney District is requesting approval of the RWFA Loan in the principal amount of $855,000 with a variance of 10% increase or decrease which will allow for an adjustment based on the final interest rates as determined once the Bonds are sold.

Request No. 7. Refer to the Application at 4, paragraph 5(vi). Refer also to the Application, Exhibit A. The funding amount of $287,289 was described as both a Cleaner Water Grant (22CWW012 Grant) and as local funding from the Lincoln Co. Fiscal Court. Confirm the correct description of the funding.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 7. The project funding in question is the funding as assigned by the Lincoln County Fiscal Court from available funds through the federal grant "American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund" that was distributed to each County in State House Bill 1 of the 2022 Regular Session of the Kentucky General Assembly. McKinney District was assigned an equal amount of $287,289 along with the Lincoln County Sanitation District and other utilities in the County. These funds are administered through the Kentucky Infrastructure Authority. Cleaner Water Grant (22CWW012 Grant) is the identification used in the grant documents with KIA and will be used for this project in place of Lincoln County Fiscal Court.

Request No. 8. Refer to the Application at 7, paragraph 11. McKinney District stated that it anticipates filing an alternative rate case request upon the filing of its 2024 Annual Report. Confirm that McKinney District intends to file a request for an alternative rate adjustment, if granted the requests contained in this Application. If confirmed, explain whether a separate rate increase will be sought for both Phase 1A and then subsequently again for Phase 1B of the project.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 8. It is anticipated that a single alternative rate case encompassing both projects will be filed in cooperation with representatives from the Kentucky Rural Water Association.

Request No. 9. Refer to the Application, Exhibit A, part 1 disinfection byproducts.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Provide a copy of the agreed order for exceeding limits of HAA5 disinfection byproducts (DBP).

Response No. 9(a). See attached **Exhibit "E"**.

(b) Explain what improvements have been made with DBP in the City of Stanford's treatment process.

Response No. 9(b). We have attempted to contact the City of Stanford Water Treatment Plant Head Operator but as of this date have not been able to obtain a response to our inquiries. However, we were able to discuss the question with the former head operator of the Stanford System and he indicated the best way to help the DBP production in the system is to reduce the chlorine levels. This can be done by changing the location within the plant where chlorine is added and to reduce the amount used. This must be offset by the need to maintain chlorine throughout the distribution system. He indicated that he had installed several chlorine test points in the system at the expected critical point where chlorine residuals could be monitored. These readings would be used to determine the minimum quantities of chlorine that could be used in the system.

(c) Refer to Option 1. Explain why McKinney District cannot add additional chlorine.

Response No. 9(c). McKinney District can add chlorine to the water but chooses not to. In creating disinfection byproducts (DBP) in the treatment process and when and how disinfectant is added to the water will combine with organic compounds in the water to create DBP. Additional DBP will be added in the water distribution system over time as the chlorine continues to react with other organics in the storage tanks and water mains. Since the water received at the master meter from the City of Stanford was already above the limits for HAA5s, there was nothing short of building a new water treatment plant that McKinney District could do to reduce or eliminate the DBP that already existed. All of these DBP were created in the City of Stanford's water treatment plant of their water distribution system. Adding additional chlorine by McKinney District would only have made the DBP worse with higher MCLs.

(d) Provide the estimated cost for each of the three investigated options.

Response No. 9(d). Option 1: Adjust chlorine feeds: Since McKinney District does not add chlorine, it cannot change chlorine feeds. Cost: this option was not assigned a cost since McKinney District does not feed chlorine, however, this was discussed with the City of Stanford and was one the items changed to reduce DBP at the master meter for McKinney District.

Option 2: Reduce water age in the system by:

(A) addressing the age of the water in the storage tanks by installing a mixing system to make the water stored turn over more frequently.

Cost of Option 2: install and rehabilitate the Boneyville Water Tank - estimated cost:

Water Mixing System:	$150,000
Tank Painting and Rehab	$100,000
Estimated Cost	$250,000

Install and rehabilitate the McKinney Water Tank - estimated cost

Tank Painting and Rehab	$100,000
Estimated Cost	$100,000

Total Estimated Cost of Tank Rehab and Upgrade $350,000

(B) Increase flushing which increases water purchase costs.

Flushing requirements will vary depending on the time of year and weather.

The estimated amount of water required to flush the system, not including tanks, is:

Agreed Order Water Consumption and Flushing Summary

McKinney Area

Road	Consumption Gallons per day	Flushing Gallons*	Flushing Priority
Hwy 78	21,233	6,300	1
McCormick Ch.	12,566	1,750	2
Peytons Well	3,866	2,614	3
Hwy 198-1	8,200	3,238	1
Hwy 198-2	9,733	2,800	1
McKinney	9,666	-	-
Hwy 698	16,766	3,580	1
Hwy 1778	12,433	2,100	2
Norris Rd	10,133	1,050	3
Mt. Salem	906	1,220	3
Moccasin Rd	2,000	785	4
Miracle Greely Rd	4,133	1,571	4
Blue Lick Rd	10,633	1,900	2

Neals Creek Area

Road	Consumption Gallons per day	Flushing Gallons*	Flushing Priority
Neal Creek Rd	13,733	1,780	1
Fair Grounds Rd	16,800	900	2
Maywood	7,153	2,400	3

Ottenheim Area

Road	Consumption Gallons per day	Flushing Gallons*	Flushing Priority
Hwy 643	21,933	4,380	1
Hwy 1948	8,033	1,750	2
Ephesus Rd	9,900	1,200	4
Sheuler/Koker Rd	5,633	1,450	3

* Recommended flushing volumes for each line in the areas indicated to change water in line in 24 hours including customer water demand in line.

Total Estimated Flush Required: 42,768 gallons per flush

Estimated flush to reduce water age excluding water demand: 248,221 gallons

Estimated cost for total flush excluding water tanks: $876 per flush

Estimated to control DBP: 12 flushes per years - total $10,515 per year

Option 3: Explore a new water source.

Enhanced treatment processes, including granular activated carbon (GAO) for disinfection byproduct (DBP) removal recently upgraded in the Danville water system.

Alternate 1-A.2: Connect to the City of Danville (Airport Road)

Item	Units	Amount
Wet Taps	2 each	$6,000
Fences	400 LF	$3,800
Air Release	25 each	$60,000
Valves	3 each	$4,350
Creek Crossings	5 each	$15,900
Telemetry	1 each	$20,000
Pumps	2 each	$100,000
Driveways	LS	$40,000
8-inch Class 200 pipe	22,223 LF	$399,870
Highway Crossing	3 each	$11,200
Master Meter	1 each	$20,000
Miscellaneous*	LS	$27,799
Mobile/Demobile	LS	$25,000
Total Construction	LS	$733,919
Contingency (10%)	LS	$88,392
Total Cost		$822,311

* Miscellaneous cost includes fittings, fencing, asphalt repair, landscaping, seeding, unanticipated changes, etc.

(e) Refer to the Investigated Solutions. Explain whether McKinney District selected Option 1, 2, or 3, and why it was selected over the others.

Response No. 9(e). Non-Monetary Factors

Phase 1A

The Phase 1A project is primarily to address the issues McKinney District is facing with both Agreed Orders from the Division of Water. These issues revolve around the water quality and quantity in the system. The primary source of the water quality problem is the source of the water from the City of Stanford. Although the City is currently looking at a project to address the water quality from its treatment plant, it is still years from completion. McKinney District could also

expect another rate increase with the additional cost of treatment construction and operation. For these reasons McKinney District has considered alternative water source options. The current connection to the City of Eubank does not lend itself to a viable option due to capacity limits. The City of Eubank also has water quality issues, and the cost of the water is much higher. Therefore, a connection to the City of Danville was considered the best option. The other two options do not address the other problems within the system such as low water pressure in certain areas. The City of Danville has completed an upgrade to their water treatment plant which should already be programmed into their current rates where the City of Stanford has yet to deal with the treatment plant problems.

Request No. 10. Refer to the Application, Exhibit A, part 2, Low Pressure Areas.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Provide the agreed order for low pressure in several areas.

Response No. 10(a). See attached **Exhibit "F"**.

(b) Provide a list of all areas under low pressure.

Response No. 10(b). The following roads have at least one section of line with minor to significant low pressure problems when the water tank levels fall below normal levels: Ky Highway 198 in two locations; Spoonamore Lane; Ky Highway 518 - Mt. Salem Road; Norris Road; Ky Highway 698; Moore's Lane; Blue Lick Road; and Martins Trail.

(c) Provide the approximate cost for each of the two investigated options.

Response No. 10(c). Option 1 - Stanford Pump and Water Main Upgrades:

Item	Units	Amount
Pumps	2 each	$120,000
Fences/Driveways/Etc.	LS	$30,000
Telemetry	1 each	$20,000
8-inch Class 200 pipe	40,175 LF	$723,000
Highway Crossing	3 each	$10,000
Air Releases	25 each	$20,000
Master Meter	each	$20,000
Miscellaneous	LS	$95,000
Total Construction		$1,038,000
Contingency (10%)		$103,800
Total Cost		$1,141,800

Option 2 - Multiple Boost Pumps to system to increase pressure in problem areas:

Item	Units	Amount
Pumps	9 each	$1,080,000
Telemetry	9 each	$180,000
Miscellaneous	LS	$95,000
Total Construction		$1,355,000
Contingency (10%)		$135,500
Total Cost		$1,490,500

Option 3 - New Ground Storage Tank - McKinney Bluff: new water tank at higher elevation:

Item	Units	Amount
Road	LS	$35,000
Site Preparation	LS	$50,000
Pipe	3,300 LF	$60,000
Pump Modification	LS	$30,000
Tank, Foundation & Piping	LS	$575,000
Telemetry	LS	$40,000
Miscellaneous	LS	$26,000
Total Construction		$816,000
Contingency (10%)		$81,600
Total Cost		$897,600

(d) Refer to the Investigated Solutions. Explain whether McKinney District selected Option 1, 2, or 3, and why it was selected over the others.

Response No. 10(d). Option 1 – Upgrade Ballpark Pumps and Improve Connection to Stanford: The project would require construction of a new pump station and water mains for a better connection to the Stanford water system.

Benefits: The improved connection to the Stanford water system will improve the water flow issues with the current connection.

Negatives: The improved water connection will not improve water quality. It will not improve the water supply and the limits the Stanford water system has in raw water supply and treatment. It will not improve the cost of the water supply for current cost and for future cost when Stanford needs to improve their treatment plant. It will not improve the pressure problems or the low pressure when Stanford water tanks drop water levels.

Option 2 – Install Pumps to increase water pressure in problem areas: The project would require construction of new pump stations in numerous locations.

Benefits: The improved pressure would allow water tanks to drop below normal levels in high water demand and low supply.

Negatives: The installed pumps will not improve water quality. It will not improve the water supply and the limits the Stanford water system has in raw water supply and treatment. It will not improve the cost of the water supply for current cost and for future cost when Stanford needs to improve their treatment plant. The installation will increase the operating cost of electricity, operations, and maintenance. This option will increase the complexity of the water system.

Option 3 – Build a new glass-lined tank(s) on top of the McKinney Bluff or other location to replace the existing water standpipe tanks. This will increase water pressure and make all the water in the tank usable water. It will reduce pump cycles and increase efficiency and reliability of the water system.

Benefits: The primary benefit to this option is to eliminate low water pressure zones in the water system. Secondly, it will add water turnover in the tanks and will improve water age and water quality. It will also make all the water stored usable for the system.

Negatives: The Project will be costly for McKinney District. It will require the acquisition of additional property and easements for the new tank site. It will require additional environmental-historical investigations of the site. The operation and maintenance cost of the new tank will need to be investigated to determine the best type of tanks for McKinney District.

Request No. 11. Refer to the Application, Exhibit A, part 3, Water Supply Problems.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Explain whether there are any additional costs besides the City of Stanford's planned expansions.

Response No. 11(a). The following are several reasons why the water supply problem is critical: (i) the City of Stanford terminated the water service in a cold period near Christmas 2022, due to the water demand exceeding the ability of the water treatment plant to produce enough water; (ii) the City of Stanford informed McKinney District that termination of the water service was imminent in a dry period in the fall of 2023, due to the water level in the raw water supply lake falling below operational levels. Service was not terminated due to rainfall coming in time; and (iii) the City of Stanford informed McKinney District that termination of the water service was imminent

in a cold period near Christmas 2023, due to the water demand exceeding the ability of the water treatment plant to produce enough water. Service was not terminated.

(b) Provide the approximate rate increase for the new project.

Response No. 11(b). Projections are based on the following assumptions:

(i) Water revenues will increase by approximately 22% by 2026 and then approximately 2% thereafter due to a rate increase.

(ii) Water purchasing expenses will decrease approximately $47,000 once McKinney District connects to Danville in 2025.

(iii) Expenses will increase 2% for inflation.

(iv) Debt service coverage is 1 .1 in 2026 when principal and interest repayments begin.

Based on the pro forma assumptions, McKinney District shows adequate cash flow to repay the KIA Fund A loan and RWFA Loan.

(c) Refer to the Investigated Solutions. Explain whether McKinney District selected Option 1, or 2, and why it was selected over the other.

Response No. 11(c). McKinney District Board of Commissioners selected Option 2 Danville connection to pursue an additional third water supply source. The reasons go back several years to numerous problems that McKinney District has had with the City of Stanford.

(d) Explain whether McKinney District will continue to purchase water from the cities of Stanford and Eubank.

Response No. 11(d). Yes, McKinney District will continue to purchase water from the Cities of Stanford and Eubank. The following are the amounts that can be expected to be purchased based on a 7 year average:

Meter Name	Ballpark	Neals Creek	Rowland	Ottenheim	Greasy Creek	Skyline
Proposed Service by	Danville	Stanford	Stanford	Eubank	Danville	Eubank
Average day	157,339	78,094	11,884	43,298	21,177	7,689
Peak Day	210,161	129,467	18,100	54,587	39,352	12,507

Request No. 12. Refer to the Application, Exhibit A, part 4, Storage Capacity.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Provide a detailed asset listing as of December 31, 2024. Designate each of McKinney District's current storage tanks, the net book value, and the remaining useful life.

Response No. 12(a). See attached **Exhibit "G"** and **Exhibit "H"**.

(b) Explain how McKinney District determined the best place to install a storage tank.

Response No. 12(b). McKinney District already owned the proposed tank site property. It was donated to McKinney District by a cable television company which is no longer in business. The site already had access roads and utilities built to the site to access the antennas of the cable television company. It is also immediately above the existing McKinney water tank and behind the McKinney District office building. This makes access and security easier for the new tank site.

(c) Provide the approximate cost for each of the explored options.

Response No. 12(c). Water Storage Tank(s) Options considered:

Option 1 - build new tanks on McKinney Bluff - steel glass-lined:

Item	Units	Amount
Road	LS	$35,000
Site Prep	LS	$50,000
Pipe	3,300 LF	$60,000
Pump Modification	LS	$30,000
Tank, Foundation & Pipe	LS	$575,000
Telemetry	LS	$40,000

Miscellaneous	LS	$26,000
Construction		$816,000
Contingency		$81,600
Total Cost		$897,600

Option 2 - Raising the existing standpipe tanks:

Item	Units	Amount
Rehab Tanks	2 each	$350,000
Foundations	2 each	$102,000
Tanks Structures	2 each	$200,000
Miscellaneous	LS	$62,100
Construction		$714,100
Contingency		$99,315
Total Cost		$813,415

(d) Refer to the Investigated Solutions. Explain whether McKinney District selected Option 1, or 2, and why it was selected over the other.

Response No. 12(d). Option 1 was selected by the Board of Commissioners.

Build a new glass-lined tank(s) on top of the McKinney Bluff or other location to replace the existing water standpipe tanks. This will increase water pressure and make all the water in the tank usable water. It will reduce pump cycles and increase efficiency and reliability of the water system.

Benefits: The primary benefit to this option is to eliminate the low water pressure zones in the water system. Second, it will add water turnover in the tanks and will improve water age and water quality. It will make all the water stored usable water for the system. The operations and maintenance cost of the new tank will be less than the two existing water standpipe tanks.

Negatives: The Project will be an additional cost for McKinney District. It will most likely require additional foundational, environmental/historical investigations of the site.

Request No. 13. Refer to the Application, Exhibit A, Proposed Projects which states the combined cost of Phase 1A is $1,626,020 and the combined cost of Phase 1B is $4,450,311. Refer also to the Application, Exhibit C which states the cost of Phase 1A is $1,361,138.55 and the cost of Phase 1B is $4,973,182.79.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Reconcile the discrepancy in the total project cost of Phase 1A.

Response No. 13(a). The combined cost of Phase 1A is $1,626,020 and contains the cost for the total contract 1 which includes the amount that the City of Danville will pay. McKinney District is not responsible for a portion of this amount.

Phase 1A is $1,361,138.55 and the correct amount for McKinney District's portion of Contract 1. This does not include contingency. It is the expected cost with no change orders.

(b) Reconcile the discrepancy in the total project cost of Phase 1B.

Response No. 13(b). The cost of Phase 1B is $4,450,311 and the amount of the contractor bid. It does not include Engineering, Legal, Land, Administrative, or contingency.

The combined cost of Phase 1B is $4,973,182.79 and is the correct amount of cost to McKinney District. It does not include contingency. It is the expected cost with no change orders.

Request No. 14. Refer to the Application, Exhibit A, Proposed Projects, Phase 1A, Project Profile reference WX21137053. The audit tab reflects that none of the project details have been updated since October, 2019. Confirm whether the components listed reflect the proposed plan. If not confirmed, provide the corrected components.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 14. The plan components have not changed since 2019. The funding and construction cost have changed and are included in other parts of the filed Application.

Request No. 15. Refer to the Application, Exhibit A, Recommendations.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Provide a detailed fixed asset schedule as of December 31, 2024, designating all asbestos cement supply lines.

Response No. 15(a). See attached **Exhibit "I"**, Item #43 under USOA account #331 which are the asbestos cement supply lines. Also, Table 4B on pages 7 and 8 of the Water Loss Investigation and Response plan (filed as a separate document with this Response) includes a more detailed listing of the asbestos cement supply lines.

(b) Explain how McKinney District chose which lines to prioritize, and why the lines in Phase 1B were chosen for replacement.

Response No. 15(b). The following is the analysis done to determine lines to be replaced.

Alternate 1B-1: This portion of the project is to replace and upgrade the existing Asbestos Cement water mains along Ky Hwy 78 and Ky Hwy 198 in the water system. These lines were laid in the 1960's and will be seeing higher pressures with the completion of the other projects. The new lines will be larger to accommodate the higher flows the project will generate, and future customer demands.

Alternate 1B-2: This alternate will be the do nothing alternates of the Phase 1B portion of the project. The do-nothing Phase 1B will increase the operating cost due to additional water loss, water leak repair and increased pumping cost.

Alternate 1B-3: The project is primarily intended to replace asbestos cement water mains in the water system. In addition, the project will address a number of other issues in the system as follows:

1) replace 6-inch asbestos cement water mains along Ky Hwy 78 and Ky Hwy 198 with a new 8-inch-high pressure PVC main.

2) add an additional 8-inch water main from the end of the Phase 1A project on Ky Hwy 1194 to Ky Hwy 78 to reduce the water pressures in the existing aged lines in this area. The new higher tanks will increase some of these main line pressures to 210 psi in lower elevations. This may be too much pressure for some of the aged lines and will cause maintenance issues for McKinney District. Therefore, these lines will be bypassed by the new 8-inch main and supplied through pressure regulators.

3) place a new water booster station on McKinney Ridge to feed the higher elevation to replace the Eubank water connection on the west side of US Hwy 27. Install 4-inch water main from Ky Hwy 198 to McKinney Ridge Road.

4) replace the 3-inch water main on Old Ky Hwy 518 (Mt Salem Road) with a larger main to manage higher demands due to organic farming operations in this location.

5) upgrade the existing Stanford pump and electrical panel to provide emergency backup water supply to the higher pressure required to fill the new water tank in Phase 1B project.

Alternate 1B-4: The project in Alternate 1B-3 proved to be impractical due to one of the property owners being a member of the Stanford Water Board which made the easement unattainable without the use of eminent domain. Some funding sources prohibit eminent domain proceedings.

As a result, the project considered a different route from Ky Hwy 1194 to Ky Hwy 78 along Hanging Fork and a portion of Peyton's Well Road. The other upgrades would remain as above in alternate 1B-3.

This new route is shorter than the previous route by 3,573 feet, however it does not replace as much asbestos cement mains as proposed above.

This route was of concern to McKinney District due to its remote location and difficulty in access to maintain the line in the future.

Alternate 1B-5: This alternate is another route revision of the above. This route will follow the roads of Ky Hwy 1194 and Peyton's Well Road to its intersection with Ky Hwy 78. Its distance of 19,784 feet is slightly longer than Alternate 1B-3. Its main benefit is that it will utilize existing easements and the right way for construction. It also allows for the removal of an equal number of existing pipes thereby eliminating maintenance and leakage issues. For these reasons this becomes the recommended route and Alternative.

