

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
PSC CASE 2025-00232

**IN RE MATTER OF: ELECTRONIC SOUTHERN WATER AND SEWER
DISTRICT UNACCOUNTED FOR WATER LOSS REDUCTION PLAN,
SURCHARGE & MONITORING**

**NOTICE OF FILING
MAY 2026 WATER LOSS REPORT**

Comes Southern Water and Sewer District (“Southern Water”), by and through counsel, and provides the Public Service Commission with a notice of filing the May 2026 Monthly Water Loss Report. This report is filed in compliance with the order filed on August 15, 2025, in case 2025-00232, page 7, numerical paragraph 11.

During May of 2026, Southern produced and purchased 66,270,000 gallons of water. Of those 66,270,000 gallons: 21,750,000 gallons were sold; 3,162,000 gallons were accounted for as other water used; and 41,358,000 gallons were accounted for as water loss.

The total water loss percentage for May 2026 was 62.41%. Approximately 97% of water loss was due to line breaks. The remaining ~3% of water loss was due to tank leaks. Please refer to the attached Monthly Water Loss Report for a complete analysis and supporting information.

In an attempt to improve water infrastructure in the past, Southern Water purchased new water meters from RG3 Meter Company. However, Southern Water found many substantial problems with the water meters. It has been discovered that other companies are encountering some of the same issues from water meters purchased through said vendor, *see Exhibit 1*. The meters were supposed to have been 100% guaranteed. Southern Water has returned 682 meters

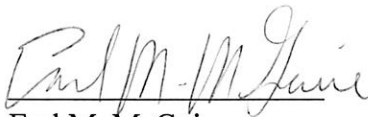
for warranty repairs. RG3 has acknowledged that the meters are subject to their warranty, but there is nothing in the warranty that states how long they have to repair or replace the meters. *See Exhibit 2.* Southern Water is limited in their ability to correctly monitor water usage because of the substantial delay in warranty work. Southern Water also believes that they possibly have another 948 meters that are non-functional and subject to warranty replacement. The warranty agreement that Southern Water had entered into absolved RG3 Meter Company of all liability except repairs and makes the laws of the state of Texas exclusively govern this warranty.

Southern Water is presently negotiating a contract with Bell Engineering, *see Exhibit 3.* that is scheduled to be presented to the Board of Directors for their approval on Monday, June 22, 2026. The Board is also glad to report that Congressman Hal Rogers just announced that the House Appropriations Committee approved \$7 million (\$7,000,000) in infrastructure improvements for Southern Water and Sewer District to repair or replace water tanks that are leaking or need replaced, *see Exhibit 4.*

CERTIFICATION

These responses are true and accurate to the best of preparer's knowledge, information and belief formed after reasonable inquiry. Filed on this 15th day of May 2026.

Respectfully Submitted by:



Earl M. McGuire

Attorney at Law

McGuire Law Office

132 South Lake Drive, Suite 203

P.O. Box 1746

Prestonsburg, KY 41653

(606) 889-2201

Counsel for Southern Water & Sewer District

PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Southern Water & Sewer District

For the Month of: May Year: 2026

| LINE # | ITEM | GALLONS (Omit 000's) |
|--------|---|----------------------|
| 1 | WATER PRODUCED AND PURCHASED | |
| 2 | Water Produced | 50,974 |
| 3 | Water Purchased | 15,296 |
| 4 | TOTAL PRODUCED AND PURCHASED | 66,270 |
| 5 | | |
| 6 | WATER SALES | |
| 7 | Residential | 17,435 |
| 8 | Commercial | 2,668 |
| 9 | Industrial | |
| 10 | Bulk Loading Stations | |
| 11 | Wholesale | 1,647 |
| 12 | Public Authorities | |
| 13 | Other Sales (explain) | |
| 14 | TOTAL WATER SALES | 21,750 |
| 15 | | |
| 16 | OTHER WATER USED | |
| 17 | Utility and/or Water Treatment Plant | 1,529 |
| 18 | Wastewater Plant | |
| 19 | System Flushing | 1,000 |
| 20 | Fire Department | 25 |
| 21 | Other Usage (explain) <u>Leak adjustments</u> | 608 |
| 22 | TOTAL OTHER WATER USED | 3,162 |
| 23 | | |
| 24 | WATER LOSS | |
| 25 | Tank Overflows | |
| 26 | Line Breaks | 19,979 |
| 27 | Line Leaks | 19,979 |
| 28 | Excavation Damages | |
| 29 | Theft | |
| 30 | Other Loss (explain) <u>Brush Crk and Neds Fk Tank Leak</u> | 1,400 |
| 31 | TOTAL WATER LOSS | 41,358 |
| 32 | | |
| 33 | Note: Line 14 + Line 22 + Line 31 MUST Equal Line 4 | |
| 34 | | |
| 35 | WATER LOSS PERCENTAGE | |
| 36 | (Line 31 divided by Line 4) | 62.41% |