Alternate 1B-6: This alternate is an addition to the above Phase 1B Alternatives (Alt 1B.3.1, Alt 1B.3.2 and Alt 1B.5). This route will involve 1,463 feet of a 6-inch main to be laid along Water Tower Hill St. to the Geneva Road and along the Geneva Road to the water line that crosses the Railroad and serves the section of Ky Hwy 198 to the south-west. This line is proposed in order to maintain the highest pressure in the area of highest demand and elevation (the NOV)

while reducing the pressure in the McKinney area to only slightly higher than it is now even with the higher water tank. This line will bypass most of McKinney and allow the pressure in the McKinney area to be regulated by pressure reducers without lowering pressures in the trouble areas along Ky Hwy 198 south-west. This may replace some 2-inch water main on Water Tower Hill St. and some 6-inch asbestos water main on Geneva Road.

Summary of Present Worth of Alternates:

Cost Category	Alt 1B-1	Alt 1B-2	Alt 1B-3
Construction Cost Estimate	$967,120	$0	$152,850
Annual O&M Cost (savings)	$0	$20,000	$17,086
Painting/Cleaning Cost	$0	$0	$0
Electric/Pumping cost	$1,040	$5,200	$0
Decommissioning	$0		
Net Present Worth	$949,705	$421,969	($133,251)
Recommended Project	$949,705		($133,251)

(c) Provide any priority lists of McKinney District's line replacements.

Response No. 15(c). The following is a list of water lines that McKinney District has determined to be the priority for replacement due to maintenance and water loss problems:

Location	Size	Type	Age	Length(ft)
Roland Area	6"	PVC	1975	3,995
	3"	PVC	1975	8,078
	2"	PVC	1975	4,717
McKinney Town	6"	ABC	1960	9,510
	4"	ABC	1960	4,289
	3"	ABC	1960	755
	2"	??	1960	11,872
KY 198 South	6"	ABC	1960	19,270

KY 78 East	6"	ABC	1960	19,060
Neals Creek	6"	PVC	1970	21,996
	4"	PVC	1970	8,495
	3"	PVC	1970	15,846
	2"	PVC	1970	1,850
KY 698 South	6"	PVC	1990	2,909
Blue Lick Rd	4"	PVC	1974	16,262

(d) Explain how these recommendations will improve water loss in McKinney District.

Response No. 15(d). This project is not specifically designed to improve water loss, but to reduce the cost of water purchased, water quality and water quantity. It is, however, expected to improve water loss in this part of the system by finding and removing or billing illegal or unauthorized connections. It will further isolate the sections of the system by installing numerous meter locations, assisting in the isolation of different water mains to narrow down the search for water loss. It will replace miles of 60-year-old asbestos water mains that are of concern for water loss.

Request No. 16. Refer to the Application, Exhibit B, Copies of Permits. State whether McKinney District will need to obtain any additional permits or easements if granted the requests in this Application. If so, list those permits or easements.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

Response No. 16. There is one easement still to be acquired. It is an Eminent Domain Circuit Court case that was filed many months ago. We received the Interlocutory Judgement, however the Judge set it aside at the request of the property owner until McKinney received Kentucky Public Service Commission approval for the project. We do not anticipate the need for any other additional permits or easements currently.

Request No. 17. Refer to the Application, Exhibit O, Certified Bid Tabulations.

Witness: Marty Spears, P.E., AGE Engineering Services, Inc.

(a) Explain why the contracted bid amount from Frederick & May Construction is higher than the engineer's estimate for the base bid for Contract 2 and both alternatives.

Response No. 17(a). If you look at the bid tab for the base bid for Frederick and May, 91% of the cost difference for the contractor bid compared to the engineer's estimate is in three general items. First the pipe item in the contract bid was approximately $463,000 over the estimate. The other two are the pressure reducing and zone metering installations and the water customer meter upgrade and changeouts. These are $90,000 and $110,000, respectively.

If you look at the bid tab for the Add Alternate One for Frederick and May, 90 % of the cost difference for the contractor bid compared to the engineer's estimate is in one general item. The pipe item in this contract bid is approximately $40,000 over the estimate.

If you look at the bid tab for the Add Alternate Two for Frederick and May, 95 % of the cost difference for the contractor bid compared to the engineer's estimate is in two general items. The Pump Station item and Pump Station Telemetry in this contract bid is approximately $167,000 over the estimate.

(b) Explain whether McKinney District discussed with its engineers why the contracted bid amount(s) is higher than the estimated project expense and whether the bids are reasonable.

Response No. 17(b). A discussion was held with the Board of Commissioners regarding rebidding of the project. Since we did get two bids on the project and Contract One had five bidding contractors who all had the same information on contract 2, and there were 13 sets of

plan holders out looking at the bid, the Board did not feel bidding again would be of any benefit. The onerous regulations required by CDBG is always a deterrent to contractors' bidding.

We recently bid a small project that came in over 150% higher than the estimate. We rebid the project four times, and the price went up all four times.

(c) Explain whether McKinney District considered re-opening the bidding process to see if a bidder comes in closer to the engineer's estimate.

Response No. 17(c). The McKinney Water District Board of Commissioners did consider the reopening of bid for both contract 2 and contract 3 the Water Tank but decided against concerned that the price may go up instead of down.

(d) State whether the Glass Lined Tank of Kentucky was the only bid received for Phase 1B Contract 3 Water Tanks. Provide the length of the bid period and explain whether McKinney District considered extending the bid period or reoffering the bid.

Response No. 17(d). The Commonwealth of Kentucky requires a bid window of not less than 7 days nor more than 21 days for advertisement before the bid date. The printed ad was sent to the paper on October 30, 2024 and was published on November 7, 2024. The plans and specifications were sent to Lynn Imaging on October 31, 2024, and available to the public for use at that time. The bid date of the project was November 20, 2024.

In addition to this the engineers were in contact with the following tank contractors on the following date regarding this project.

1-21-2020

2-3-2023

11-4-2024

11-5-2024

11-13-2024

The companies in discussion were as follows: These quotes were for tank only not site work. The bid amount was $434,800 for the tank and $811,165 for the entire project.

Ky Glass lined Tanks, INC	Quote 2-3-2023	$380,000
Pittsburg Tank and Tower	Quote 2-2-2023	$446,750
TARSCO Bolted Tank	No Quote	11-4-2024.

Based on the information available and with three contractors holding plans with only one bidding, the engineers did not recommend rebidding. The Board of Commissioners agreed.

Verification of Response to Commission Staff's First Request for Information

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 Responses for which he is identified as the witness, and the answers contained in said Responses are true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry.

Marty Spears

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

Respectfully Submitted,
Rubin & Hays

By _____

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 McKinney Water District
wrjones@rubinhays.com

CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that the McKinney Water District's electronic filing of the foregoing Response is a true and accurate copy of the same document being electronically transmitted to the Kentucky Public Service Commission on March 10, 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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Counsel for McKinney Water District
wrjones@rubinhays.com

LIST OF EXHIBITS

Exhibit	Description
A	Water Loss Documentation
B	Proposed Phase 3 WRIS Project Profile
C	DOW Notice of Violation
D	Financial Impact
E	Agreed Order
F	Agreed Order - Low Pressure
G	Book Asset Detail - 2024
H	Tank Book Values and Remaining Lives
I	Fixed Asset Schedule - 2024

EXHIBIT A

Water Loss Documentation

McKinney Water District

2900 Ky Hwy 198, P O Box 7, McKinney, KY 40448, Phone (606) 346-2220

mckinneywaterdistrict@gmail.com Fax (606) 346-5145 Matt Rankin, Chairman

April 18, 2024

Michael C. Nantz
Director, Division of Inspection
Kentucky Public Service Commission

RE: Response to PSC Letter of March 14, 2024

Dear Sirs,

The McKinney Water District has undertaken several significant programs to combat the deficiencies enumerated in the referenced letter. Following is a summary of those projects.

1) Utility is not instructing employees who, in the course of their work, are subject to hazard of electric shock, asphyxiation, or drowning, in accepted methods or artificial respiration. (exp. CPR)

RESPONSE: The Utility will have a CPR class and certification for the employees to the District. In addition a safety training course will be offered to the employees.

2) Utility is failing to operate its facilities so as to provide adequate and safe service to its customers as required 807 KAR 5:066, Section 7, due to water loss exceeding 15 percent.

RESPONSE: The District has had a long history of exceeding the desirable water loss for the system. For many years the District was in an expansion mode as funds were available to expand the system as promoted by Kentucky State Government. Much of the District system that is having difficulty with the water loss is the older part of the system that has not been updated or replaced. This is primarily due to the lack of funds made available for such activities. The District is in a poorer section of Lincoln County as was seen recently in an income survey for a CDBG grant application. The Low to Moderate income (LMI) of the area was around 65%. This makes raising funds (rate increases) to replace water mains to customer that already have water service and no new customers added to offset the cost very difficult. Capital expenditures, such as replacing water meters and other needed improvements, have the same problem.

Plans for Improvements:

A) Phase 1B Water Main Improvements Project: WX #: WX 21137017

Contract 2 -- Phase 1B: Construction of New 8-inch (from Ky 1194 to Ky 198 in McKinney), 6-inch (from Water Tank Rd to Geneva Rd), and 4-inch for McKinney Ridge Road, Old Ky Hwy 518, and Martins Trail water mains to increase pressure, capacity and replace aging water mains, to improve water flow to low pressure or high demand areas.

Contract 2: (Phase 1B)

35,337 feet - 8-inch Class 200 PVC DR 21 pipe replacing existing lines
1,463 feet - 6-inch Class 200 PVC DR21 pipe replacing existing lines
7,792 feet - 4-inch Class 200 PVC DR21 pipe replacing existing lines
Duplex Booster Pumping Station 100gpm each (VFD)

New Customers added -0

B) McKinney Water Project Phase 3 WX #: WX 21137065

Project Schedule: January 2026

Project Description:

The McKinney Water District is undertaking a project to develop, correct and improve the existing water system. The District is and has been experiencing a recurring water loss problem for many years. The existing system is aging and much of the system has been built by others in a manner that does not lend itself to longevity. The District will develop a project to include the following:

1) Upgrade the existing customer meters in the system to an automated reading system.

2) Develop and install a master check meter system to identify areas with water leak trouble to help eliminate leaks both now and continuing into the future.

3) Develop and implement a plan to repair known trouble areas for both water mains and service lines that shows to be constantly leak prone.

4) Replace inoperable main valves, service lines, and meter setters in areas of high water loss.

The above project will take several years to complete and require significant grant funds to accomplish. The District has accepted the need and the requirements to accomplish these as a necessary part of operating the water system. They have also taken steps to acquire additional water supply to mitigate the problems the City of Stanford has had in supplying for the past two Decembers.

3) Utility has 5/8" x3/4" meters that have been in service fro 10 years without being tested contrary to the table in 807 KAR 5:066, Section 16(1).

The system has a continuing problem maintaining an adequate staff to meet the needs of meter reading and meter replacement. This also contributes to other maintenance needs that are not always met with the required personnel. The planned project along with the current annual meter replacement program

will address the need to replace these older meters. All new meters will be equipped to upgrade to the auto-read capability when this program is initiated.

From Water Loss and Investigation Report October 26, 2023, Page 9

4. Customer meter replacement program:

The District will continue and accelerate the customer meter replacement program. The District will continue to identify deficient meters and replace immediately. The District will continue to replace meters that are more than 10 years old as identified by the customer meter installation information. The District is currently behind in the replacement of old meters for 2023. This is partially due to the increase in cost of new meters. The District will complete replacing all customer meters 10 years or older on an annual basis by the end of October each year. All new meters will be equipped to use a new automated reading system as well as manual read capability. The District's meter replacement program will begin a program to replace all the meters in the zones with highest water loss with an automated meter reading system regardless of age. All water meters slow with age. In addition they do not record very low flow such as drips and small leaks in customer lines. New technology can help identify some of these issues.

4) Utility is not in compliance with Division of Water due to an agreed Order pertaining to adequate pressure.

The District is in a full reconstruction project (Phase 1B, Contract 3 see below) for a new water tank to replace the two existing standpipes in the system. This has a twofold benefit to the system. First, it will improve the water quality of DBP's. Second, it will increase the water pressure throughout this part of the system.

Contract 3 -- Phase 1B: Construct an access road, water main, and new 250,000 gallon nominal capacity water tank in the McKinney area to improve water quality, water pressure, and water storage capacity.

Contract 3: (Phase 1B)

843 feet - 8-inch Class 200 PVC DR21 pipe
Access Road
250,000 gallon Glass-Lined bolted steel water tank
Telemetry
Valve Vault
Security Fencing
New Customers added -0

Most of these issues identified in the letter of March 14, 2024 require major changes in the facilities of the District's water system. It takes years to find funds and implement the necessary legal , engineering, construction and operational change some of these items require.

We submit this response to you as requested.

Sincerely,

Matt Rankin

Chairman, McKinney Water District

Copy:
Erin Donges, Inspector PSC ; erin.donges@ky.gov
File
Lonnie Brown
J Woods Adams, Lincoln County Judge Executive

McKinney Water District

2900 Ky Hwy 198, P O Box 7, McKinney, KY 40448, Phone (606) 346-2220

mckinneywaterdistrict@gmail.com Fax (606) 346-5145 Matt Rankin, Chairman

Water Loss Prevention

Audit and Plan

July 2022

I. Water Loss Summary:

The McKinney Water District (District) last planned for water loss detection in 2011 when Kenvirons, Inc. assisted the District in develpeming a plan and implementing it for a period of time. When the project started in June 2011 the water loss was 42%, by April 2012 the water loss was calculated at 16.7% of water purchased. The Plan established a process for water loss detection and elimination that if followed would result in control of water loss at a level of near 15% which is the industrial standard target maximum water loss. However, due to staff shortages, turnover and other staffing problems the recommended water loss operations were only partially completed and maintained.

II. Statement of Problem:

The McKinney Water District is a drinking water system which has developed over the last 57 years to the point where it serves the majority of the rural portions of Lincoln County. The system is presently in a condition that allowed a unaccounted water loss of 35.7% in 2021. In a record review the District reported a water loss of 14% in 1997. Since 1997 the district has added more than 35 miles of water mains. The system

currently has 676,436 feet (128 miles see table 2 for more details) of water mains. In the previously discussed water loss Plan the water loss was 16.7% in 2012. The system has six master meters purchasing water from the Cities of Stanford and Eubank. The system serves 2308 water customers. The 7 year average water usage from the City of Stanford was 247,317 gpd at a rate of $2.99 per 1,000 g, and form the City Eubank was 72,164 gpd at a rate of $3.60 per 1,000 g. The effective combined purchase price was $3.15 per 1,000 g. The cost of the water loss at 35.7% was $359.27 per day or $131,134 per year based on 7 year average water usage.

The 2022 current water purchases for the Cities is 310,795 gpd at $3.23 per 1,000 g from Stanford and 74.341 gpd at $3.60 per 1,000 g from Eubank. The system water loss for each City is 39.31% for Stanford and 9.51% for Eubank. The cost of lost water for each is $394.62 for Stanford and $25.45 for Eubank each day. This is an annualized total of $153,326.22 per year.

III. Current Operations Targeting Water Loss:

1. Water Usage Accounting:

The District uses a number of operational techniques to determine the water purchase and usage for various branches of the water system. Following is a list of the Master Meters and the subsequent flow and check meters identified in each branch.

Master Meter	Flow Metered Branch	Test (check) Meter
Ball Bark	Ball Park	Thornhill Lane
	Short Pike	Ky Hwy 518
	Petreys	Ky Hwy 1778
		Happy Hollow
		Tombs Hollow
		Moccason Road
	Bonneville	
Rowland		
Neals Creek		Sunvalley Rd
		Maywood 1

Master Meter	Flow Metered Branch	Maywood 2 US HWY 27 1 North Test (check) Meter US HWY 27 2 South
Ottenheim		
West Skyline		

NOTE: The Master meter is the meter to purchase water from the provider.
Flow Meter Branch is a permanent installed meter to measure the follow to a branch.
Test (check) meter is a meter at a valve to manually check the instantaneous flow at that time for potential leaks or other problems in the specific branch of the system.

In normal operations are to do the water loss accounting is done for the master and flow meter branches of the system on monthly bases. It should be noted that the water bought and sold for anytime period is approximate due to timing of meter readings. The test meters are not included in the accounting on a regular basis but can be used manually during times of low flow demand due to the nature of the typical installation. These meters are best used at night time for most useful results.

2. 2022 Water Usage Accounting:

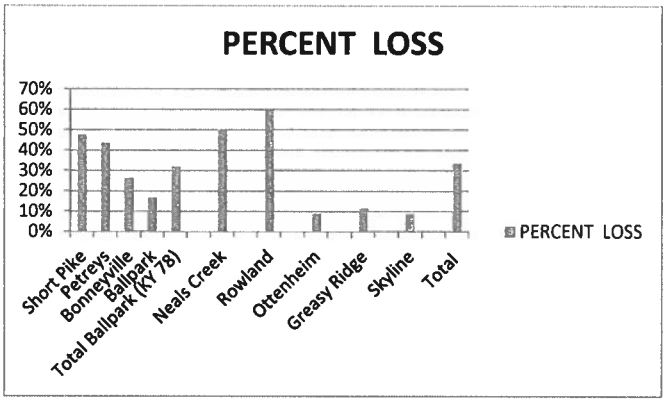
The District produces their monthly water loss report for the PSC. In this report the District accounts for water loss in numerous branches of the system. Table 1 shows the areas and the results for these accountings for 2022.

Table 1

Water Branch Location	22-Jan Bought	22-Jan Sold	22-Feb Bought	22-Feb Sold	22-Mar Bought	22-Mar Sold	22-Apr Bought	22-Apr Sold	22-May Bought	22-May Sold	YEAR 2022 Bought	YEAR 2022 Sold	PERCENT LOSS
Short Pike	1,731,500	881,200	1,498,900	709,000	1,713,400	947,900	1,607,100	903,800	1,817,000	937,900	8,367,900	4,379,800	48%
Petreys	1,470,500	821,200	1,192,600	595,300	1,385,900	842,400	1,300,300	765,900	1,455,900	821,000	6,805,200	3,845,800	43%
Bonneyville	496,700	341,800	528,300	295,400	554,800	397,600	414,100	359,100	443,800	399,500	2,437,700	1,793,400	26%

Ballpark	2,729,300	1,558,200	2,648,200	2,915,200	2,320,900	1,861,400	2,250,500	2,051,700	2,681,300	2,121,800	12,630,200	10,508,300	17%
Total Ballpark (KY 78)	6,428,000	3,602,400	5,868,000	4,514,900	5,975,000	4,049,300	5,572,000	4,080,500	6,398,000	4,280,200	30,241,000	20,527,300	32%
Neals Creek	2,537,000	1,195,100	2,672,000	1,458,000	2,684,000	1,246,400	2,444,000	1,388,300	2,805,000	1,225,900	13,142,000	6,513,700	50%
Rowland	692,000	255,400	711,000	307,800	738,000	354,000	660,000	255,600	746,000	266,200	3,547,000	1,439,000	59%
Ottenheim	1,589,000	1,205,400	1,433,000	1,263,800	1,754,000	1,715,800	1,671,000	1,523,100	1,591,000	1,604,800	8,038,000	7,312,900	9%
Greasy Ridge	443,300	377,900	407,700	345,100	435,100	430,500	419,700	384,100	554,600	460,700	2,260,400	1,998,300	12%
Skyline	162,600	150,000	180,500	131,300	177,400	202,000	179,200	142,900	227,400	220,700	927,100	846,900	9%
Total	11,851,900	6,786,200	11,272,200	8,020,900	11,763,500	7,998,000	10,945,900	7,774,500	12,322,000	8,058,500	58,155,500	38,638,100	34%

Chart 1



3. Portable Water Meter Test Program:

The District has purchased a portable ultrasonic strap on water meter for use in the system and the water loss investigations. This meter is a Dynasonic (DXNP-ABS-NN) by Badger Meters. The meter is used by excavating the water main to be tested and strapping on the meter which will record the water flow rate and calculate the flow amount in the water main. This is useful in areas where master or flow branch meters do not now exist. The disadvantage to this meter is the need to excavate the water line and leave a hole in the ground during flow testing. This presents a liability problem for accounting tests that may require multiple days to complete. Recommendation will be made to help with this issue.

Once a problem area is identified and the main leak, service line leak or customer meter issues cannot be easily identified the District staff will use the listening devise to check each customer meters and valves to identify the area expected to be the source of the water flow. Once identified the area will be excavated to determine if a leak exists and to be repaired when found.

4. Customer Water Meter Replacement Program:

The District is currently working on a meter replacement program to replace all meters that are more than 10 years old. They are well into this program but still have more work to do to complete this time. Once complete the District plans to start on replacing 10 year old meters installations.

5. Use of Test (check) Water Meter Program:

The District uses the test meters to narrow down areas to look for water leaks or problems with low pressure that may be reported to the District. In addition these are used when available to check for leak under steams, creek, or rivers for water loss that may not be visible in the stream bed due to water levels in the stream. Since these meters are generally not large enough to allow for full of the pipe they are not used for accounting of water flow for longer periods such as a month. They are beneficial and used to narrow down leak, flow and pressure problems that may be occurring in a master meter area, but not easily identified to a smaller area for further investigation.

IV. Proposed Operations Targeting Water Loss:

1. Communication and Board Support:

The District will hold monthly meetings to address the status of water loss. The Staff and/or contractors will provide to the Board the information as determined by the accounting of the various meter braches in the system. The Board will provide support for the staff and/or contractors in adequate personnel, funds and equipment to assure a unified team effort in the water loss program.

2. Consistent meter reading schedule and accuracy:

The Board will establish a schedule for the reading of all meters in the system. Master and Flow meters should be read daily and the customers meters should be read as nearly to the same time of the month as possible. Monthly water loss calculation dates should match as nearly as possible the customer reading dates. The board must confirm and monitor the reading of all meters and identify and minimize the estimating of

meter readings within the system. The staff and/or contractors must identity all estimated reading each day or month within the accounting or computer system. Accurate and timely meter readings are the most essential part of any water loss program.

The Board will continue to test the master meters on an annual basis.

3. Data analysis:

The District will continue to account for water loss in the zones identified above. The portable ultrasonic meter will be used in various parts of the system to further split the zones into smaller parts to assist in the identification of problem areas. These sites will be shown on the attached map. The test meters sites that exist and any other added will be used to check for specific unexplained water flow in a particular branch in order to identify areas where the portable meter may be useful. This will add to the data analysis that will narrow the problem areas to a more manageable level.

The District will use the data to identify the trouble zones in the system and concentrate the leak detection effort in the areas with either the highest rate of loss or the largest amount of water loss. This will assure the most financial gain for the effort and funds expended.

4. Customer meter replacement program:

The District will continue the customer meter replacement program. The District will continue to identify deficient meters and replace immediately. The District will continue to replace meters that are more than 10 years old as identified by the customer information. The District will complete replacing all customer meters 10 years or older by July 1, 2023. The District's meter replacement program will maintain all customer meters to less than 10 years old by July 2024 and maintain moving forward.

5. Ultrasonic Meter Placement:

The District will install several permanent meter pits to be used as need by the ultrasonic meter to test and retest the branches of the system. This will provide safe, easy and immediate access to the water mains of primary importance to the leak detection program without the expense of a permanent flow meter installation. The District will develop operating procedures to best identify the locations for these meter pits. The District will develop analytical methods to optimize the benefits of use of the portable meter to the water loss program.

6. Operation of Test meters and geo-sound equipment:

The District will develop a program that will consist of staff and/or consultants routinely using portable meters, test meters and/or geo-sound equipment to further investigate and isolate problem areas within the system. Using the analytical data to target the areas of high water loss the program will have personnel operate during nighttime hour to establish areas for further investigation. It is suggested that the staff work regular work hours Monday thru Thursday and nighttime hours Thursday night 11:00 PM to 7:00 AM Friday to complete the work week. This would be done during summer months and dry weather for best benefits. This also avoid overtime for employees as a routine operations. In these night-time investigation geo-phones would be used along with meter readings of the test meters or portable flow meter to narrow down the possible water leak locations. The area would be further investigated by excavation if needed during routine business hours.

V. Proposed Capital Improvements for Water Loss:

1. Meters:

The district will install meter pits for repeated use of the portable ultrasonic meter system. This will provide continuing efforts to control water loss. Additional flow meters (optional) and test meters will be installed on an as needed basis to develop and continue and ongoing water loss program. Also the customer meter replacement program outlined earlier will continue. The attached map will show location of existing and proposed pits and meters. Others will be added as the program determines need.

2. Service line replacement:

One particular area where the District is having repeated leaks in the system is the area of Maywood Loop. This area was constructed with a particular type of tapping devised that has proven to be insufficient and prone to failure. It is proposed as funds may be available to completely replace the service connection of each of the customer taps in this area. It would include about 400 customer taps.

3. Valve replacement:

The District will develop a program to locate and exercise the gate valves in system. Any gate valve which is not fully operational will be replaced. Of particular emphasis will be the gate valves which also allow for the operation of the test meters. Any test meter install will not be accurate if the associated valve does not work properly.

4. Maps:

The District will continue to develop maps that will identify the existing water mains, gate valves, and meters on paper and GPS coordinates.

5. Wholesale water providers and oldest water line replacement:

The District is undertaking the connection of the system to the City of Danville which will provide a third water provider to the system. This will assist the District in purchase of a major portion of the water from whichever provider may be the less expensive. The District is also undertaking a major water main replacement program which will be replacing many miles of the oldest asbestos cement water main in the system. We expect some improvements in the water loss as a result of these line replacements, and customer meter reconnections.

The District's proposed construction project does not include section of highest water loss. It is designed to improve water purchase price and to fix the low pressure problems in the system. Two of the areas of highest water loss are Short Pike and Petreys. Both of these areas currently have the highest water pressure in the system. It is thought that the high pressure in these mains and service lines are a major contributor to the water loss through these meters. The new project with the construction of a new water tank could make the pressure in these area even higher. To combat this and to give the District more control over their system numerous main in-line pressure reducers will be installed at key location in the system. In addition the Project will include flow meters at some of these locations to better monitor the water loss in each of these branch systems.

APPENDIX 1

Water Main Inventory

Area	Main Size	Type	Length	Year	Replaced
McCORMACK	3	PVC	5892	1970	5892
	6	PVC	4305	1970	3180
NEALS CREEK #1	<=2	PVC	2076	1970	
	3	PVC	5112	1970	
	3	PVC	2293	2000	
	4	PVC	19017	1970	
	6	PVC	33169	1970	
	8	PVC	4764	1970	
NEALS CREEK #2	<=2	PVC	1850	1970	
	3	PVC	15846	1970	Replace
	4	PVC	1745	1970	
	4	PVC	6547	1990	
	6	PVC	21826	1970	Service
	6	PVC	172	1990	Connection

Area	Main Size	Type	Length	Year	Replaced
OTTENHEIM #1	<=2	PVC	9979	1970	
	3	PVC	121	1970	
	4	PVC	23607	1970	
	4	PVC	22535	2000	
	6	AC	4406	1960	
	6	PVC	1576	1970	
BALL PARK	<=2	AC	11872	1960	
	3	AC	735	1960	
	4	AC	2649	1960	
	4	PVC	1628	2000	
	6	AC	8447	1960	
	6	AC	606	1970	
	6	PVC	6007	2000	
SHORT PIKE	<=2	PVC	5726	1970	
	3	PVC	9824	1970	3299
	3	PVC	6940	1990	
	4	PVC	12049	1970	
	4	PVC	44729	1990	
	4	PVC	4199	2000	
	6	AC	3402	1970	
	6	PVC	15021	1970	
OTTENHEIM #2	3	PVC	4216	1990	
	3	PVC	11598	2000	
	4	PVC	28128	1970	
	4	PVC	39803	1990	
	4	PVC	5010	2000	
	6	PVC	248	1970	
	6	PVC	5980	2000	
PETREYS	4	PVC	67641	1970	
	4	PVC	14766	1990	

	4	PVC	21372	2000	
	6	AC	2547	1960	
	6	PVC	34850	1990	
	6	PVC	2518	2000	
BALL PARK	4	PVC	91	1960	
	4	PVC	30564	2000	4603
	6	AC	36070	1960	22334
	6	PVC	50362	2000	16722

RESPONSE TO STAFF'S FIRST REQUEST FOR INFORMATION

TO MCKINNEY WATER DISTRICT

Case No 2023-00194

The response is being prepared by Luther Galloway, AGE Engineering Service, Inc on behalf of the McKinney Water District for the response to the request for information on the unaccounted-for water loss reduction plan, and related surcharge expenditures and monitoring.

1. *Refer to page 14 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023. For the Mueller Meters listed under Year One-2024 on the Capital Opinion of Cost Water Loss Surcharge:*

a. *State where in the system the meters will be placed and whether McKinney District currently uses this meter model in its system;*

ANSWER: Yes, Mueller 5/8x3/4 Model 420B is the current model and brand that McKinney Water District is using in its system. The meter cost is currently $170 plus the electronics to make it auto-read is another $110. Prices may change over time. The plan is to install the meters at the following locations by street name. The meter not already Mueller meters will be change in these areas regardless of age. Target areas in this phase will be the high water main pressure areas of Neal's Creek, Maywood and KY Hwy 698 South of Geneva.

Road Name	Approximated Number of meters
Neals Creek Meter Area	Total Meters in this area 475 Meters
Neal Creek Rd	78
US Hwy 27	91
Fairgrounds Rd	22
Sun Valley Rd	24
KY Hwy 1247	26
Maywood Rd	71
Others Roads in the area	50
Total	362
Petrey Check Meter Area	Total Meters in this area 336 Meters
KY Hwy 698	83
Elixer Springs Rd	9
Mocasin Rd	15
KY Hwy 1778	53
Sims Rd	17
Happy Hollow Rd	11
Brown Hollow Rd	19
Rube Brown Rd	18
Other Roads in area	40
Total	246

Change out of meters in these areas will go into Year 2 of the project. The above list is not inclusive all roads and meters in the areas. All meters in these areas will be upgraded as time and funds permit to the new automated reading system.

b. *State whether the meters will be installed by McKinney Water District employees or outside contractors:*

ANSWER: The meters will be stalled by McKinney Water District employees.

c. *State whether the $57,500 cost includes the cost to install the meters;*

ANSWER: The cost DOES NOT include installation cost.

d. *If the Cost to install was not included in the cost estimate, provide an estimated cost to install the meters.*

ANSWER: The cost to install the meters is $ 170.00 per meter for a total cost in this line of $39,100.00 the first year.

2. *Refer to page 14 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023. For the "Pits for ultrasonic meter" listed under Year One-2024 on the Capital Opinion of Cost Water Loss Surcharge:*

a. *State whether the $25,000 provided is an estimate of labor cost to install the pits or whether it include other items or labor;*

ANSWER: The cost includes the cost of the meter vault, meter lid, gravel fill required for foundation, and equipment for excavation and installation of vault.

b. *State whether labor will be provided by McKinney Water District employees or outside contractors:*

ANSWER: The installation will require both McKinney Water District employees and outside contractors and equipment to complete this installation.

c. *State where the meter pits will be located in the McKinney District's system.*

ANSWER: Following is a list of proposed locations. However this may not be a complete list since additional location may be required during analysis of system leak profile and isolation testing. Locations will be installed as funds permit.

#	Pit Location	Lat	Long
1	KY Hwy 698 @ Neals Cr School Rd	37.490612^0	-84.667234^0
2	Berry Hollow Rd At Neals Cr Rd	37.489507^0	-84.659669^0
3	US Hwy 27 at Pine Oak Hill Rd	37.476075^0	-84.640821^0
4	Maywood Rd at Ky Hwy 1247	37.484392^0	-84.630399^0
5	Norris Rd at Mt Salem Rd	37.422465^0	-84.808265^0
6	KY Hwy 198 at Ky Hwy 698	37.391546^0	-84.807997^0

3. *Refer to page 14 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023. For the meter maps listed under Year One-2024 on the Capital Opinion of Cost Water Loss Surcharge:*

a. *Provide an explanation for the $3,500 cost estimate, including what labor or materials are included in the estimate;*

ANSWER: The McKinney Water System has a wide area of service with sparsely scattered meters that are difficult to access and monitor. When the system goes to automated reading systems the meters pit will not be accessed by a person each month. It will be easy to lose the location of these meters thereby contributing to the water loss issues. The plan is to have the meter readers obtain a GPS location on each meter when taking meter readings. This will be done over time (as employee time permits). An outside contractor will reduce these coordinates to a mapping system or GIS for a permanent record and future reference.

b. *State whether any labor will be provided by outside contractors or McKinney Water District employees;*

ANSWER: The cost associated with this is to pay to an outside consultant for the cost of mapping or a GIS of the coordinate data collected.

4. *Refer to page 10 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023. For the Phase 1B Water Improvements Project:*

a. *State whether McKinney Water District anticipates applying to the Commission for a Certificate of Public Convenience and Necessity (CPCN) or financing approval for this project;*

ANSWER: Yes, the District anticipates applying for a CPCN for the Phase 1B (WX 21137017) Project. It is our understanding that the Commission wants construction bids to review when considering CPCN requests.

b. *If so, state when McKinney Water District anticipates filing its application:*

ANSWER: We anticipate bidding the project in April 2024. The application will be filed as soon as the bids are received and appropriate fillings can be prepared.

c. *If no CPCN or financing application is anticipated, explain why not.*

ANSWER; NOT APPLICABLE

5. *Refer to page 4 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023. For the planned construction project to purchase water from the City of Danville, Kentucky:*

a. *Explain whether this construction project is the same project referred to as Phase 1B on page 10 of the "Water Loss Investigation and Response" document;*

ANSWER: No, This project is the Phase 1A (WX 21137053) construction project. This project connects to the City of Danville to acquire additional water resources at a reduced price.

a. *State whether McKinney Water District anticipates applying to the Commission for a Certificate of Public Convenience and Necessity (CPCN) or financing approval for this project;*

ANSWER: Yes, the District anticipates applying for a CPCN. It is our understanding that the Commission wants construction bids to review when considering CPCN requests.

b. *If so, state when McKinney Water District anticipates filing its application:*

ANSWER: We anticipate bidding the project in April 2024. The application will be filed as soon as the bids are received and appropriate fillings can be prepared.

c. *If this project is not the same as Phase 1B and no CPCN or financing application is anticipated, explain why not.*

ANSWER; NOT APPLICABLE

6. *Refer to page 13 and Pages 17-19 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023.*

a. *State whether McKinney Water District intends to use surcharge funds for Phase 2 and Phase 3 of this Water System Improvement Project.*

ANSWER: The Phase 2 Water Project NO LONGER EXISTS and has been rolled into the Phase 1B project at the request of KIA for financing purposes. No surcharge funds will be used in the Phase 1B project. The Phase 3 project is a project planned to meet the needs to the water system above and beyond the Surcharge Funds. It is anticipated the Surcharge funds will be insufficient to meet the targeted requirements of 15% water loss or less. The Phase 3 project is being planned to target the problem areas of the system that have been identified and will be identified. These include the addition of the new meters and reading system to an auto-read system, and the replacement of defective water tapping saddles in the Maywood area which will require outside contractors.

b. *If McKinney Water District intends to use Surcharge funding for Phase 2 or Phase 3 describe the projects and associated costs.*

ANSWER: Phase 2 no longer exists and is now Phase 1B. Surcharge funds will not be used for the Phase 1B project. The Phase 3 project is similar to the Proposed Surcharge Fund Project but in addition too.

For the items listed on Page 13 of the Opinion of Cost following is the expected funding breakdown:

Year One	Item Total	Phase 1B	Phase 3	Surcharge Funds
Check Meters	10,000	10,000		
Inline Flow Meters	70,000	70,000		
Pits for Ultrasonic Meter	25,000			25,000
Mueller Meters	125,000		67,500	57,500
Meter mapping	3,500			3,500
Flush Hydrant Meter	6,000			6,000

Year Two	Item Total	Phase 1B	Phase 3	Surcharge Funds
Check Meters	5,000			5,000
Automated Meter Reading	25,500			25,500
Mueller Meters	345,000		220,000	125,000
Service Line Replacement	400,000		400,000	

Year Three	Item Total	Phase 1B	Phase 3	Surcharge Funds
Mueller Meters	50,000			50,000
Automated Meter Reading	5,500			5,500
Valve Replacement	10,000			10,000

Year Four	Item Total	Phase 1B	Phase 3	Surcharge Funds
Mueller Meters	50,000			50,000
	Totals			

7. Refer to page 13 and 14 of the "Water Loss Investigation and Response" document filed in the proceeding on December 26, 2023. For any expenses that will not be paid for using water loss surcharge funds, state the anticipated source and the amount of any known or anticipated funding.

ANSWER: Phase 1B (WX 21137017) funding:

KIA	$ 2,078,317 Loan
ARC	$ 500,000
Local	$ 62,436
Lincoln County CWF	$287,280
CDBG	$1,000,000
TOTAL	$3,928,033

Phase 3 (WX 21137065) funding:

KIA	$ 660,000	Anticipated
ARC	$ 500,000	Anticipated
Local	$ 300,000	Surcharge funding
TOTAL	$1,460,000	

Certification:

I/we hereby certify that the information and estimates included in this document are, to the best of our knowledge based on information and belief formed after a reasonable inquiry, true and accurate, and that the plan as presented represents the intention of the Board of the McKinney Water District.

Preparer, Luther Galloway
AGE Engineering Services, Inc.

Chairman, Matt Rankin
McKinney Water District

EXHIBIT B

Proposed Phase 3 WRIS Project Profile

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile

Previously assigned WX #:

NARRATIVE [TAB]

* Legal Applicant: McKinney Water District

* Project Schedule: January 2026

* Primary County: Lincoln

* Project Description

The McKinney Water District is undertaking a project to develop, correct and improve the existing water system. The District is and has been experiencing a recurring water loss problem for many years. The existing system is aging and much of the system has been built by others in a mannor that does not lend itself to longevity. The District will develop a project to include the following:
1) Upgrade the existing customer meters in the system to an automated reading system.
2) Develop and install a master check meter system to identify areas with water leak

* Need for the Project

Briefly describe how this project promotes public health or achieves and/or maintains compliance with the Safe Drinking Water Act

The McKinney Water District is and has been suffering with a high water loss for many years. The water loss is near of above the 30% level on a recurring and continuing bases. The PSC has issued a notice to the District to get the water loss down to below 15%. The area served by the District is a very low income area of Lincoln County with low to moderate income level of near 65%. The District has difficulty raising enough funds to implement project to improve and repair the existing system from rates.

Project Alternatives

Note: If project includes the construction of a new treatment plant or upgrade to existing plant, please explain regionalization options here.

* Alternative A

* Alternative B

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

APPLICANT [TAB]

* Legal Applicant: McKinney Water District

Business Contact

First Name: Matt MI: * Last Name: Rankin

Title: Chairman

* Phone: 606 346 2220 Cell:

EMail: mckinneywaterdistrict@gmail.com

Authorized Official

* First Name: Matt MI: * Last Name: Rankin

Title: Chaiman

* Phone: 859 749 4436 Cell:

EMail: mattrainkin@live.com

ADMINISTRATION [TAB]

Project Administrator

* First Name: Karyn MI: * Last Name: Leverenz

Title: Infrastructure Development Coordinator

Organization: BGADD

* Phone: 859 977 9463 Cell:

EMail: kleverenz@bgadd.org

Applicant Contact

* First Name: Matt MI: * Last Name: Rankin

Title:

Organization:

* Phone: 859 749 4436 Cell:

EMail:

Project Engineer

* First Name: Marty MI: * Last Name: Spears

* Phone: 606 669 2843 Cell:

* EMail: mspears@ageengineering.com

* License #: 31674 * Firm Name: AGE Engineering Services,

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

BUDGET AND SCHEDULE [TAB]

◉ Estimated Budget ○ As-Bid Budget

Project Cost Classification

Administrative Expenses: Legal	70000
Expenses:	
Land, Appraisals, Easements:	
Relocation Expense & Payments:	
Planning:	
Engineering Fees - Design:	100000
Engineering Fees - Construction:	5000
Engineering Fees - Inspection:	45000
Engineering Fees - Other:	
Construction:	1100000
Equipment:	30000
Miscellaneous:	
Contingencies:	110000
*** Total Project Cost:**	1460000

Construction Cost Categories

Treatment:	
Transmission and Distribution:	1100000
Lead Remediation:	
Source:	
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized Cost:	
Total Construction Cost:	1100000

Project Funding Sources (Project Readiness Points Received: 30**)

FUNDING SOURCE	AMOUNT	STATUS	APPLICABLE DATE
KIA	660000		2025
ARC	500000		2025
Local	300000		2025

Funding Source Notes:

Estimated Project Schedule

Estimate Environmental Review Submittal Date:
(Project Readiness Points Received: 30**)

Estimated Bid Date: January 2

* Estimated Bid Date required if Funding Source is KIA SRF Fund F Loan (DW)

Estimated Construction Start Date: May 2025

* Estimated Construction Start Date required if Funding Source is KIA SRF Fund F Loan (DW)

Estimated Construction Completion Date: Decembe

**Project Readiness Points - Must meet all three criteria to receive points: 1) submitted plans to DOW for review, 2) Environmental Review cross cutter scoping process is complete, and 3) funding commitments from other funds or DWSRF is sole source.

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

IMPACTS [TAB]

The following systems are beneficiaries of this project

DOW PERMIT ID	SYSTEM NAME

New Customers

New Residential Customers:

New Institutional Customers:

New Commercial Customers:

New Industrial Customers:

New or Improved Service

To Unserved Households: To

Underserved Households:

Economic Impacts

Jobs Created:

Jobs Retained:

VIII. COMPLIANCE AND ENFORCEMENT

☐ This project is necessary to achieve full or partial compliance with a court order, agreed order, or a judicial or administrative consent decree. (Points Received: 5)

Agreed Order Number:

☐ Primary system has not received any SDWA Notices of Violation within the previous state fiscal year (July through June). (Points Received: 2)

☐ This project relates to a public health emergency.

☑ This project will assist a non-compliant system to achieve compliance.

☑ This project will assist a compliant system to meet future requirements.