IN THE DISTRICT COURT OF AND FOR GARVIN COUNTY, STATE OF OKLAHOMA

STATE OF OKLAHOMA
GARVIN COUNTY } SS.

FILED

NOV 08 2024

AT 2:57 P M
O'CLOCK
LAURA LEE, Court Clerk

Case No. CJ-2024-293 BY [Signature] DEPUTY

CITY of PAULS VALLEY, OK

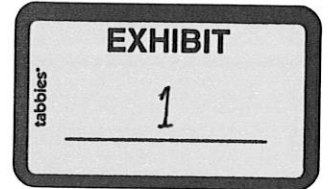
Plaintiff,

v.

METER INSTALL GROUP, LLC, and
RG3 METER COMPANY,

Defendants.

PETITION



1. The Plaintiff is the City of Pauls Valley ("the City"), a political subdivision of the State of Oklahoma.

2. Defendant Meter Install Group, LLC ("MIG") is a limited liability company.

3. Defendant RG3 Meter Company ("RG3") is a limited liability company.

4. RG3 is owned and operated by the same family which owns and operates MIG.

5. The City operates water and sewer services for its residents.

6. In order to properly bill resident customers for water, the City has water meters installed to measure the amount of water used by each customer.

7. The City's Water Department employed meter-readers who manually looked at all resident customers' meters, recorded the numbers showing on the meters, and then billed the resident customers for the amount of water as recorded on their meters.

8. In 2022, the City decided to upgrade its water meters to new "remote-read" water meters, designed and manufactured by Defendant RG3.

9. These remote-read meters were designed so that the City's meter-readers would need only to drive past the water meters, and then the meter readers could pick up through a remote signal the meter information contained on the meters.

10. RG3 informed the City that these “remote-read” water meters do not require manual checking of each meter, saving time and money for the City. These “remote-read” water meters did not require manual checking on the meters—they reported the numbers back to the City’s Water Department—obviating the need to dispatch meter readers to each property every billing cycle.

11. On July 15, 2022, the City entered into a Contract Agreement with Defendant MIG to install the new remote-read water meters manufactured by RG3.

12. MIG contracted to install 2,200 5/8” water meters in Pauls Valley, OK.

13. On November 8, 2022, MIG began Phase One of a two-phase installation of the water meters.

14. The water meters quickly exhibited several problems which prevented their proper functioning.

15. MIG had installed some of the water meters backwards, so that the meters ran backwards, preventing an accurate reading, thus preventing accurate billing.

16. Some of the water meters were not sealed properly, so that they fell apart and became unusable.

17. Some meters improperly reported numbers from properties where they were not located—providing inaccurate information.

18. At least two of the water meters caught fire for no discernible reason.

19. Some of the water meters would add extra zeroes to the end of remote-read numbers for the Water Department’s billing cycles, throwing off the accuracy of the City’s water billing by multiple powers of ten.

20. In May 2023, Phase Two of MIG’s water meter installation project began.

21. Phase Two of the installation of the water meters caused more confusion, in part because some of the serial numbers on Phase Two meters were identical duplicates of the serial numbers on Phase One meters.

22. The duplicative serial numbers caused chaos with the City's billing system, because the system billed customers by serial number of the water meter installed on each customer's property.

23. In all, 2,604 water meters manufactured by RG3 were installed by MIG in Pauls Valley, OK from November 2022 through May 2023.

24. MIG installed, without consulting the City, manual water meters to replace the faulty digital-screen, remote-read meters which they had previously installed.