☐ This project will provide assistance not compliance related

IX. LEAD COMPLIANCE

☐ Primary system has had an action level exceedance (lead concentrations exceed an action level of 15 ppb in more than 10% of customer taps sampled) within the last compliance period. (Points Received: 2)

☐ Primary system has received a lead trigger level exceedance (lead concentrations exceed a trigger level of 10 ppb in more than 10% of customer taps sampled) within the last compliance period. (Points Received: 2)

X. DISADVANTAGED COMMUNITY FINANCIAL NEED

☐ Borrowers with a median household income (MHI) below 80 percent of the Commonwealth's MHI as determined by the current American Community Survey (ACS) 5-Year Estimate (Points Received: 5)

☐ Borrowers with a MHI between 80 and 100 percent of the Commonwealth's MHI as determined by the current ACS 5-Year Estimate (Points Received: 2)

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

COMPONENTS [TAB]

Administrative

- ☐ Planning
- ☑ Design
- ☑ Construction
- ☐ Management

I. Regionalization

Public Water Systems Eliminated (No PFAS detected - Points Received: 150; PFAS detected - Points Received: 200 - 500*)

☐ This project includes the elimination of public water system(s) through merger or acquisition. (elimination of a PWSID)

DOW PERMIT ID	SYSTEM NAME

Water Treatment Plants Eliminated

☐ This project includes the elimination of a water treatment plant as a result of an interconnection (No PFAS detected - Points Received: 150; PFAS detected - Points Received: 200 - 500*)

(GIS) - Must have mapping for proposed point(s) snapped to existing point(s) and set TYPE to WATER TREATMENT PLANT and set STATUS to ELIMINATE and set PURPOSE to INTERCONNECT and set OTHPURPOSE to PFAS Detected

DOW PERMIT ID	SYSTEM NAME / FACILITY NAME

*Points received if PFAS is detected

PFOS or PFOA (ppt or ng/L)	Points	Hazard Index (PFNA, PFHxS, PFBS, HFPO-DA)	Points
>0 - 4	200	>0 - 1	200
4.01 - 8	300	1.1 - 2	300
8.01 - 12	400	2.1 - 3	400
>12	500	>3	500

Source DOW Guidance Document pages 3 - 6

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile

Previously assigned WX #:

II. Public Health Criteria – Water Supply

Acquisition of a new raw water supply (No PFAS detected - Points Received: 150; PFAS detected - Points Received: 200 - 500*)

☐ This project includes acquisition of a new raw water supply.

(GIS) - Must have mapping for proposed line(s) and set ACTIVITY to EXTENSION - FINISHED WATER INTERCONNECT

DOW PERMIT ID	SYSTEM NAME

Acquisition of a new potable water supply (No PFAS detected - Points Received: 150; PFAS detected - Points Received: 200 - 500*)

☐ This project includes acquisition of a new potable water supply.

(GIS) - Must have mapping for proposed line(s) and set ACTIVITY to EXTENSION - FINISHED WATER INTERCONNECT

DOW PERMIT ID	SYSTEM NAME

☐ This project will preventatively address PFAS or other emerging contaminants of the source water.

☐ This project will address current PFAS or other emerging contaminants of the source water.

☐ This project includes the rehabilitation of a dam or reservoir used primarily for drinking water. (Points Received 10)

☐ This project includes land acquisition for water source protection.

Acres to be purchased:

Cost per acre:

(GIS) - Must have mapping for proposed point(s) and set TYPE to SOURCE WATER PROTECTION and set PURPOSE to SOURCE WATER PROTECTION - LAND ACQUISITION

Land Use Control:

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

III. Public Health Criteria – Treatment

☐ This project includes water treatment components.

☐ This project includes a new water treatment plant

Proposed design capacity (MGD):

(GIS) - Must have mapping for proposed point(s) and set TYPE to WATER TREATMENT PLANT, STATUS to NEW, and set PROPOSED CAPACITY

☐ This project includes replacement of raw water lines. (Points Received: 5)

☐ This project includes redundant processes and/or emergency power generators at the treatment facilities. (Points Received: 2)

Number of units provided:

(GIS) - Must have mapping for proposed point(s) and set TYPE to GENERATOR and set PURPOSE to GENERATOR - WATER TREATMENT PLANT

☐ This project includes rehabilitation of an existing water treatment plant. (Points Received: 10)

(GIS) - Must have mapping for proposed point(s) and set TYPE to WATER TREATMENT PLANT and STATUS to REHAB

☐ This project includes infrastructure options to meet Cryptosporidium removal/inactivation requirements. (Points Received: 25)

Explanation of how Cryptosporidium removal/inactivation will be achieved:

☐ This project includes infrastructure options to meet CT inactivation requirements. (Points Received: 20)

Explanation of how CT inactivation will be achieved:

☐ This project includes treatment modifications to meet the Disinfectants/Disinfection Byproducts Rule at the water treatment plant. (Points Received: 25)

Explanation of how Disinfection treatment modifications will be achieved:

Drinking Water Project Profile Pre-Application

Water Resource Information System
Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile. Previously assigned WX #:

III. Public Health Criteria – Treatment (continued)

☐ This project will provide treatment modifications for VOCs, IOCs, SOC, or Radionuclides. (Points Received: 15)

Explanation of how OC/Radionuclides treatment modifications will be achieved:

☐ This project includes treatment modifications to address Secondary Contaminants. (Points Received: 10)

Explanation of how Secondary Contaminants treatment modifications will be achieved:

IV. Public Health Criteria – Distribution

☒ This project includes water distribution and/or storage components.

☒ This project replaces problem water lines (breaks, leaks, or restrictive flows due to age), water lines consisting of asbestos-cement (AC), and/or inadequately sized water lines. (Points Received: 10 for up to first 1000 LF plus 2 pts for each additional 1000 LF)

Total length of line replacement (LF):

(GIS) - Must have mapping for proposed line(s) and set ACTIVITY to REHAB - REPLACE PROBLEM LINES or REHAB - REPLACE LEAD AND/OR ASBESTOS-CEMENT LINES or REHAB - REPLACE UNDERSIZED LINES

☐ In-place or in-situ repair methods will be used in lieu of water line replacement.
Total length of of in-place or in-situ repair (LF)

(GIS) - Must have mapping for proposed line(s) and set ACTIVITY to REHAB - IN-SITU REPAIR

Roads Serviced by Line Replacement (use separate sheet if necessary) ROAD NAME	LF SERVICED
Maywood Rd	4500
Sun Valley Rd	2200
Shank's Ln	600
East St	710
South St	420
Rice Ln	910
Silver Tree Ln	250
Fairground Rd	3100

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

IV. Public Health Criteria - Distribution

☑ This project replaces lines to address excessive water loss due to line leaks/ breaks and unaccounted-for water loss.

(GIS) - Must have mapping for proposed line(s) and set PURPOSE to DISTRIBUTION - WATER EFF - LINE WATER LOSS

>16-30% water loss (Points Received 1)
31-45% water loss (Points Received 2)
>45% water loss (Points Received 5)

Twelve months of water loss calculations must be provided to receive points for water loss

Finished Water Quality

☐ This project includes infrastructure to address inadequate water turnover and disinfection byproducts (DBPs). Examples include the installation of a tank mixing system or looping of waterlines to improve service.

Number of loops created:

DBP violations within the last state fiscal year (Points Received: 5)

No DBP violations within the last state fiscal year (Points Received: 2)

Inadequate turnover and DBPs is addressed as follows:

Finished Water - Redundant Equipment (Total Points: 2)

☐ This project includes emergency power generators for the distribution system. (Points Received: 10 each unit)

Number of units provided:

(GIS) - Must have mapping for proposed point(s) and set TYPE to GENERATOR and set PURPOSE to GENERATOR - DISTRIBUTION SYSTEM

☐ This project includes redundant distribution equipment and/or storage activities. (Points Received: 10)

Explain the redundant distribution equipment:

Water Line Extentions

Points for waterline extensions apply only to existing households

2 points per household for first 10 existing homes plus 2 points for every 10 existing homes

Example: Project A is extending waterline to 55 homes

First 10 homes	20 pts
45 remaining homes (4 x 2 pts = 8)	8 pts
Total	28 pts

☐ This project includes water line extension(s).

Length of extensions (LF):

Number of new connections:

(GIS) - Must have mapping for proposed line(s) and set ACTIVITY to EXTENSION or EXTENSION - FINISHED WATER INTERCONNECT or EXTENSION - RAW WATER INTERCONNECT or EXTENSION - EMERGENCY ONLY INTERCONNECT

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

IV. Public Health Criteria - Distribution (continued)

Hydraulics and Storage

☐ This project includes the construction of new water tank(s). (Points Received: 2 each)

Number of new tank(s):

Proposed storage capacity of new tank(s) (GALLONS):

(GIS) - Must have mapping for proposed point(s) and set TYPE to WATER TANK, set STATUS to NEW, and set PROPOSED CAPACITY

Reason for increased storage:

☐ This project includes the replacement of existing water tank(s).

Number of replacement tank(s):

Number of decommissioned tank(s):

Existing storage capacity of tank(s) being decommissioned (GALLONS):

Proposed storage capacity of replacement tank(s) (GALLONS):

(GIS) - Must have mapping for proposed points and set TYPE to WATER TANK, set STATUS to REPLACE - NEW, and set PROPOSED CAPACITY for replacement tank(s); AND set STATUS to REPLACE - DECOMMISSION, and set EXISTING CAPACITY for decommissioned tank(s)

Reason for replacement storage:

☐ This project includes the rehabilitation of existing water tank(s). (Points Received: 2 each)

Number of rehabilitated tanks:

(GIS) - Must have mapping for proposed point(s) and set TYPE to WATER TANK and set STATUS to REHAB

☐ This project includes the construction of new pump station(s). (Points Received: 2 each)

Number of new pump stations:

(GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION and set STATUS to NEW

☐ This project includes new pump stations for boosting pressure.

(GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION, set STATUS to NEW, and set PURPOSE to PUMP - BOOST PRESSURE

☐ This project includes new pump stations for filling water tanks.

(GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION, set STATUS to NEW, and set PURPOSE to PUMP - FILL TANK

☐ This project includes the rehabilitation of existing pump station(s). (Points Received: 2 each)

Number of rehabilitated pump stations:

(GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION and set STATUS to REHAB

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

Water Distribution and Storage (continued)

V. SERVICE LINE INVENTORY

Points can be applied in this category for developing a process to inventory service lines, including locating and mapping lead service lines (LSL).

☐ The inventory process can include: (check all that apply): (GIS) - Must have mapping for proposed point. Set TYPE to LSL and PURPOSE to INVENTORY
Place one point at System Main Office location

Inventory Development

Water system is improving or continuing work on service line inventories in digital/electronic format required by the Lead and Copper Rule Revisions** for a service line inventory (Points Received: 200) ** refer to section A. Inventory Development LCRR field list on page 8 of DOW DWSRF Guidance Document

- ☐ Records review.
- ☐ Incorporating processes during day-to-day operations.
- ☐ Establishing clear and effective methods to engage with the customers.
- ☐ Creating digital/electronic documentation procedures.
- ☐ Developing water quality sampling procedures.
- ☐ Incorporating vacuum or hydro-excavation procedures and capabilities.
- ☐ Implementing statistical analysis methods*.
- ☐ Creating or instituting emerging technologies and methods*.
- ☐ Distribution of point-of-use devices to reduce lead during LSL inventory.

* Notify the DOW of use of emerging technologies and statistical analysis methods.

Incorporating GIS to record inventory

☐ Water Systems is using GIS procedures or methods to record the service line inventory (Points Received: 20)

Integrating service line inventory replacement into asset management planning

☐ Points can be applied in this category for water systems that supply documentation detailing how service line inventory replacement will be incorporated into its asset management plan. (Points Received: 20)

Submit verification forms for asset management planning to DOW [PLACE HOLDER HERE]

REPLACEMENT OF LEAD SERVICE LINE AND LEAD COMPONENTS

☐ IThis project replaces lead service lines (Points Received *)
Total number of lead service line replacements:

(GIS) - Must have mapping for proposed point(s). Set TYPE to LSL, STATUS to REHAB, and PURPOSE to REPLACEMENT for each location of LSL replacement.

*1 up to 100 LSL and/or lead component replacements:
(Points Received: 200)
101 to 500 LSL and/or component replacements:
(Points Received: 210)
Greater than 500 LSL and/or component replacements:
(Points Received: 220)

☐ One or more homeowners have declined lead service line replacement.

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile

Previously assigned WX #:

VII. SECURITY

☐ This project includes security components for water treatment facilities. (Points Received: 2)

Explanation of how Treatment facility security is achieved:

(GIS) - Must have mapping for proposed point(s) and set TYPE to SECURITY and set PURPOSE to SECURITY - WATER TREATMENT PLANT or SECURITY - BOTH WTP & DISTRIBUTION SYSTEM

☐ This project includes security components for water distribution infrastructure. (Points Received: 2)

Explanation of how Distribution infrastructure security is achieved::

(GIS) - Must have mapping for proposed point(s) and set TYPE to SECURITY, and set PURPOSE to SECURITY - DISTRIBUTION SYSTEM or SECURITY - BOTH WTP & DISTRIBUTION SYSTEM

SUSTAINABLE INFRASTRUCTURE [TAB]

Green Infrastructure (Points Received: 10 each / 50 maximum)

Green stormwater infrastructure includes a wide array of practices at multiple scales that manage wet weather and that maintains and restores natural hydrology by infiltrating, evapotranspiring and harvesting and using stormwater. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains, and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale, green infrastructure consists of site- and neighborhood-specific practices, such as:

☐ Bioretention	Cost:		☐ Gray water use	Cost:	
☐ Green Roofs	Cost:		☐ Xeriscape	Cost:	
☐ Pervious or Porous Pavement	Cost:		☐ Landscape conversion programs	Cost:	
☐ Rainwater harvesting / Cisterns	Cost:		☐ Use of moisture and rain sensing equipment	Cost:	

Total Green Infrastructure Costs: 0

If any box(es) above are checked, please describe each below.

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

Water Efficiency (Points Received: 1 each / 5 maximum)

EPA's WaterSense program defines water efficiency as use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future. Examples include:

☐ Installing or retrofitting water efficient devices such as plumbing fixtures and appliances (toilets, showerheads, urinals).	Cost:	
☐ Installing any type of water meter in previously unmetered areas (can include backflow prevention if in conjunction with meter replacement).	Cost:	
(GIS) - Must have mapping for proposed point(s) and set TYPE to MASTER METER, RADIO METER, or TRADITIONAL METER and set PURPOSE to WATER EFF - UNMETERED AREA		
☐ Replacing existing broken/malfunctioning water meters with AMR or smart meters, meters with leak detection, backflow prevention.	Cost:	
☑ Retrofitting/adding AMR capabilities or leak equipment to existing meters.	Cost:	635000
(GIS) - Must have mapping for proposed point(s) and set TYPE to MASTER METER, RADIO METER, or TRADITIONAL METER and set PURPOSE to WATER EFF - AMR CAPABILITIES		
☑ Conducting water utility audits, leak detection studies, and water use efficiency baseline studies, which are reasonably expected to result in a capital project or in a reduction in demand to alleviate the need for additional capital investment.	Cost:	15000
☑ Developing conservation plans/programs reasonable expected to result in a water conserving capital project or in a reduction in demand to alleviate the need for capital investment.	Cost:	10000
☐ Recycling and water reuse projects that replace potable sources with non-potable sources (Gray water, condensate, and wastewater effluent reuse systems, extra treatment or distribution costs associated with water reuse).	Cost:	
☐ Retrofit or replacement of existing landscape irrigation systems to more efficient landscape irrigation systems.	Cost:	
☐ Water meter replacement with traditional water meters.*	Cost:	
(GIS) - Must have mapping for proposed point(s) and set TYPE to TRADITIONAL METER and set PURPOSE to WATER EFF - TRADITIONAL METERS		
☑ Distribution pipe replacement or rehabilitation to reduce water loss and prevent water main breaks.*	Cost:	445000
(GIS) - Must have mapping for proposed line(s) and set ACTIVITY to REHAB - REPLACE LEAD AND/OR ASBESTOS-CEMENT LINES, REHAB - REPLACE PROBLEM LINES, or REHAB - REPLACE UNDERSIZED LINES and set PURPOSE to DISTRIBUTION - WATER EFF - LINE WATER LOSS		
☐ Storage tank replacement/rehabilitation to reduce water loss.*	Cost:	
(GIS) - Must have mapping for proposed point(s) and set TYPE to WATER TANK and set PURPOSE to WATER EFF - TANK WATER LOSS		
☐ New water efficient landscape irrigation system, (where there currently is not one.*	Cost:	
☐ Implementation of incentive programs to conserve water such as rebates	Cost:	
☐ Installing WaterSense labeled products (https://www.epa.gov/watersense).	Cost:	
☐ Projects that result from a water efficiency related assessments (such as water audits, leak detection studies, conservation plans, etc.) as long as the assessments adhered to the standard industry practices referenced above.	Cost:	

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile

Previously assigned WX #:

Water Efficiency (continued)

☑	Distribution system leak detection equipment, portable or permanent.	Cost: 50000
☐	Automatic flushing systems (portable or permanent).	Cost:
☐	Pressure reducing valves (PRVs).	Cost:
☐	Internal plant water reuse (such as backwash water recycling).	Cost:

Total Water Efficiency Costs: 1155000

*Denotes that a Business Case may be Required. If any box(es) above (previous page) are checked, please describe each below.

Energy Efficiency (Points Received: 1 each / 5 maximum)

Energy efficiency is the use of improved technologies and practices to reduce the energy consumption of water projects, use energy in a more efficient way, and/or produce/utilize renewable energy. Examples include:

☐	Renewable energy projects, which are part of a public health project, such as wind, solar, geothermal, and micro-hydroelectric that provides power to a utility.	Cost:
☐	Utility-owned or publicly-owned renewable energy projects.	Cost:
☐	Utility energy management planning, including energy assessments, energy audits, optimization studies, and sub-metering of individual processes to determine high energy use areas.	Cost:
☐	Energy efficient retrofits, upgrades, or new pumping systems and treatment processes (including variable frequency drives (VFDs).* (GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION, WATER PUMP, or WATER TREATMENT PLANT and set PURPOSE to ENERGY EFF - VFD DEVICE	Cost:
☐	Pump refurbishment to optimize pump efficiency.* (GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION, WATER PUMP, or WATER TREATMENT PLANT and set PURPOSE to ENERGY EFF - PUMP EFFICIENCY	Cost:
☐	Projects that result from an energy efficient related assessment.*	Cost:
☐	Projects that cost effectively eliminate pumps or pumping stations.* (GIS) - Must have mapping for proposed point(s) and set TYPE to PUMP STATION, WATER PUMP, or WATER TREATMENT PLANT and set PURPOSE to ENERGY EFF - PUMP ELIMINATION	Cost:
☐	Projects that achieve the remaining increments of energy efficiency in a system that is already very efficient.*	Cost:
☐	Upgrade of lighting to energy efficient sources.*	Cost:
☐	Automated and remote control systems (SCADA) that achieve substantial energy savings.* (GIS) - Must have mapping for proposed point(s) and set TYPE to SCADA, set STATUS to NEW or REHAB, and set PURPOSE to ENERGY EFF - SCADA	Cost:

Total Energy Efficiency Costs: 0

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

Energy Efficiency (continued)

*Denotes that a Business Case may be Required. If any box(es) above (previous page) are checked, please describe each below.

Environmentally Innovative (Points Received: 1 each / 5 maximum)

Environmentally innovative projects include those that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way. Examples include:

☐	Total integrated water resources management planning, or other planning framework where project life cycle costs are minimized, which enables communities to adopt more efficient and cost-effective infrastructure solutions.	Cost:
☐	Plans to improve water quantity and quality associated with water system technical, financial, and managerial capacity.	Cost:
☐	Source water protection planning (delineation, monitoring, modeling).	Cost:
☐	Planning activities to prepare for adaptation to the long-term effects of climate change and/or extreme weather.	Cost:
☐	Utility sustainability plan consistent with EPA's sustainability policy.	Cost:
☐	Greenhouse gas inventory or mitigation plan and submission of a GHG inventory to a registry as long as it is being done for an SRF eligible facility.	Cost:
☐	Construction of US Building Council LEED certified buildings, or renovation of an existing building.	Cost:
☐	Projects that significantly reduce or eliminate the use of chemicals in water treatment.*	Cost:
☐	Treatment technologies or approaches that significantly reduce the volume of residuals, minimize the generation of residuals, or lower the amount of chemicals in the residuals.*	Cost:
☐	Trenchless or low impact construction technology.*	Cost:
☐	Using recycled materials or re-using materials on-site.*	Cost:
☐	Educational activities and demonstration projects for water or energy efficiency (such as rain gardens).*	Cost:
☐	Projects that achieve the goals/objectives of utility asset management plans.*	Cost:

*Denotes that a Business Case may be Required.

Total Environmentally Innovative Costs: 0

If any box(es) above are checked, please describe each below.

Drinking Water Project Profile Pre-Application

Water Resource Information System

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

XI. PLANNING

Asset Management

If a category is selected, the applicant must provide proof to substantiate claims. In order to complete this section, the documents must be submitted to the Area Development District Water Management Coordinator.

System has an Asset Management Plan that includes asset inventory, strategic plan and a capital improvement plan.

☐ The AMP includes an Asset Inventory.(Points Received: 2)

☐ The AMP includes a Strategic Plan. (Points Received: 2)

☐ The AMP includes a Capital Improvement Plan (Points Received: 2)

Water Bill as percentage of MHI

System's monthly wastewater bill, based on 4,000 gallons, as a percentage of Median Household Income is

☐ Greater than or equal to 2.0%. (Points Received: 5)

☐ Between 1 and 1.99% (Points Received: 2)

☐ Below 1% (Points Received: 0)

If any box(es) above are checked, please describe each below.

☑ The system(s) involved in this project have specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure. (Points Received: 5)

If any box(es) above are checked, please describe each below.

PSC has authorized a fee to be collected for rehabilatation for water loss elimination.

System Financial Audits

☑ System has a completed financial audit for each of the last three years (Points Received: 1)

Send audits to the Kentucky Infrastructure Authority via email to ***kia.loanapplications@ky.gov***

Drinking Water Project Profile Pre-Application

Mapping Requirements
DWSRF Ranking Criteria

* Project Title: McKinney Water Project Phase 3

☐ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #:

XIII. PROJECT READINESS (Project Readiness Points Received: 10**)

☐ Borrower has submitted complete technical plans to the Division of Water; and,

☐ Borrower has conducted a full environmental review for all components of the project or has completed the cross-cutter scoping process (including eClearinghouse, US Fish and Wildlife Service, National Resources Conservation Service, U. S. Fish and Wildlife, and U. S. Army Corps of Engineers); and,

☐ Borrower has received funding commitments from other funding sources; or the DWSRF is the sole source of funding.

Plans and Specifications

☐ Technical plans and specs have been sent to DOW.
Date:

☐ Technical and specs have been sent to PSC.
Date:

☐ Technical and specs have been reviewed by DOW.
Date:

☐ Technical and specs have been reviewed by PSC.
Date:

**Project Readiness Points - Must meet all three criteria to receive points: 1) submitted plans to DOW for review, 2) Environmental Review cross cutter scoping process is complete, and 3) funding commitments from other funds or DWSRF is sole source.

XIV. LEAD PROJECT READINESS

Points can be applied if the following elements of a LSL inventory or replacement plan are submitted to the DOW or uploaded into the WRIS. Documents must be submitted to the Division of Water in order to receive points in this category.

Lead Service Line Inventory (Points Received: 20)

The following documents must be submitted to the DOW for proposed lead service line inventory projects:

☐ A description of goals to be achieved and products to be created (e.g., electronic or GIS database; customer communication tools) when creating a lead service line inventory procedure, including a proposed timeline for achieving each goal.

Lead Service Line Replacement (Points Received: 20)

The following documents must be submitted to the DOW for proposed lead service line replacement projects:

☐ A strategy for informing customers before a LSLR and a template for an agreement with the private property owner to replace the LSL; and,

☐ A process for documenting all property owners declining replacement of privately owned portion of LSL; and,

☐ A procedure for customers to flush service lines and premise plumbing of particulate lead; and,

☐ A proposed plan for conducting LSL replacement utilizing all requested funding; and,

☐ A funding strategy for conducting LSLRs utilizing all requested funding.

EXHIBIT C

DOW Notice of Violation

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Water
2751 Campbellsville Rd
Columbia, KY 42728
WWW.KENTUCKY.GOV

August 25, 2020

Certified No. Electronic Transmittal
Return Receipt Requested

McKinney Water District
Attn: Lonnie Brown
2900 Middleburg Rd
McKinney, KY 40448

Re: Notice of Violation
AI ID: 33991
AI Name: McKinney Water District
Activity ID: ENV20200001
Permit No. KY0690278
Lincoln County, KY

Dear Mr. Brown:

The Kentucky Department for Environmental Protection (DEP) has issued the enclosed Notice of Violation for violations discovered in your system during an inspection conducted on July 30, 2020.

As you are aware, a section of Highway 198 does not have adequate operating pressure within the drinking water system. The issue was reported to the Division of Water Columbia Regional Office on 8/9/2019 (incident 2458556). Due to the complex and lengthy nature of the required actions necessary to restore your system's normal operating pressure, you are being referred to the Division of Enforcement.

This referral is to assist the system with Division of Water infrastructure approval requirements and expedite the process of restoring normal operation within the public water system. Please review this Notice of Violation carefully to ensure that all remedial measures are completed by the specified deadlines.

- **Due to the significance of the non-compliance, you are being referred to the Division of Enforcement. You may expect further correspondence from that agency.**

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-384-4734.

Sincerely,

Crystal Wilson Davis

Ms. Crystal Wilson Davis,
ENVIRONMENTAL INSPECTOR
Division of Water

Enclosure

COMMONWEALTH OF KENTUCKY
Energy and Environment Cabinet
Department for Environmental Protection
Division of Water

NOTICE OF VIOLATION

To: McKinney Water District
2900 Middleburg Rd
McKinney, KY 40448

AI Name: McKinney Water District **AI ID:** 33991 **Activity ID:** ENV20200001
County: Lincoln
Enforcement Case ID:
Date(s) Violation(s) Observed: 07/30/2020

This is to advise that you are in violation of the provisions cited below:

1 **Violation Description for Subject Item AIOO0000033991():**
A public or semipublic water system shall be subject to the requirements of 401 KAR Chapter 8, except those exempted in 40 CFR 141.3, effective July 1, 2007. [401 KAR 8:020 Section 1]

Description of Non Compliance:
Refer to CIN20200001 Routine Distribution Inspection form DOWCOMP073020 for further detail.

The required remedial measure(s), and date(s) to be completed by, are as follows: Properly operate and maintain the public water system. **Due to the significance of the non-compliance, you are being referred to the Division of Enforcement. You may expect further correspondence from that agency.** [401 KAR 8:020 Section 1]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to $25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Division of Water
Columbia Regional Office
2751 Campbellsville Rd
Columbia, KY 42728
270-384-4734 (8:00 AM – 4:30 PM)
Ms. Crystal Wilson Davis, Environmental Inspector

Issued By: Crystal Wilson Davis

Ms. Crystal Wilson Davis, Environmental Inspector
Date: August 25, 2020

Issued By: Brian Crump

Brian Crump, Environmental Control Supervisor
Date: August 25, 2020

How Delivered: Electronic Transmittal

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER

Routine Distribution Inspection

Site/Permit ID: KY0690278	Division: **Water**		Regional Office: Columbia
Site Name: McKinney Water District		Program: **Drinking Water**	
Site Address: 2900 Middleburg Road			
City: McKinney	State: KY	Zip: 40448	County: Lincoln
Inspection Type: Routine Distribution	Purpose: Comprehensive		AI #: 33991
Inspection Date: 7/30/20	Time: Start 08:44 AM End 10:55 AM		
Latitude: 37. 452 501	Longitude: -84. 757 288		
Coordinate Collection Method: G40-Without differential correction 112108			Revision Code:

Drinking Water Data

Plant Name: McKinney Water District	Contact Name: Lonnie "Punkin" Brown	
Phone No.: 606-346-2220	Fax No:	Email Address: pbrown1mckinneywater@hotmail.com

I. Administrative Requirements

Comments: Due to measures implemented to limit the spread of COVID-19 a comprehensive inspection was performed at the facility uitlizing social distancing and cloth masks. All records were reviewed outdoors; the facility builiding was not entered.

O&M dated 7/18/2019

Dyer Meter Service has placed the facility on the schedule for calibration of some of the master meters.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge and on duty.

Operator Name	Plant Certification #	Distribution Certification #
AI 1158711 Lonnie "Punkin" Brown		IID 28555
AI 31225 Bobby Daws (back-up)		IIID 3364
Ryan Owens-Trainee		

Comments:

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Due to measures implemented to limit the spread of COVID-19 a comprehensive inspection was performed at the facility uitlizing social distancing and cloth masks. All records were reviewed outdoors; the facility builiding was not entered. A reduced records review was performed. The facility provided the O&M Manual, Flushing List, Daily Residual test and verification data, and spot flushing logs for review.

III. Compliance Status - No violations observed

IV. Reporting Requirements

Comments: The system shall report to the Division of Water Columbia Regional Office any event where distribution pressure is 20 psi or lower, any disruption of main line service within the system, any leak which requires longer than eight hours to repair, and any turbidity issues where turbidity readings are 1 NTU's or greater.

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:2,351 Population Served:6,324
Average Purchased MGD: Max. Purchased MGD: Contract Amount MGD:
Source:Stanford Water/Eubank Water Seller PWSID: KY0690417/KY1000124 Multiple Sellers ☒ Yes ☐ No

RATING CODES: S1 = No Violations Observed; S2= No Violations Observed-but impending viol trends obs; U1 = Out of Compliance-No action taken; U2= Out of Compliance-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV Issued; NA = Not Applicable: NE = Not Evaluated. **(Add additional comments if U1-U3.)**

SELLER INFORMATION	Seller # 1	Name	PWSID# Contract Amount:
	Seller # 2	Name	PWSID# Contract Amount:
	Seller # 3	Name	PWSID# Contract Amount:
	Seller # 4	Name	PWSID# Contract Amount:
	Seller # 5	Name	PWSID# Contract Amount:
	RATING	**Equipment / Inspection Data**	☒ **Checking block means item is present:**
STORAGE TANK INFORMATION	NI	a) Storage Tank 1 Size:100,000	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name: McKinney	Last Cleaned: Coating condition:
	NI	b) Storage Tank 2 Size:100,000	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name: Boneyville (Blue Lick)	Last Cleaned: Coating condition:
	S1	c) Storage Tank 3 Size:100,000	Screened Vent:☒ Overflow☒ Telemetry: ☐
		Name: Ottenheim	Last Cleaned:5/2015 Coating condition:
		d) Storage Tank 4 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		e) Storage Tank 5 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:

		f) Storage Tank 6 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		g) Storage Tank 7 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		h) Storage Tank 8 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
GENERAL INFORMATION	S1	j) Master meter ☒	Last Calibrated: Recorder: ☐
	S1	k) Flushing Schedule	☒ Yes ☐ No/ Frequency: twice/year
	S1	l) Chlorine Test Kit ☒	Type: pocket Last calibrated 7/2020
	S1	m) DPD reagent up-to-date	☒ Yes ☐ No
	NI	n) Blow-off / Hydrants on dead	☐ Yes ☐ No
	NI	o) Monthly operating reports	☐ Daily Record Sheet ☐ Agreement: ☐
	S1	p) Bacteriological monitoring	Samples per mo. Records: ☐
BOOSTER PUMPS	NI	q) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
	NI	r) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
	NI	s) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
ON SITE OBSERVATIONS	S1	t) Site Data: Amish School (198)	Cl. Free:0.68 Total: 0.69 pH:
	S1	u) Site Data: Spoonamore Lane	Cl. Free:1.19 Total: 1.20 pH:
	S1	v) Site Data: E. Side	Cl. Free:1.38 Total: 1.40 pH:
		w) Site Data:	Cl. Free: Total: pH:
OTHER INFORMATION	S1	x) Cross connection program	☒ Yes ☐ No
	NI	y) Water meter replacement	☐ Yes ☐ No
	NI	z) Valve exercise program	☐ Yes ☐ No
	NI	aa) Is unaccounted for water	☐ Yes ☐ No If Yes what is % loss?
	NI	bb) Up to date distribution map	☐ Yes ☐ No

Comments: The facility has a master flush list for flushing of system lines. Spot flushing is also performed as needed.

Hydrant maintenance is performed during flushing.

System Chlorine residuals are checked daily as required. Documentation through June was complete and filed; July documentation is currently in progress (on staff clipboard).

The facility requires that new sets have checks. The service contract requires "the customer agrees no other present or future source of water will be connected to any water lines served by the Districts water lines and will disconnect ALL present water supply prior to connection to the districts lines. No cross-connection will be allowed by the District". The facility service line inspection addresses cross connections.

****

The facility continues to have a low pressure area in the system. An extended BWA (2458556) is ongoing for approximately 10 customers between 4437 HWY 198 and 5460 HWY 198.

The current status update (as of 6/29/2020) from the system engineer is as follows:

On March 19 we asked Mr Humphries at the request of the District Board if we could delay (and save $50,000) the pressure issues until we can address the entire system issues with the larger planned project.

As you may recall we are planning a larger project to include:
1) New supply from the City of Danville: This portion of the project is now funded and is near design completion. We have contracted for the Archeological study and started easement work.
2) The new water tank: The new tank site has been acquired by the District. The District has applied for funding from the US Commerce EDA, ARC and has been invited to started applications for KIA.
3) The water main replacement project: this portion of the project is included in with the tank project above. It will also address several problem areas in the system with high demand and low pressure.

As you can see we have been pursuing the larger project as aggressively as possible and since we never received an answer from Mr Humphries on the question and have therefore not pursued the low pressure project to bid. We do have a preliminary design report prepared and a cost estimate for the low pressure location on Ky Hwy 198.

At the time of the inspection the pressure at the Amish School was between 25-30 psi utilizing the systems dial pressure gauge with 5 psi increments. The needle was closer to 25 psi mark than the 30 psi mark. This is a higher pressure than the operator routinely observes at this location.

V. **Compliance Status** - Out of Compliance- NOV

VI. Discharge/Emission Compliance

Comments:

VI. **Compliance Status** - Not Applicable

VII. Monitoring/Analyses Evaluation

Comments: Hach Spec Check Lot A0009 exp Jan-22 utilized for chlorine test kit verification. Chlorine residual daily logs with verification are maintained.

VII. Compliance Status - No violations observed

VIII. Environmental /Health Impact

Work Site Hazard Assessment: ☒ ATTACHED ☐ REVIEWED

Comments:

VIII. Compliance Status – No violations observed

IX. Documentation

- ☒ **Samples taken by DEP**
- ☐ **Samples taken by outside source**
- ☐ **Instrument readings taken by DEP regional office**
- ☒ **Photographs obtained by DEP**
- ☐ **Copies of records obtained by DEP**
- ☐ **Other documentation**

Inspector: Crystal Wilson Davis	**Title:** Environmental Inspector III	**Date:** 08/25/2020

Signature:

X Crystal Wilson Davis

Signed by: Crystal Wilson Davis

Overall Compliance Status
☐ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance- LOW Non-recurrent administrative or O & M**
☒ **Out of Compliance – NOV**

Comments:

Delivery Method: E-mail	Cert. Mail #:

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

November 17, 2020

CERTIFIED MAIL No. [Sent via Email to: lgalloway@ageengineering.com]

McKinney Water District
2900 Middleburg Rd
McKinney, KY 40448

Re: AI Name McKinney Water District
AI No. 33991
Case No. DOW-20-3-0293
Activity No. ERF20200001
Facility ID: PWS ID KY0690278
Lincoln County

Dear McKinney Water District,

Thank you for attending the administrative conference held on November 17, 2020. The purpose of this letter is to summarize the settlement offer tendered to McKinney Water District by the Division of Enforcement (DENF).

The Division of Enforcement proposes to enter into an Agreed Order with McKinney Water District, with the following conditions:

1. Submit a Corrective Action Plan (CAP) detailing the plan McKinney Water District will implement to come back into, and stay in compliance. This will include dates by which the corrective actions are to be completed.

2. Stipulated penalties will be included in the Agreed Order and ***may*** be assessed for violating any part of the order.

This is the Cabinet's proposal to resolve the outstanding violations at your facility. Please respond to the proposal within **10 days of receipt of this letter**. Failure to respond by the above stated deadline may result in a referral to the Cabinet's Office of Legal Services for the initiation of formal legal proceedings. Should this become necessary, the Division will seek full and total resolution, which may include the maximum penalties allowed under the Kentucky Revised Statutes.

You may reach me at 502-782-8642 or cdavis@ky.gov with any questions concerning this settlement proposal. Thank you for your attention to this matter.

Sincerely,

Invalid signature

Christopher Davis

Chris Davis
Environmental Enforcement Specialist
Division of Enforcement

EXHIBIT D

Financial Impact

Financial Impact

• Phase 1A Bond Cost-Rate Increase: $855,000, Estimated 0.9% customer rate increase if no additional grants are secured.

Net operating impact due to construction activity:

Water Purchase			< $46,960>
Depreciation:	Service years	Construction Cost	Annual Depreciation
Water Piping, Etc.	50	$956,225	$19,124.50
Water Meters	10	$48,275	$4,827.50
Air Release	10	$16,000	$1,600.00
Pressure Reducers	10	$24,500	$2,450.00
Engr, Legal, Etc.	40	$291,287	$7,282
	Depreciation Subtotal	$1,336,287	$35,284

Annual debt service	Average	Interest	Principle	Total
Annual		$24,148.93	$28,500.00	$52,648.93
Twenty percent working capital on debt service				$10,529.78
Total cost of construction				$98,462.89
Net Project cost to annual operations				$51,502.89
Net Cash Flow Requirements				$5,689.11

• Phase 1B KIA Loan Cost-Rate Increase: $2,491,916 - Estimated 22% as estimated by KIA, customer rate increase if no additional grants are secured

Depreciation:	Service years	Construction Cost	Annual Depreciation
Water Piping	50	$2,927,446	$58,548
Water Meters	10	$228,700	$22,870

Air Release & Hydrants	10		$71,900	$7,190
Pressure Reducers	10		$165,000	$16,500
Pump Station	15		$246,000	$16,400
Water Tank	50		$811,165	$16,223
Other, Engr, Legal, Etc.	40		$522,972	$13,074
	Depreciation	Subtotal	$4,973,183	$150,806

Annual debt service Average	Interest	Principle	Total Annual
First Year estimate	$24,919.60	$112,861.40	$137,781.00
First Year of .25% service fee			$6,230.00
Twenty percent working capital on debt service			$27,556.20
Total annual cost of construction			$322,373.72
Net Project cost to annual operations			$322,373.72
Net Cash Flow Requirements			$144,011.00

EXHIBIT E

Agreed Order

/ : Cummins

FILED
OCT 11 2016
Office of Administrative Hearings

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 150283

IN RE: McKinney Water District
2900 Middleburg Rd.
McKinney, KY 40448
AI No. 33991
Activity ID No. ERF20150001

RECEIVED
OCT 19 2016
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF ENFORCEMENT

AGREED ORDER

****

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and the McKinney Water District (hereinafter "McKinney") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.

2. McKinney owns and operates a drinking water distribution system, PWSID# KY0690278, a public water system that is a community water system, as those terms are defined in 401 KAR 8:010 Section 1, comprised of drinking water distribution lines (hereinafter "distribution system") that provides water service to the residents of McKinney, in Lincoln County, KY.

3. On October 30, 2014, authorized representatives of the Cabinet identified the following violation of KRS Chapter 224 and the regulations promulgated pursuant thereto at the facility described in paragraph 2 above:

A. 401 KAR 8:075 Section 2 – Consumer Confidence Rule – The public water system failed to prepare and submit to the Department of Environmental Protection a Certification of the distribution of the report that conforms to the requirements of 401 KAR 8:075 for the calendar year.

Corey

4. On October 30, 2014, the Cabinet issued a Notice of Violation for the violation described in paragraph 3 above.

5. On March 1, 2015, authorized representatives of the Cabinet identified the following violation of KRS Chapter 224 and the regulations promulgated pursuant thereto at the facility described in paragraph 2 above:

A. 401 KAR 8:510 – Exceeded the maximum contaminant level (MCL) for locational running annual average (LRAA) for Total Haloacetic Acids (HAA5) during compliance period of October 1, 2014 – December 31, 2014.

6. On March 1, 2015, the Cabinet issued a Notice of Violation for the violation described in paragraph 5 above.

7. On May 29, 2015, authorized representatives of the Cabinet identified the following violation of KRS Chapter 224 and the regulations promulgated pursuant thereto at the facility described in paragraph 2 above:

A. 401 KAR 8:510 – Exceeded the MCL for LRAA for HAA5 during compliance period of January 1, 2015 – March 31, 2015.

B. 401 KAR 8:510 Section 1(1) – The public water system failed to submit an Operational Evaluation Levels (OEL's) report for compliance period January 1, 2015 – March 31, 2015.

8. On May 29, 2015, the Cabinet issued a Notice of Violation for the violation described in paragraph 7 above.

9. On July 28, 2015, authorized representatives of the Cabinet identified the following violation of KRS Chapter 224 and the regulations promulgated pursuant thereto at the facility described in paragraph 2 above:

A. 401 KAR 8:70 – Public Notice –The public water system failed to perform notification in accordance with 401 KAR 8:070. The public notice must not contain language that contradicts or detracts from the standard mandatory language or the purpose of the notice.

10. On July 28, 2015, the Cabinet issued a Notice of Violation for the violation described in paragraph 9 above.

11. On November 24, 2015 representatives of McKinney attended an administrative conference with the Cabinet's Division of Enforcement (hereinafter "DENF") in Frankfort, KY and admitted to the violations described above.

NOW THEREFORE, in the interest of settling all civil claims and controversies involving the violations described above, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

12. McKinney shall perform the following remedial measures by the dates specified herein:

A. Monitor Disinfection By-Products (hereinafter "DBP") levels at the plant tap and master meter as well as various sample sites throughout the distribution system to determine if DBPs are being formed in the distribution system or if DBPs are elevated at the plant tap and master meter. The DBP monitoring shall begin within thirty (30) days of the execution of the Agreed Order by the Cabinet's Secretary. McKinney shall submit the data collected from the DBP monitoring to the Cabinet within thirty (30) days of from the date monitoring commences; and

B. Continue to conduct DBP monitoring at the plant tap and master meter during quarterly compliance monitoring, and submit the results as "special samples", for the duration of the Agreed Order.

C. Within ninety (90) days of execution of the Agreed Order by the Cabinet Secretary, develop and submit a Corrective Action Plan (hereinafter "CAP") to the Cabinet for review and acceptance. The CAP shall be based on the data submitted in paragraph 12 above. The CAP shall outline the steps McKinney will take to return to and maintain compliance with DBP parameters, shall include implementation dates for the corrective action to be taken, and shall project a date by which the facility will have been in compliance with DBP parameters for an annual period consisting of four (4) consecutive quarters. The CAP shall include, but not be limited to the following specific actions:

a) If DBPs are formed in the distribution system, evaluate tank turnover and system hydraulics to decrease water age;

b) If DBPs are formed in the distribution system, evaluate the system's flushing plan;

c) If distribution system booster chlorination is practiced, determine if it contributes to elevated DBPs and whether the dosage is optimal;

d) If purchased water contributes to elevated DBPs, determine if the non-compliance is related to the producer by monitoring at the plant tap and master meter or to improper operation and maintenance within the out-of-compliance distribution system;

e) If elevated DBPs are related to producer, consider coordinating the flushing program with the producer and/or update its purchasing contract that will address remedial measures needed to be taken by producers to allow the purchaser to get back into compliance; and

f) Consider the benefits of receiving Targeted Technical Assistance or a DBP Performance Base Training or a system hydraulic analysis.

D. Upon review of the CAP, the Cabinet shall, in whole or in part, (1) approve or (2) disapprove and provide comments to McKinney identifying the deficiencies. Upon receipt of Cabinet comments, McKinney shall have thirty (30) days to revise and resubmit the CAP for review and approval. Upon resubmittal, the Cabinet may, in whole or in part, (1) approve (2) disapprove and provide comments to McKinney identifying the deficiencies. If any part of the resubmitted CAP is disapproved, the Cabinet may deem McKinney to be out of compliance with the Agreed Order and may assess stipulated penalties pursuant to paragraph 13 below.

E. McKinney shall strictly comply with the approved CAP and meet the deadlines and requirements created therein.

F. If at any time either party determines it is necessary to amend the CAP, the following will occur:

1. If the Cabinet determines an amendment to the CAP is necessary, DENF shall notify the facility in writing that an amendment is necessary and will outline the reasons for the determination. The Cabinet shall give McKinney thirty (30) days from receipt of written notification to submit an Amended CAP for review and approval. Upon receipt of the Amended CAP, the Cabinet may, in whole or in part, (1) approve or (2) disapprove and provide comments to McKinney identifying the deficiencies. If any part of the Amended CAP is disapproved, the Cabinet may deem McKinney to be out of compliance with this Agreed Order and may assess stipulated penalties pursuant to paragraph 13 of this Agreed Order; and

aa) McKinney may request an amendment to the CAP, in writing outlining the reasons why the amendment is necessary. Upon receipt of the request to amend the CAP, the Cabinet shall respond in writing that it will (1) accept a proposed

Amended CAP for review or (2) deny the request and state the reasons for the denial.

bb) Upon receipt of the proposed Amended CAP, the Cabinet may in whole or in part, (1) approve or (2) disapprove and provide comments to McKinney identifying the deficiencies. Upon receipt of the Cabinet's comments, McKinney shall have thirty (30) days to revise and resubmit the Amended CAP for review and approval. If any part of the resubmitted Amended CAP is disapproved, the Cabinet may deny the request to amend the CAP.

G. Following execution of this Agreed Order and for an annual period consisting of four (4) consecutive quarters, McKinney shall submit Quarterly Progress Reports to the Cabinet on 15th of the month following the end of each quarter. The Quarterly Progress Reports shall include flushing program documentation, calculations of tank turnover, plant tap and master meter DBP monitoring data, and an update of the completion of corrective actions. 52 feet → 70 feet → 70 feet electric

H. At all times, McKinney shall provide proper operation and maintenance of its facility and distribution system, per the requirements of 401 KAR Chapter 8.

I. Following execution of this Agreed Order, McKinney shall maintain compliance with its DBP parameters for an annual period consisting of four (4) consecutive quarters, the requirements of 401 KAR Chapter 8, and this Agreed Order.

J. All submittals shall be sent to:

Division of Enforcement
Attention: Director
300 Sower Blvd
Frankfort, KY 40601

STIPULATED PENALTIES

13. McKinney shall pay a stipulated penalty of five hundred dollars ($500) within thirty (30) days of receipt of written notice from the Cabinet to McKinney for failure to comply with any remedial measure required in paragraph 12 above. This penalty is in addition to, and not in lieu of, any other penalty that is or could be assessed.

14. The Cabinet shall hold in abeyance any stipulated penalties for DBP Maximum Containment Level ("MCL") violations for a period of one calendar year after execution of this Agreed Order. The Cabinet may, at its discretion, waive stipulated penalties that would otherwise be due.

15. If McKinney believes that a request for payment of stipulated penalties is erroneous or contrary to law, it may request a hearing in accordance with KRS 224.10-420(2). This request for a hearing does not excuse timely payment of the stipulated penalty. If an order is entered pursuant to KRS 224.10-440 that excuses payment, the Cabinet shall refund the payment to McKinney. Failure to pay the stipulated penalty shall be deemed an additional violation of this Agreed Order.

16. Payment of stipulated penalties shall be by cashier's check, certified check, or money order, made payable to "Kentucky State Treasurer" and shall be sent to the attention of: Director, Division of Enforcement, 300 Sower Blvd, Frankfort, KY 40601. Note "Case No. DOW 150288" on the instrument of payment.

MISCELLANEOUS PROVISIONS

17. This Agreed Order addresses only the violations specifically described above. Other than those matters resolved by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action of the Cabinet based on statutes or regulations under its jurisdiction and McKinney reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures,

assess penalties for violations, or recover all response costs incurred, and McKinney reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to McKinney. McKinney reserves its defenses thereto, except that McKinney shall not use this Agreed Order as a defense.

19. McKinney waives its right to any hearing on the matters admitted herein. However, failure by McKinney to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. McKinney may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd, Frankfort, KY 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that McKinney's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, McKinney shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. McKinney shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to

termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer. Whether or not a transfer takes place, McKinney shall remain fully responsible for payment of all civil penalties and for performance of all remedial measures identified in this Agreed Order.

23. The Cabinet agrees to allow payment of civil penalties and completion of remedial measures to satisfy McKinney's obligations to the Cabinet generated by the violations described above.

24. The Cabinet and McKinney agree that the remedial measures agreed to herein are facility specific and designed to comply with the statutes and regulations cited herein. This Agreed Order applies specifically and exclusively to the unique facility referenced herein and is inapplicable to any other facility.

25. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

26. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which McKinney is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then McKinney is obligated to take the action or cease the activity immediately after entry. This operation of this provision shall not impact deadlines or dates contained in the Agreed Order after the date of entry.

TERMINATION

27. This Agreed Order shall terminate upon McKinney's completion of all requirements described in this Agreed Order and the Cabinet's approval thereof. McKinney shall submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify McKinney in writing whether it agrees with or objects to termination. The Cabinet reserves its right to enforce this Agreed Order in Franklin Circuit Court or in any other forum or venue available to it by

law, and McKinney reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

AGREED TO BY:

Jim W. Adams Jr., Judge Executive

9/1/2016
Date

APPROVAL RECOMMENDED BY:

Jeffrey A. Cummins, Director
Division of Enforcement

9/15/2016
Date

John G. Horne, II, Executive Director
Office of General Council

9/23/16
Date

DOW 150283

ORDER

Wherefore, the forgoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 11th day of October, 2016.

ENERGY AND ENVIRONMENT CABINET

R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 11th day of October, 2016:

Jim W. Adams Jr., Judge Executive
102 East Main Street
Stanford, KY 40484

and mailed, messenger to:

Jeffrey A Cummins, Director
Division of Enforcement
300 Sower Blvd
Frankfort, Kentucky 40601

John G. Horne, II, Executive Director
Office of General Council
300 Sower Blvd
Frankfort, KY 40601

Kathy McDonald
DOCKET COORDINATOR

FBT
SH

EXHIBIT F

Agreed Order - Low Pressure

DOW-20-3-0293

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW-20-3-0293

IN RE: McKinney Water District
2900 Middleburg Rd
McKinney, KY 40448
Lincoln County
AI No. 33991
Activity ID No. ERF20200001

AGREED ORDER

* * * * * * * * * * *

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and McKinney Water District (hereinafter "Responsible Party") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.

2. The Responsible Party is a surface water purchaser that purchases water from Eubank Water System and Stanford Water Works. The facility is located in Lincoln County at 2900 Middleburg Rd, McKinney, KY 40448.

3. The facility described in paragraph two (2) is assigned Public Water Supply Identification (hereinafter "PWS ID") No. KY0690278, issued by the Cabinet's Division of Water (hereinafter "DOW").

4. Authorized representatives of the Cabinet identified alleged violations of KRS Chapter 224 and the regulations promulgated pursuant thereto at the facility identified in paragraph two (2) above, and issued Notices of Violation (hereinafter "NOV"). The Responsible Party was issued NOVs on September 24, 2019 and August 25, 2020. The NOVs are attached to this Agreed

Order as 'Exhibit A'.

5. Representatives of the Responsible Party participated in an administrative phone conference with the Cabinet's Division of Enforcement (hereinafter "DENF") on November 17, 2020, and agreed to the entry of this Agreed Order to resolve the violations and stimulate communication with the Division of Water to create a formal timeline to restore system conditions to normal operations. The Responsible Party admitted to the allegations contained in the Notices of Violation referenced in paragraph four (4), and accepts civil liability for the alleged violations of KRS Chapter 224 and the regulations promulgated pursuant thereto.

NOW THEREFORE, in the interest of settling all civil claims and controversies involving the violations described above, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

6. Within thirty (30) days of the execution of this Agreed Order, the Responsible Party shall submit to the Cabinet for review and acceptance, a Corrective Action Plan (hereinafter "CAP"). The CAP shall include a detailed summary explaining why violations listed in 'Exhibit A' occurred, a report of completed corrective actions, a list of proposed corrective actions to be completed to avoid future non-compliance, a schedule of implementation for proposed corrective action items, and a final compliance date.

a.) Upon review of the CAP, the Cabinet shall, in whole or in part, (1) approve or (2) disapprove and provide comments to the Responsible Party identifying the deficiencies. Upon receipt of Cabinet comments, the Responsible Party shall have thirty (30) days to revise and resubmit the CAP for review and approval. Upon resubmittal, the Cabinet may, in whole or in part, (1) approve (2)

disapprove and provide comments to the Responsible Party identifying the deficiencies. If any part of the resubmitted CAP is disapproved, the Cabinet may deem the Responsible Party to be out of compliance with the Agreed Order and may assess stipulated penalties pursuant to paragraph eleven (11).

b.) The Responsible Party shall strictly comply with the approved CAP and meet the deadlines and requirements created therein.

c.) If at any time either party determines it is necessary to amend the CAP, the following will occur:

i. If the Cabinet determines an amendment to the CAP is necessary, DENF shall notify the facility in writing that an amendment is necessary and will outline the reasons for the determination. The Cabinet shall give the Responsible Party thirty (30) days from receipt of written notification to submit an Amended CAP for review and approval. Upon receipt of the Amended CAP, the Cabinet may, in whole or in part, (1) approve or (2) disapprove and provide comments to the Responsible Party identifying the deficiencies. If any part of the Amended CAP is disapproved, the Cabinet may deem the Responsible Party to be out of compliance with this Agreed Order and may assess stipulated penalties pursuant to paragraph eleven (11) of this Agreed Order;

ii. The Responsible Party may request an amendment to the CAP, in writing outlining the reasons why the amendment is

necessary. Upon receipt of the request to amend the CAP, the Cabinet shall respond in writing that it will (1) accept a proposed Amended CAP for review or (2) deny the request and state the reasons for the denial.

iii. Upon receipt of the proposed Amended CAP, the Cabinet may in whole or in part, (1) approve or (2) disapprove and provide comments to the Responsible Party identifying the deficiencies. Upon receipt of the Cabinet's comments, the Responsible Party shall have thirty (30) days to revise and resubmit the Amended CAP for review and approval. If any part of the resubmitted Amended CAP is disapproved, the Cabinet may deny the request to amend the CAP.

iv. An Amendment to the CAP does not require an amendment pursuant to paragraph eighteen (18) of this Agreed Order.

7. Following execution of the Agreed Order and through its termination, the Responsible Party shall submit Quarterly Progress Reports to the Cabinet on the 15th day of the month following the compliance period detailing completion of corrective actions for the compliance period as well as anticipated corrective actions for the upcoming compliance period.

8. At all times, the Responsible Party shall provide for proper operation and maintenance of its Facility and distribution system, per the requirements of 401 KAR Chapter 8.

9. By the final compliance date specified in the CAP, the Responsible Party shall be in compliance with KRS 224, and the regulations promulgated pursuant thereto, PWS ID KY0690278, and this Agreed Order.

10. All submittals required by the terms of this Agreed Order shall be sent to:

Division of Enforcement
Attention: Director
300 Sower Blvd
Frankfort, KY 40601

STIPULATED PENALTIES

11. The Cabinet may assess a stipulated penalty in an amount not to exceed one thousand dollars ($1,000) for each failure to comply with any condition outlined in paragraphs six through nine (6-9).

12. If the Cabinet determines that a stipulated penalty is due in accordance with paragraph eleven (11) it will send the Responsible Party a written notice, including the amount of the stipulated penalty. The Responsible Party shall pay the stipulated penalty within thirty (30) days of notice to the permittee at the address provided to the Cabinet. If the Responsible Party believes that a request for payment of a stipulated penalty is erroneous or contrary to law, it may request a hearing in accordance with KRS 224.10-420(2). This request for a hearing does not excuse timely payment of the stipulated penalty. If an order is entered pursuant to KRS 224.10-440 that excuses payment, the Cabinet will refund the payment to the Responsible Party. Failure to pay the stipulated penalty may be deemed an additional violation of this Agreed Order. The stipulated penalties specified in paragraph eleven (11) shall be waived upon the Responsible Party's full completion of the obligations referenced in this Agreed Order.

13. Stipulated penalties are in addition to and not in lieu of, any other penalty which could be assessed by the Cabinet. The Cabinet may, in its discretion, waive stipulated penalties that would otherwise be due.

14. Payment of the civil penalty and stipulated penalties shall be by cashier's check, certified check, or money order, made payable to "**Kentucky State Treasurer**" and sent to the

attention of the Director, Division of Enforcement, Department for Environmental Protection, 300 Sower Boulevard, 3rd Floor, Frankfort, Kentucky 40601; note "**Case Number DOW 20-3-0293**" on the instrument of payment.

MISCELLANEOUS PROVISIONS

15. This Agreed Order addresses only the violations specifically alleged above. Other than those matters resolved by entry of this Agreed Order nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and the Responsible Party reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and the Responsible Party reserves its defenses thereto.

16. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to the Responsible Party. The Responsible Party reserves its defenses thereto, except that the Responsible Party shall not use this Agreed Order as a defense.

17. The Responsible Party waives its right to any hearing on the matters admitted herein. However, failure by the Responsible Party to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224, and the regulations promulgated pursuant thereto.

18. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or her designee. The Responsible Party may request an amendment by writing the

Director of the Division of Enforcement at 300 Sower Blvd, 3rd Floor, Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

19. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that the Responsible Party's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224, and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, the Responsible Party shall remain solely responsible for compliance with the terms of KRS Chapter 224, and the regulations promulgated pursuant thereto, this Agreed Order and any permit and compliance schedule requirements.

20. The Responsible Party shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of its now-existing facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory and regulatory requirements for a transfer. Whether or not a transfer takes place, the Responsible Party shall remain fully responsible for payment of all civil penalties and response costs and for performance of all remedial measures identified in this Agreed Order.

21. The Cabinet agrees to allow the performance of the above-listed remedial measures and payment of civil penalties by the Responsible Party to satisfy the Responsible Party's obligations to the Cabinet generated by the violations described above.

22. The Cabinet and the Responsible Party agree that the remedial measures agreed to herein are facility-specific and designed to comply with the statutes and regulations cited herein. This Agreed Order applies specifically and exclusively to the unique facility referenced herein and

is inapplicable to any other facility.

23. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

24. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or her designee as evidenced by his signature thereon. If this Agreed Order contains any date by which the Responsible Party is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then the Responsible Party is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

25. This Agreed Order shall terminate upon the Responsible Party's completion of all requirements described in this Agreed Order. The Responsible Party may submit a written request for termination to the Cabinet when it believes all requirements have been performed. The Cabinet reserves its right to enforce this Agreed Order, and the Responsible Party reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

AGREED TO BY:

Lonnie Brown, Manager
McKinney Water District

4-17-21
Date

APPROVAL RECOMMENDED BY:

Michael B. Kroeger, Assistant Director
Division of Enforcement

Date

Elizabeth U. Natter, Executive Director
Office of Legal Services

Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this ___ day of _____, 20___.

ENERGY AND ENVIRONMENT CABINET

_____

JOHN S. LYONS, DEPUTY SECRETARY
AUTHORIZED DESIGNEE, REBECCA W. GOODMAN,
SECRETARY OF THE ENERGY AND ENVIRONMENT
CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this _____ day of _____, 20___.

McKinney Water District
ATTN: Lonnie Brown
2900 Middleburg Rd
McKinney, KY 40448
Lincoln County

And mailed, messenger to:

Michael B. Kroeger, Assistant Director
Division of Enforcement
300 Sower Boulevard, 3rd Floor
Frankfort, Kentucky 40601

Elizabeth U. Natter, Executive Director
Office of Legal Services
300 Sower Boulevard, 3rd Floor
Frankfort, Kentucky 40601

_____
DOCKET COORDINATOR

MATTHEW G. BEVIN
GOVERNOR

CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Water
2751 Campbellsville Rd
Columbia, KY 42728
WWW.KENTUCKY.GOV

September 24, 2019

Certified No. 7018 1830 0000 1535 5858
Return Receipt Requested

McKinney Water District
2900 Middleburg Rd
McKinney, KY 40448

Re: Notice of Violation
AI ID: 33991
AI Name: McKinney Water District
Activity ID: ENV20190003
PWSID No. KY0690278
Lincoln County, KY

Dear McKinney Water District:

The Kentucky Department for Environmental Protection (DEP) has issued the enclosed Notice of Violation for violations discovered at your system during an investigation conducted on 9/24/2019. The nature of the complaint was water pressure levels lower than allowable limits. A pressure study of the area conducted by system confirmed pressures from the Highway 198 area are below acceptable levels.

The system was directed by the Columbia Regional Office to issue a Boil Water Advisory for the affected area. The facility shall develop a corrective action plan and submit necessary plans to the Water Infrastructure Branch for approval. Please review this Notice of Violation carefully to ensure that all remedial measures are completed by the specified deadlines.

- **A written response outlining corrective actions and including a schedule of implementation shall be submitted to the Division of Water Columbia Regional Office within thirty (30) days upon receipt of this notice.**

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-384-4734.

Sincerely,

E-Signed by Davis, Crystal
VERIFY authenticity with e-Sign
Crystal Davis

Ms. Crystal Wilson Davis,
ENVIRONMENTAL INSPECTOR
Division of Water

Enclosure

COMMONWEALTH OF KENTUCKY
Energy and Environment Cabinet
Department for Environmental Protection
Division of Water

NOTICE OF VIOLATION

To: McKinney Water District
2900 Middleburg Rd
McKinney, KY 40448

AI Name: McKinney Water District **AI ID:** 33991 **Activity ID:** ENV20190003
County: Lincoln
Enforcement Case ID:
Date(s) Violation(s) Observed: 09/24/2019

This is to advise that you are in violation of the provisions cited below:

1 **Violation Description for Subject Item AIOO00000033991():**
A public or semipublic water system shall be subject to the requirements of 401 KAR Chapter 8, except those exempted in 40 CFR 141.3, effective July 1, 2007. [401 KAR 8:020 Section 1]

Description of Non Compliance:
The facility has failed to maintain minimum system pressure.

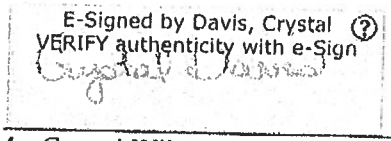
Pressure for all conditions must be 20 psi. Normal working pressure in the distribution system at the service connection should be approximately 60-80 psi and shall not be less than 30 psi under peak demand flow conditions. Peak demand is defined as the maximum customer water usage rate, expressed in gallons per minute (gpm), in the pressure zone of interest during a 24 hour (diurnal) time period.

The required remedial measure(s), and date(s) to be completed by, are as follows:
System was directed by the Columbia Regional Office to issue a Boil Water Advisory for the affected area and to develop a corrective action plan and submit necessary plans to Water Infrastructure Branch for approval. **A written response outlining corrective actions and including a schedule of implementation shall be submitted to the Division of Water Columbia Regional Office within thirty (30) days upon receipt of this notice.** [401 KAR 8:020 Section 1]

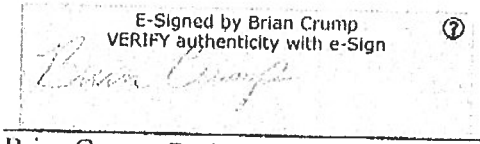
Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to $25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Division of Water
Columbia Regional Office
2751 Campbellsville Rd
Columbia, KY 42728
270-384-4734 (8:00 AM – 4:30 PM)
Ms. Crystal Wilson Davis, Environmental Inspector

Issued By: 

Ms. Crystal Wilson Davis, Environmental Inspector
Date: September 24, 2019

Issued By: 

Brian Crump, Environmental Control Supervisor
Date: September 24, 2019

How Delivered: Certified Certified/Registered # 7018 1830 0000 1535 5858

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Water
2751 Campbellsville Rd
Columbia, KY 42728
WWW.KENTUCKY.GOV

August 25, 2020

Certified No. Electronic Transmittal
Return Receipt Requested

McKinney Water District
Attn: Lonnie Brown
2900 Middleburg Rd
McKinney, KY 40448

Re: Notice of Violation
AI ID: 33991
AI Name: McKinney Water District
Activity ID: ENV20200001
Permit No. KY0690278
Lincoln County, KY

Dear Mr. Brown:

The Kentucky Department for Environmental Protection (DEP) has issued the enclosed Notice of Violation for violations discovered in your system during an inspection conducted on July 30, 2020.

As you are aware, a section of Highway 198 does not have adequate operating pressure within the drinking water system. The issue was reported to the Division of Water Columbia Regional Office on 8/9/2019 (incident 2458556). Due to the complex and lengthy nature of the required actions necessary to restore your system's normal operating pressure, you are being referred to the Division of Enforcement.

This referral is to assist the system with Division of Water infrastructure approval requirements and expedite the process of restoring normal operation within the public water system. Please review this Notice of Violation carefully to ensure that all remedial measures are completed by the specified deadlines.

- **Due to the significance of the non-compliance, you are being referred to the Division of Enforcement. You may expect further correspondence from that agency.**

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-384-4734.

Sincerely,

Recoverable Signature

Crystal Wilson Davis

Ms. Crystal Wilson Davis,
ENVIRONMENTAL INSPECTOR
Division of Water

Enclosure

COMMONWEALTH OF KENTUCKY
Energy and Environment Cabinet
Department for Environmental Protection
Division of Water

NOTICE OF VIOLATION

To: McKinney Water District
2900 Middleburg Rd
McKinney, KY 40448

AI Name: McKinney Water District **AI ID:** 33991 **Activity ID:** ENV20200001
County: Lincoln
Enforcement Case ID:
Date(s) Violation(s) Observed: 07/30/2020

This is to advise that you are in violation of the provisions cited below:

1 **Violation Description for Subject Item AIOO00000033991():**
A public or semipublic water system shall be subject to the requirements of 401 KAR Chapter 8, except those exempted in 40 CFR 141.3, effective July 1, 2007. [401 KAR 8:020 Section 1]

Description of Non Compliance:
Refer to CIN20200001 Routine Distribution Inspection form DOWCOMP073020 for further detail.

The required remedial measure(s), and date(s) to be completed by, are as follows: Properly operate and maintain the public water system. **Due to the significance of the non-compliance, you are being referred to the Division of Enforcement. You may expect further correspondence from that agency.** [401 KAR 8:020 Section 1]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to $25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Division of Water
Columbia Regional Office
2751 Campbellsville Rd
Columbia, KY 42728
270-384-4734 (8:00 AM – 4:30 PM)
Ms. Crystal Wilson Davis, Environmental Inspector

Recoverable Signature

Issued By: Crystal Wilson Davis

Ms. Crystal Wilson Davis, Environmental Inspector
Date: August 25, 2020

Recoverable Signature

Issued By: Brian Crump

Brian Crump, Environmental Control Supervisor
Date: August 25, 2020

How Delivered: Electronic Transmittal

EXHIBIT G

Book Asset Detail - 2024

Book Asset Detail 1/01/24 - 12/31/24

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 303 LAND AND LAND RIGHTS													
46		LAND AND ROW-91 REPORT	1/01/78	2,932.00	0.00		0.00	0.00	0.00	0.00	2,932.00	Land	0.00
53		LAND AND ROW	1/01/92	393.75	0.00		0.00	0.00	0.00	0.00	393.75	Land	0.00
65		NORFOLK-ROW	5/01/93	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
72		NORFOLK SO. ROW	5/01/94	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
73		NORFOLK SO. ROW	5/01/95	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
74		NORFOLK SO. ROW	5/01/96	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
82		LOT FOR TANK SITE-STILLHOU	11/10/99	5,000.00	0.00		0.00	0.00	0.00	0.00	5,000.00	Land	0.00
83		FILING FEE-FOR PURCHASE OF	11/10/99	18.00	0.00		0.00	0.00	0.00	0.00	18.00	Land	0.00
84		NORFOLK SO. ROW	5/01/97	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
86		NORFOLK SO. ROW	5/04/98	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
90		NORFOLK SO. ROW	5/01/99	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
91		EASEMENT (TANK)-BILL INGR.	11/16/99	1,000.00	0.00		0.00	0.00	0.00	0.00	1,000.00	Land	0.00
105		EASEMENTS(PARKER,BANKS,N	6/20/00	3,100.00	0.00		0.00	0.00	0.00	0.00	3,100.00	Land	0.00
106		ROW-NORFOLK SOUTHERN	5/01/00	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
113		NORFOLK SO. ROW	5/01/01	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
120		NORFOLK SO ROW	5/06/02	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
124		NORFOLK SO. ROW	6/02/03	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
126		Norfolk So. ROW	6/01/04	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
127		Norfolk Southern ROW	5/31/05	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
132		DONATED LAND	12/31/06	4,000.00	0.00		0.00	0.00	0.00	0.00	4,000.00	Land	0.00
133		Easement	12/31/07	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
144		Norfolk So ROW	12/31/08	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
145		Norfolk So ROW	12/31/09	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
173		Easement for new tank	12/01/20	5,000.00	0.00		0.00	0.00	0.00	0.00	5,000.00	Land	0.00
		303 LAND AND LAND RIGHTS		23,043.75	0.00	c	0.00	0.00	0.00	0.00	23,043.75		
Location: 304 STRUCTURES AND IMPR.													
48		BUILDING-91 REPORT	1/01/89	19,000.00	0.00		0.00	19,000.00	0.00	19,000.00	0.00	S/L	35.00
80		OFFICE REMODELLING(3 DOOI	9/01/97	4,567.82	0.00		0.00	4,567.82	0.00	4,567.82	0.00	S/L	35.00
102		BUILDING IMPROVEMENTS/RE	6/01/00	11,224.61	0.00		0.00	11,070.90	153.71	11,224.61	0.00	S/L	37.50
121		FENCE-OFFICE PARKING LOT	8/28/02	2,646.00	0.00		0.00	2,312.10	70.56	2,382.66	263.34	S/L	37.50
128		Heat Pump-13 Series 3 Ton	11/07/05	3,500.00	0.00		0.00	2,504.17	93.33	2,597.50	902.50	S/L	37.50
141		Roof on Office	9/25/09	2,240.00	0.00		0.00	1,164.00	59.73	1,223.73	1,016.27	S/L	37.50
		304 STRUCTURES AND IMPR.		43,178.43	0.00	c	0.00	40,618.99	377.33	40,996.32	2,182.11		
Location: 305 WATER TANK													
45		WATER TANK-91 REPORT	1/01/78	47,821.00	0.00		0.00	47,821.00	0.00	47,821.00	0.00	S/L	30.00
61		WATER TANK-FHA	6/01/93	64,262.00	0.00		0.00	61,145.57	1,428.04	62,573.61	1,688.39	S/L	45.00
76		FENCE FOR WATER TANK-AKE	2/01/95	2,270.00	0.00		0.00	2,057.25	50.44	2,107.69	162.31	S/L	45.00
92		WATER TANK (CALDWELL/QO	11/10/99	249,333.85	0.00		0.00	189,392.98	5,540.75	194,933.73	54,400.12	S/L	45.00
151		Telemetry-Bonneville Tank	8/28/12	12,750.00	0.00		0.00	4,726.51	283.33	5,009.84	7,740.16	S/L	45.00
158		Tank Refurbish Project	9/16/14	66,317.14	0.00		0.00	20,397.53	1,473.71	21,871.24	44,445.90	S/L	45.00
		305 WATER TANK		442,753.99	0.00	c	0.00	325,540.84	8,776.27	334,317.11	108,436.88		

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 311 PUMPING EQUIPMENT													
44		WATER PUMP-91 REPORT	1/01/58	12,449.00	0.00		0.00	12,449.00	0.00	12,449.00	0.00	S/L	20.00
63		PUMP STATION-FHA	6/01/93	71,543.60	0.00		0.00	71,543.60	0.00	71,543.60	0.00	S/L	20.00
150		Telemetry-Booster Station	8/28/12	12,750.00	0.00		0.00	6,639.01	637.50	7,276.51	5,473.49	S/L	20.00
157		Maywood Pump Project	12/01/14	164,872.90	0.00		0.00	74,609.20	8,243.65	82,852.85	82,020.05	S/L	20.00
		311 PUMPING EQUIPMENT		261,615.50	0.00	c	0.00	165,240.81	8,881.15	174,121.96	87,493.54		
Location: 331 TRANS & DIST. SYSTEM													
43		TRANS. LINES-91 REPORT	1/01/79	778,978.00	0.00		0.00	778,978.00	0.00	778,978.00	0.00	S/L	50.00
57		TRANS. LINES-FHA	6/01/93	488,797.82	0.00		0.00	406,442.72	7,820.77	414,263.49	74,534.33	S/L	62.50
69		TRANSMISSION LINES	1/01/94	12,226.20	0.00		0.00	9,794.50	195.62	9,990.12	2,236.08	S/L	62.50
107		LINES EXTENSION PROJ-CONT	5/21/01	683,846.75	0.00		0.00	404,574.85	10,941.55	415,516.40	268,330.35	S/L	62.50
110		LINES-EXTENSION PROJECT C(	5/21/01	564,776.65	0.00		0.00	334,130.92	9,036.43	343,167.35	221,609.30	S/L	62.50
122		100 FT 4" WATERLINE-CLAY PI	3/13/03	5,000.00	0.00		0.00	2,692.98	80.00	2,772.98	2,227.02	S/L	62.50
125		4100 ft 4" line-Mckinney Ridge Ro:	5/31/04	11,369.75	0.00		0.00	5,692.98	181.92	5,874.90	5,494.85	S/L	62.50
156		Hwy 78 Line Project	4/30/13	79,580.19	0.00		0.00	18,343.60	1,273.28	19,616.88	59,963.31	S/L	62.50
		331 TRANS & DIST. SYSTEM		2,624,575.36	0.00	c	0.00	1,960,650.55	29,529.57	1,990,180.12	634,395.24		
Location: 333 SERVICES													
49		SERVICES-91 REPORT	1/01/79	35,156.00	0.00		0.00	35,156.00	0.00	35,156.00	0.00	S/L	30.00
58		SERVICES-FHA	6/01/93	39,220.32	0.00		0.00	39,220.32	0.00	39,220.32	0.00	S/L	30.00
108		SERVICES-LINE EXT. PROJ CON	5/21/01	31,400.00	0.00		0.00	22,344.84	785.00	23,129.84	8,270.16	S/L	40.00
111		SERVICES-LINE EXT PROJ CON	5/21/01	10,365.00	0.00		0.00	7,375.89	259.13	7,635.02	2,729.98	S/L	40.00
		333 SERVICES		116,141.32	0.00	c	0.00	104,097.05	1,044.13	105,141.18	11,000.14		
Location: 334 METERS & METER INSTAL													
50		METERS-91 REPORT	1/01/79	62,663.00	0.00		0.00	62,663.00	0.00	62,663.00	0.00	S/L	35.00
62		METERS-FHA	6/01/93	19,159.00	0.00		0.00	17,407.04	1,277.27	18,684.31	474.69	S/L	15.00
109		MASTER METER/ETC - LINE EX	5/21/01	11,000.00	0.00		0.00	7,356.34	733.33	8,089.67	2,910.33	S/L	15.00
112		MASTER METER/ETC-LINE EXT	5/21/01	12,740.00	0.00		0.00	8,519.98	849.33	9,369.31	3,370.69	S/L	15.00
161		2015 Meters	9/01/15	25,805.40	0.00		0.00	6,144.17	1,720.36	7,864.53	17,940.87	S/L	15.00
162		Meters	7/01/16	26,292.20	0.00		0.00	5,634.07	1,752.81	7,386.88	18,905.32	S/L	15.00
165		Meters	7/01/17	19,444.76	0.00		0.00	3,611.14	1,296.32	4,907.46	14,537.30	S/L	15.00
172		2020 Meters-200	11/23/20	15,392.00	0.00		0.00	1,355.96	1,026.13	2,382.09	13,009.91	S/L	15.00
176		2022 Meters-200	11/15/22	26,800.00	0.00		0.00	893.33	1,786.67	2,680.00	24,120.00	S/L	15.00
178		2023 Meters-130	6/22/23	25,380.39	0.00		0.00	362.58	1,692.03	2,054.61	23,325.78	S/L	15.00
		334 METERS & METER INSTAL		244,676.75	0.00	c	0.00	113,947.61	12,134.25	126,081.86	118,594.89		
Location: 335 HYDRANTS													
51		HYDRANTS-91 REPORT	1/01/79	7,149.00	0.00		0.00	7,149.00	0.00	7,149.00	0.00	S/L	40.00
59		HYDRANTS-FHA	6/01/93	6,776.00	0.00		0.00	5,938.54	135.52	6,074.06	701.94	S/L	50.00

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 335 HYDRANTS (continued)													
		335 HYDRANTS		13,925.00	0.00	c	0.00	13,087.54	135.52	13,223.06	701.94		
Location: 339 CAP DESIGN/LEGAL/ENG													
55		CAP ENG. & DESIGN COSTS	6/01/93	190,962.16	0.00		0.00	158,788.30	3,055.39	161,843.69	29,118.47	S/L	62.50
56		CAP. LEGAL FEES	6/01/93	4,180.40	0.00		0.00	3,473.73	66.89	3,540.62	639.78	S/L	62.50
60		CAPITALIZED INTEREST-FHA	6/01/93	9,590.68	0.00		0.00	7,975.63	153.45	8,129.08	1,461.60	S/L	62.50
70		CAPITALIZED LEGAL/ENGINEE	1/01/94	9,644.45	0.00		0.00	7,726.69	154.31	7,881.00	1,763.45	S/L	62.50
71		CAPITALIZED INTEREST	2/01/94	13,425.00	0.00		0.00	10,756.26	214.80	10,971.06	2,453.94	S/L	62.50
79		AERIAL PHOTOS/PRINTS FOR T	11/10/99	2,800.00	0.00		0.00	2,126.86	44.80	2,171.66	628.34	S/L	62.50
81		ARCH. STUDY-FOR TANK SITE	11/10/99	750.00	0.00		0.00	569.74	12.00	581.74	168.26	S/L	62.50
85		SITE TESTING (HALL'S GAP WA	11/10/99	3,025.00	0.00		0.00	2,297.80	48.40	2,346.20	678.80	S/L	62.50
93		PEH FEES (TANK PROJECT) RD.	11/10/99	65,571.18	0.00		0.00	49,807.71	1,049.14	50,856.85	14,714.33	S/L	62.50
94		RUBIN & HAYES (BOND COUN	11/10/99	7,650.55	0.00		0.00	5,811.27	122.41	5,933.68	1,716.87	S/L	62.50
95		LEGAL FEES (CAROL HILL) TA	11/10/99	1,950.00	0.00		0.00	1,481.20	31.20	1,512.40	437.60	S/L	62.50
96		CAPITALIZED INT (PEOPLE'S B	11/10/99	5,813.17	0.00		0.00	4,415.69	93.01	4,508.70	1,304.47	S/L	62.50
101		CAP INTEREST(PHASE III, CON	5/21/01	5,559.21	0.00		0.00	3,288.87	88.95	3,377.82	2,181.39	S/L	62.50
115		PEH FEES - LINE EXT PROJECT	5/21/01	183,540.64	0.00		0.00	108,585.62	2,936.65	111,522.27	72,018.37	S/L	62.50
116		RUBIN, HAYS & FOLEY - LINE I	5/21/01	10,460.70	0.00		0.00	6,188.67	167.37	6,356.04	4,104.66	S/L	62.50
117		CAROL HILL LEGAL FEES - LIN	5/21/01	5,416.74	0.00		0.00	3,204.54	86.67	3,291.21	2,125.53	S/L	62.50
118		BLUEGRASS ADD FEES - CONT	5/21/01	37,600.00	0.00		0.00	22,244.72	601.60	22,846.32	14,753.68	S/L	62.50
123		HMB ENG FEES-FOR WATERLI	6/30/03	9,010.52	0.00		0.00	1,621.89	144.17	1,766.06	7,244.46	S/L	62.50
		339 CAP DESIGN/LEGAL/ENG		566,950.40	0.00	c	0.00	400,365.19	9,071.21	409,436.40	157,514.00		
Location: 340 OFFICE FURN & EQUIP.													
47		OFFICE EQUIPMENT-91 REPOR	1/01/87	5,586.00	0.00		0.00	5,586.00	0.00	5,586.00	0.00	S/L	10.00
64		TRAILER-INCLUDING EXCAVA	12/01/93	2,440.00	0.00		0.00	2,440.00	0.00	2,440.00	0.00	S/L	10.00
67		OFFICE DESK/CHAIRS	12/01/93	283.44	0.00		0.00	283.44	0.00	283.44	0.00	S/L	10.00
77		KEROSENE HEATER	1/01/95	365.69	0.00		0.00	365.69	0.00	365.69	0.00	S/L	10.00
78		OFFICE SAFE	2/01/95	950.00	0.00		0.00	950.00	0.00	950.00	0.00	S/L	10.00
104		RELISYS TERMINAL	8/21/00	702.80	0.00		0.00	702.80	0.00	702.80	0.00	S/L	10.00
134		Computer	6/20/07	568.00	0.00		0.00	568.00	0.00	568.00	0.00	S/L	10.00
135		Computers and Software	10/31/07	17,367.50	0.00		0.00	17,367.50	0.00	17,367.50	0.00	S/L	10.00
136		Printer	10/08/07	749.00	0.00		0.00	749.00	0.00	749.00	0.00	S/L	10.00
138		Computer/Software	2/01/08	1,101.00	0.00		0.00	1,101.00	0.00	1,101.00	0.00	S/L	10.00
146		Computer w/back up systems	2/28/10	1,219.15	0.00		0.00	1,219.15	0.00	1,219.15	0.00	S/L	10.00
152		Nicki Computer-Software Solutions	4/09/12	2,550.73	0.00		0.00	2,550.73	0.00	2,550.73	0.00	S/L	10.00
153		Donna Computer-Software Solution	7/02/12	2,550.73	0.00		0.00	2,550.73	0.00	2,550.73	0.00	S/L	10.00
154		Copier-Purcell's	2/01/12	895.00	0.00		0.00	895.00	0.00	895.00	0.00	S/L	10.00
159		Surveillance System	2/24/14	1,954.62	0.00		0.00	1,954.62	0.00	1,954.62	0.00	S/L	10.00
160		Computer for Customer Window	4/30/15	2,586.00	0.00		0.00	2,241.20	258.60	2,499.80	86.20	S/L	10.00
164		Document System	4/22/17	1,961.00	0.00		0.00	1,307.33	196.10	1,503.43	457.57	S/L	10.00
167		HVAC Unit	8/22/18	7,646.00	0.00		0.00	4,077.87	764.60	4,842.47	2,803.53	S/L	10.00
168		New Main Terminal Computer	7/01/18	3,210.00	0.00		0.00	1,765.50	321.00	2,086.50	1,123.50	S/L	10.00
169		Computer (Donna)	1/31/18	2,504.00	0.00		0.00	1,481.53	250.40	1,731.93	772.07	S/L	10.00
171		COMPUTER AT WINDOW	10/30/19	1,670.00	0.00		0.00	695.83	167.00	862.83	807.17	S/L	10.00
175		Billing Printer	7/19/21	2,575.00	0.00		0.00	622.29	257.50	879.79	1,695.21	S/L	10.00

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 340 OFFICE FURN & EQUIP. (continued)													
177		Workstation computer	4/03/23	2,213.31	0.00		0.00	166.00	221.33	387.33	1,825.98	S/L	10.00
		340 OFFICE FURN & EQUIP.		63,648.97	0.00	c	0.00	51,641.21	2,436.53	54,077.74	9,571.23		
Location: 348 OTHER TANGIBLE PLANT													
52		OTHER TANGIBLE PLANT-91 R	1/01/90	4,833.00	0.00		0.00	4,833.00	0.00	4,833.00	0.00	S/L	15.00
54		OTHER TANGIBLE PLANT	12/01/92	6,585.00	0.00		0.00	6,585.00	0.00	6,585.00	0.00	S/L	15.00
68		OTHER TANGIBLE-CONST. ACC	6/01/93	1,430.00	0.00		0.00	1,430.00	0.00	1,430.00	0.00	S/L	15.00
130		LEAK DETECTOR	6/22/06	1,794.85	0.00		0.00	1,794.85	0.00	1,794.85	0.00	S/L	15.00
131		40' STORAGE CONTAINER	7/12/06	2,900.00	0.00		0.00	2,900.00	0.00	2,900.00	0.00	S/L	15.00
139		Flow Meter	2/19/09	5,214.00	0.00		0.00	5,214.00	0.00	5,214.00	0.00	S/L	15.00
140		Pipe Locator	2/27/09	4,395.00	0.00		0.00	4,395.00	0.00	4,395.00	0.00	S/L	15.00
142		Handheld Readers	5/20/09	1,000.00	0.00		0.00	1,000.00	0.00	1,000.00	0.00	S/L	15.00
143		Generator and installations	6/22/09	5,435.60	0.00		0.00	5,435.60	0.00	5,435.60	0.00	S/L	15.00
147		Telemetry Equipment	7/22/10	11,000.00	0.00		0.00	11,000.00	0.00	11,000.00	0.00	S/L	15.00
155		Mobile Meter Terminals	1/04/13	13,620.00	0.00		0.00	10,896.00	778.29	11,674.29	1,945.71	S/L	17.50
163		Telemetry System	6/22/16	16,699.00	0.00		0.00	6,262.13	954.23	7,216.36	9,482.64	S/L	17.50
166		Ford F150	12/28/18	32,895.00	0.00		0.00	23,496.45	1,879.71	25,376.16	7,518.84	S/L	17.50
170		Itron Digital Leak Detector	4/19/18	3,020.00	0.00		0.00	1,140.87	172.57	1,313.44	1,706.56	S/L	17.50
174		Dynsasonics Leak Detector	4/12/21	6,855.00	0.00		0.00	1,256.75	391.71	1,648.46	5,206.54	S/L	17.50
		348 OTHER TANGIBLE PLANT		117,676.45	0.00	c	0.00	87,639.65	4,176.51	91,816.16	25,860.29		
		Grand Total		4,518,185.92	0.00	c	0.00	3,262,829.44	76,562.47	3,339,391.91	1,178,794.01		

EXHIBIT H

Tank Book Values and Remaining Lives

Water Tank Net Book Value and remaining life.

Bonneyville and Mckinney tanks

Loc	305 Water Tanks	Date Installed	Book Period	Current Book	Remaining Life
45	Water Tanks 91 report	1965	35	0.00	0
61	Water Tank FHA	1993	45	1,688.39	14
76	Fence for tank	1995	45	162.31	16
151	Telemetry Boneyville	2012	45	7,740.16	33
158	Tank Refurbish	2014	45	44,445.90	35
			Total	54,036.76	

Ottenheim Tank

Loc	305 Water Tanks	Date Installed	Book Period	Current Book	Remaining Life
92	Water Tanks Caldwell	1999	45	54,400.12	20

EXHIBIT I

Fixed Asset Schedule - 2024

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 303 LAND AND LAND RIGHTS													
46		LAND AND ROW-91 REPORT	1/01/78	2,932.00	0.00		0.00	0.00	0.00	0.00	2,932.00	Land	0.00
53		LAND AND ROW	1/01/92	393.75	0.00		0.00	0.00	0.00	0.00	393.75	Land	0.00
65		NORFOLK-ROW	5/01/93	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
72		NORFOLK SO. ROW	5/01/94	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
73		NORFOLK SO. ROW	5/01/95	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
74		NORFOLK SO. ROW	5/01/96	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
82		LOT FOR TANK SITE-STILLHOU	11/10/99	5,000.00	0.00		0.00	0.00	0.00	0.00	5,000.00	Land	0.00
83		FILING FEE-FOR PURCHASE OF	11/10/99	18.00	0.00		0.00	0.00	0.00	0.00	18.00	Land	0.00
84		NORFOLK SO. ROW	5/01/97	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
86		NORFOLK SO. ROW	5/04/98	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
90		NORFOLK SO. ROW	5/01/99	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
91		EASEMENT (TANK)-BILL INGR.	11/16/99	1,000.00	0.00		0.00	0.00	0.00	0.00	1,000.00	Land	0.00
105		EASEMENTS(PARKER,BANKS,N	6/20/00	3,100.00	0.00		0.00	0.00	0.00	0.00	3,100.00	Land	0.00
106		ROW-NORFOLK SOUTHERN	5/01/00	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
113		NORFOLK SO. ROW	5/01/01	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
120		NORFOLK SO ROW	5/06/02	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
124		NORFOLK SO. ROW	6/02/03	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
126		Norfolk So. ROW	6/01/04	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
127		Norfolk Southern ROW	5/31/05	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
132		DONATED LAND	12/31/06	4,000.00	0.00		0.00	0.00	0.00	0.00	4,000.00	Land	0.00
133		Easement	12/31/07	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
144		Norfolk So ROW	12/31/08	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
145		Norfolk So ROW	12/31/09	100.00	0.00		0.00	0.00	0.00	0.00	100.00	Land	0.00
173		Easement for new tank	12/01/20	5,000.00	0.00		0.00	0.00	0.00	0.00	5,000.00	Land	0.00
		303 LAND AND LAND RIGHTS		23,043.75	0.00	c	0.00	0.00	0.00	0.00	23,043.75		
Location: 304 STRUCTURES AND IMPR.													
48		BUILDING-91 REPORT	1/01/89	19,000.00	0.00		0.00	19,000.00	0.00	19,000.00	0.00	S/L	35.00
80		OFFICE REMODELLING(3 DOOI	9/01/97	4,567.82	0.00		0.00	4,567.82	0.00	4,567.82	0.00	S/L	35.00
102		BUILDING IMPROVEMENTS/RE	6/01/00	11,224.61	0.00		0.00	11,070.90	153.71	11,224.61	0.00	S/L	37.50
121		FENCE-OFFICE PARKING LOT	8/28/02	2,646.00	0.00		0.00	2,312.10	70.56	2,382.66	263.34	S/L	37.50
128		Heat Pump-13 Series 3 Ton	11/07/05	3,500.00	0.00		0.00	2,504.17	93.33	2,597.50	902.50	S/L	37.50
141		Roof on Office	9/25/09	2,240.00	0.00		0.00	1,164.00	59.73	1,223.73	1,016.27	S/L	37.50
		304 STRUCTURES AND IMPR.		43,178.43	0.00	c	0.00	40,618.99	377.33	40,996.32	2,182.11		
Location: 305 WATER TANK													
45		WATER TANK-91 REPORT	1/01/78	47,821.00	0.00		0.00	47,821.00	0.00	47,821.00	0.00	S/L	30.00
61		WATER TANK-FHA	6/01/93	64,262.00	0.00		0.00	61,145.57	1,428.04	62,573.61	1,688.39	S/L	45.00
76		FENCE FOR WATER TANK-AKE	2/01/95	2,270.00	0.00		0.00	2,057.25	50.44	2,107.69	162.31	S/L	45.00
92		WATER TANK (CALDWELL/QO	11/10/99	249,333.85	0.00		0.00	189,392.98	5,540.75	194,933.73	54,400.12	S/L	45.00
151		Telemetry-Bonneville Tank	8/28/12	12,750.00	0.00		0.00	4,726.51	283.33	5,009.84	7,740.16	S/L	45.00
158		Tank Refurbish Project	9/16/14	66,317.14	0.00		0.00	20,397.53	1,473.71	21,871.24	44,445.90	S/L	45.00
		305 WATER TANK		442,753.99	0.00	c	0.00	325,540.84	8,776.27	334,317.11	108,436.88		

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 311 PUMPING EQUIPMENT													
44		WATER PUMP-91 REPORT	1/01/58	12,449.00	0.00		0.00	12,449.00	0.00	12,449.00	0.00	S/L	20.00
63		PUMP STATION-FHA	6/01/93	71,543.60	0.00		0.00	71,543.60	0.00	71,543.60	0.00	S/L	20.00
150		Telemetry-Booster Station	8/28/12	12,750.00	0.00		0.00	6,639.01	637.50	7,276.51	5,473.49	S/L	20.00
157		Maywood Pump Project	12/01/14	164,872.90	0.00		0.00	74,609.20	8,243.65	82,852.85	82,020.05	S/L	20.00
		311 PUMPING EQUIPMENT		261,615.50	0.00	c	0.00	165,240.81	8,881.15	174,121.96	87,493.54		
Location: 331 TRANS & DIST. SYSTEM													
43		TRANS. LINES-91 REPORT	1/01/79	778,978.00	0.00		0.00	778,978.00	0.00	778,978.00	0.00	S/L	50.00
57		TRANS. LINES-FHA	6/01/93	488,797.82	0.00		0.00	406,442.72	7,820.77	414,263.49	74,534.33	S/L	62.50
69		TRANSMISSION LINES	1/01/94	12,226.20	0.00		0.00	9,794.50	195.62	9,990.12	2,236.08	S/L	62.50
107		LINES EXTENSION PROJ-CONT	5/21/01	683,846.75	0.00		0.00	404,574.85	10,941.55	415,516.40	268,330.35	S/L	62.50
110		LINES-EXTENSION PROJECT C(	5/21/01	564,776.65	0.00		0.00	334,130.92	9,036.43	343,167.35	221,609.30	S/L	62.50
122		100 FT 4" WATERLINE-CLAY PI	3/13/03	5,000.00	0.00		0.00	2,692.98	80.00	2,772.98	2,227.02	S/L	62.50
125		4100 ft 4" line-Mckinney Ridge Ro	5/31/04	11,369.75	0.00		0.00	5,692.98	181.92	5,874.90	5,494.85	S/L	62.50
156		Hwy 78 Line Project	4/30/13	79,580.19	0.00		0.00	18,343.60	1,273.28	19,616.88	59,963.31	S/L	62.50
		331 TRANS & DIST. SYSTEM		2,624,575.36	0.00	c	0.00	1,960,650.55	29,529.57	1,990,180.12	634,395.24		
Location: 333 SERVICES													
49		SERVICES-91 REPORT	1/01/79	35,156.00	0.00		0.00	35,156.00	0.00	35,156.00	0.00	S/L	30.00
58		SERVICES-FHA	6/01/93	39,220.32	0.00		0.00	39,220.32	0.00	39,220.32	0.00	S/L	30.00
108		SERVICES-LINE EXT. PROJ CON	5/21/01	31,400.00	0.00		0.00	22,344.84	785.00	23,129.84	8,270.16	S/L	40.00
111		SERVICES-LINE EXT PROJ CON	5/21/01	10,365.00	0.00		0.00	7,375.89	259.13	7,635.02	2,729.98	S/L	40.00
		333 SERVICES		116,141.32	0.00	c	0.00	104,097.05	1,044.13	105,141.18	11,000.14		
Location: 334 METERS & METER INSTAL													
50		METERS-91 REPORT	1/01/79	62,663.00	0.00		0.00	62,663.00	0.00	62,663.00	0.00	S/L	35.00
62		METERS-FHA	6/01/93	19,159.00	0.00		0.00	17,407.04	1,277.27	18,684.31	474.69	S/L	15.00
109		MASTER METER/ETC - LINE EX	5/21/01	11,000.00	0.00		0.00	7,356.34	733.33	8,089.67	2,910.33	S/L	15.00
112		MASTER METER/ETC-LINE EXT	5/21/01	12,740.00	0.00		0.00	8,519.98	849.33	9,369.31	3,370.69	S/L	15.00
161		2015 Meters	9/01/15	25,805.40	0.00		0.00	6,144.17	1,720.36	7,864.53	17,940.87	S/L	15.00
162		Meters	7/01/16	26,292.20	0.00		0.00	5,634.07	1,752.81	7,386.88	18,905.32	S/L	15.00
165		Meters	7/01/17	19,444.76	0.00		0.00	3,611.14	1,296.32	4,907.46	14,537.30	S/L	15.00
172		2020 Meters-200	11/23/20	15,392.00	0.00		0.00	1,355.96	1,026.13	2,382.09	13,009.91	S/L	15.00
176		2022 Meters-200	11/15/22	26,800.00	0.00		0.00	893.33	1,786.67	2,680.00	24,120.00	S/L	15.00
178		2023 Meters-130	6/22/23	25,380.39	0.00		0.00	362.58	1,692.03	2,054.61	23,325.78	S/L	15.00
		334 METERS & METER INSTAL		244,676.75	0.00	c	0.00	113,947.61	12,134.25	126,081.86	118,594.89		
Location: 335 HYDRANTS													
51		HYDRANTS-91 REPORT	1/01/79	7,149.00	0.00		0.00	7,149.00	0.00	7,149.00	0.00	S/L	40.00
59		HYDRANTS-FHA	6/01/93	6,776.00	0.00		0.00	5,938.54	135.52	6,074.06	701.94	S/L	50.00

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 335 HYDRANTS (continued)													
		335 HYDRANTS		13,925.00	0.00	c	0.00	13,087.54	135.52	13,223.06	701.94		
Location: 339 CAP DESIGN/LEGAL/ENG													
55		CAP ENG. & DESIGN COSTS	6/01/93	190,962.16	0.00		0.00	158,788.30	3,055.39	161,843.69	29,118.47	S/L	62.50
56		CAP. LEGAL FEES	6/01/93	4,180.40	0.00		0.00	3,473.73	66.89	3,540.62	639.78	S/L	62.50
60		CAPITALIZED INTEREST-FHA	6/01/93	9,590.68	0.00		0.00	7,975.63	153.45	8,129.08	1,461.60	S/L	62.50
70		CAPITALIZED LEGAL/ENGINEE	1/01/94	9,644.45	0.00		0.00	7,726.69	154.31	7,881.00	1,763.45	S/L	62.50
71		CAPITALIZED INTEREST	2/01/94	13,425.00	0.00		0.00	10,756.26	214.80	10,971.06	2,453.94	S/L	62.50
79		AERIAL PHOTOS/PRINTS FOR T	11/10/99	2,800.00	0.00		0.00	2,126.86	44.80	2,171.66	628.34	S/L	62.50
81		ARCH. STUDY-FOR TANK SITE	11/10/99	750.00	0.00		0.00	569.74	12.00	581.74	168.26	S/L	62.50
85		SITE TESTING (HALL'S GAP WA	11/10/99	3,025.00	0.00		0.00	2,297.80	48.40	2,346.20	678.80	S/L	62.50
93		PEH FEES (TANK PROJECT) RD.	11/10/99	65,571.18	0.00		0.00	49,807.71	1,049.14	50,856.85	14,714.33	S/L	62.50
94		RUBIN & HAYES (BOND COUNS	11/10/99	7,650.55	0.00		0.00	5,811.27	122.41	5,933.68	1,716.87	S/L	62.50
95		LEGAL FEES (CAROL HILL) TAI	11/10/99	1,950.00	0.00		0.00	1,481.20	31.20	1,512.40	437.60	S/L	62.50
96		CAPITALIZED INT (PEOPLE'S B	11/10/99	5,813.17	0.00		0.00	4,415.69	93.01	4,508.70	1,304.47	S/L	62.50
101		CAP INTEREST(PHASE III, CON	5/21/01	5,559.21	0.00		0.00	3,288.87	88.95	3,377.82	2,181.39	S/L	62.50
115		PEH FEES - LINE EXT PROJECT	5/21/01	183,540.64	0.00		0.00	108,585.62	2,936.65	111,522.27	72,018.37	S/L	62.50
116		RUBIN, HAYS & FOLEY - LINE I	5/21/01	10,460.70	0.00		0.00	6,188.67	167.37	6,356.04	4,104.66	S/L	62.50
117		CAROL HILL LEGAL FEES - LIN	5/21/01	5,416.74	0.00		0.00	3,204.54	86.67	3,291.21	2,125.53	S/L	62.50
118		BLUEGRASS ADD FEES - CONT	5/21/01	37,600.00	0.00		0.00	22,244.72	601.60	22,846.32	14,753.68	S/L	62.50
123		HMB ENG FEES-FOR WATERLI	6/30/03	9,010.52	0.00		0.00	1,621.89	144.17	1,766.06	7,244.46	S/L	62.50
		339 CAP DESIGN/LEGAL/ENG		566,950.40	0.00	c	0.00	400,365.19	9,071.21	409,436.40	157,514.00		
Location: 340 OFFICE FURN & EQUIP.													
47		OFFICE EQUIPMENT-91 REPOR	1/01/87	5,586.00	0.00		0.00	5,586.00	0.00	5,586.00	0.00	S/L	10.00
64		TRAILER-INCLUDING EXCAVA	12/01/93	2,440.00	0.00		0.00	2,440.00	0.00	2,440.00	0.00	S/L	10.00
67		OFFICE DESK/CHAIRS	12/01/93	283.44	0.00		0.00	283.44	0.00	283.44	0.00	S/L	10.00
77		KEROSENE HEATER	1/01/95	365.69	0.00		0.00	365.69	0.00	365.69	0.00	S/L	10.00
78		OFFICE SAFE	2/01/95	950.00	0.00		0.00	950.00	0.00	950.00	0.00	S/L	10.00
104		RELISYS TERMINAL	8/21/00	702.80	0.00		0.00	702.80	0.00	702.80	0.00	S/L	10.00
134		Computer	6/20/07	568.00	0.00		0.00	568.00	0.00	568.00	0.00	S/L	10.00
135		Computers and Software	10/31/07	17,367.50	0.00		0.00	17,367.50	0.00	17,367.50	0.00	S/L	10.00
136		Printer	10/08/07	749.00	0.00		0.00	749.00	0.00	749.00	0.00	S/L	10.00
138		Computer/Software	2/01/08	1,101.00	0.00		0.00	1,101.00	0.00	1,101.00	0.00	S/L	10.00
146		Computer w/back up systems	2/28/10	1,219.15	0.00		0.00	1,219.15	0.00	1,219.15	0.00	S/L	10.00
152		Nicki Computer-Software Solutions	4/09/12	2,550.73	0.00		0.00	2,550.73	0.00	2,550.73	0.00	S/L	10.00
153		Donna Computer-Software Solution	7/02/12	2,550.73	0.00		0.00	2,550.73	0.00	2,550.73	0.00	S/L	10.00
154		Copier-Purcell's	2/01/12	895.00	0.00		0.00	895.00	0.00	895.00	0.00	S/L	10.00
159		Surveillance System	2/24/14	1,954.62	0.00		0.00	1,954.62	0.00	1,954.62	0.00	S/L	10.00
160		Computer for Customer Window	4/30/15	2,586.00	0.00		0.00	2,241.20	258.60	2,499.80	86.20	S/L	10.00
164		Document System	4/22/17	1,961.00	0.00		0.00	1,307.33	196.10	1,503.43	457.57	S/L	10.00
167		HVAC Unit	8/22/18	7,646.00	0.00		0.00	4,077.87	764.60	4,842.47	2,803.53	S/L	10.00
168		New Main Terminal Computer	7/01/18	3,210.00	0.00		0.00	1,765.50	321.00	2,086.50	1,123.50	S/L	10.00
169		Computer (Donna)	1/31/18	2,504.00	0.00		0.00	1,481.53	250.40	1,731.93	772.07	S/L	10.00
171		COMPUTER AT WINDOW	10/30/19	1,670.00	0.00		0.00	695.83	167.00	862.83	807.17	S/L	10.00
175		Billing Printer	7/19/21	2,575.00	0.00		0.00	622.29	257.50	879.79	1,695.21	S/L	10.00

Book Asset Detail 1/01/24 - 12/31/24

Asset	dt	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Location: 340 OFFICE FURN & EQUIP. (continued)												
177		Workstation computer	4/03/23	2,213.31	0.00	0.00	166.00	221.33	387.33	1,825.98	S/L	10.00
		340 OFFICE FURN & EQUIP.		63,648.97	0.00c	0.00	51,641.21	2,436.53	54,077.74	9,571.23		
Location: 348 OTHER TANGIBLE PLANT												
52		OTHER TANGIBLE PLANT-91 RI	1/01/90	4,833.00	0.00	0.00	4,833.00	0.00	4,833.00	0.00	S/L	15.00
54		OTHER TANGIBLE PLANT	12/01/92	6,585.00	0.00	0.00	6,585.00	0.00	6,585.00	0.00	S/L	15.00
68		OTHER TANGIBLE-CONST. ACC	6/01/93	1,430.00	0.00	0.00	1,430.00	0.00	1,430.00	0.00	S/L	15.00
130		LEAK DETECTOR	6/22/06	1,794.85	0.00	0.00	1,794.85	0.00	1,794.85	0.00	S/L	15.00
131		40' STORAGE CONTAINER	7/12/06	2,900.00	0.00	0.00	2,900.00	0.00	2,900.00	0.00	S/L	15.00
139		Flow Meter	2/19/09	5,214.00	0.00	0.00	5,214.00	0.00	5,214.00	0.00	S/L	15.00
140		Pipe Locator	2/27/09	4,395.00	0.00	0.00	4,395.00	0.00	4,395.00	0.00	S/L	15.00
142		Handheld Readers	5/20/09	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	0.00	S/L	15.00
143		Generator and installations	6/22/09	5,435.60	0.00	0.00	5,435.60	0.00	5,435.60	0.00	S/L	15.00
147		Telemetry Equipment	7/22/10	11,000.00	0.00	0.00	11,000.00	0.00	11,000.00	0.00	S/L	15.00
155		Mobile Meter Terminals	1/04/13	13,620.00	0.00	0.00	10,896.00	778.29	11,674.29	1,945.71	S/L	17.50
163		Telemetry System	6/22/16	16,699.00	0.00	0.00	6,262.13	954.23	7,216.36	9,482.64	S/L	17.50
166		Ford F150	12/28/18	32,895.00	0.00	0.00	23,496.45	1,879.71	25,376.16	7,518.84	S/L	17.50
170		Itron Digital Leak Detector	4/19/18	3,020.00	0.00	0.00	1,140.87	172.57	1,313.44	1,706.56	S/L	17.50
174		Dynsasonics Leak Detector	4/12/21	6,855.00	0.00	0.00	1,256.75	391.71	1,648.46	5,206.54	S/L	17.50
		348 OTHER TANGIBLE PLANT		117,676.45	0.00c	0.00	87,639.65	4,176.51	91,816.16	25,860.29		
		Grand Total		4,518,185.92	0.00c	0.00	3,262,829.44	76,562.47	3,339,391.91	1,178,794.01		