COUNT 1: BREACH OF EXPRESS WARRANTIES

25. RG3 provided several express warranties on the water meters installed by MIG in Pauls Valley. These warranties include the following guarantees:

- a. **Case Integrity:** RG3 expressly warranted that, if used and installed according to specifications, the low-lead bronze main cases of the C700 Perpetual meters would retain their structural integrity for 25 years from the date of shipment by RG3 Meter Company.
- b. **Register Functionality:** RG3 expressly warranted that, if used and installed as specified, its direct-read registers would function for a period of 25 years from the date of manufacture by RG3 Meter Company. Separate warranties applied to AMR/AMI, encoder, and pulse registers.
- c. **New Meter Accuracy:** RG3 expressly warranted that, if used and installed as described, new C700 Positive Displacement Perpetual meters would meet or exceed the latest AWWA C700 New Meter Accuracy Standards until the occurrence of either 10 years from installation, 10.5 years from shipment by RG3, or 1,500,000 U.S. gallons registered usage, whichever came first.
- d. **Repaired Meter Accuracy:** RG3 further warranted that repaired C700 Perpetual® meters would meet or exceed the latest AWWA C700 repaired meter accuracy standards until either 15 years from the date of shipment by RG3 or a registered usage of 2,500,000 U.S. gallons, whichever occurred

first.

26. Despite RG3's express warranties as set forth above, the water meters manufactured by RG3 and installed by MIG failed to meet the promised standards and performance levels under normal and specified use.

27. Some of the water meters were improperly sealed and began to fall apart shortly after installation by MIG.

28. Numerous water meters had registers that failed to function properly long before 25 years had passed from the date of manufacture by RG3.

29. Several water meters produced inaccurate readings well before the warranty period of either 10 years from the date of manufacture by RG3 or 1,500,000 U.S. gallons had been registered.

30. Replacement water meters installed by MIG to replace faulty meters also failed to meet accuracy standards, producing inaccurate readings well before either 15 years had passed or 2,500,000 U.S. gallons had been registered.

31. All meters were installed by MIG, not the City, and were used in accordance with RG3's specifications.

32. Each of the warranties specified in ¶ 25 was breached by some or all of the water meters installed by MIG in Pauls Valley on behalf of the City.

33. The City bears no responsibility for any failure to install the water meters in accordance with RG3's specifications, as MIG was responsible for all installations.

34. As a direct result of RG3's breach of express warranties, the City incurred consequential damages, including time, labor, and financial resources spent to monitor, repair, and address issues with the faulty meters, as well as the need to respond to numerous resident complaints arising from inaccurate billing statements. The City seeks compensation for these damages in an amount to be determined at trial.

COUNT 2: BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY

35. At the time RG3 manufactured the water meters later installed in Pauls Valley, OK, by MIG, RG3 was a merchant.

36. The water meters were not merchantable at the time of sale, because a significant number of them proved faulty almost immediately.

37. The non-merchantability of the water meters injured the City, because the City was forced to (1) take time, labor, and costs to check on and replace the faulty meters; and (2) check and fix faulty billing statements based on the inaccurate information produced by the faulty water meters.

38. The water meters therefore breached the implied warranty of merchantability.

39. The City provided notice of the breach of the implied warranty of merchantability to RG3.

40. The City may maintain a direct action against the manufacturer of the water meters for breach of implied warranty of merchantability and fitness for a particular purpose, even in absence of vertical contractual privity.

41. Due to the breach of the implied warranty of merchantability, the City suffered consequential damages by incurring expenses for checking and replacing faulty meters and addressing resident billing complaints. The City seeks recovery for these expenses in an amount to be determined at trial.

COUNT 3: BRIEF OF IMPLIED WARRANTY OF FITNESS FOR PARTICULAR PURPOSE

42. At the time RG3 manufactured the water meters later installed in Pauls Valley, OK by MIG, RG3 was a merchant.

43. When the City was seeking to upgrade its water meters to remote-read meters, it relied on RG3's skill and judgement, as the manufacturer of the water meters, to provide suitable water

meters for its purpose.

44. RG3 had reason to know of the sole purpose a municipal buyer of water meters, such as the City, had for the remote-read meters—to remotely and accurately measure water usage by resident customers in order to facilitate prompt, accurate billing.

45. A significant number of the installed water meters either failed to provide accurate water usage information or to provide any information at all.

46. Some of the meters added extra zeroes to some water usage reports; generated reports for some properties they were not located on; or failed to gauge the water usage at all because they fell apart due to poor sealing.

47. Some meters needed to be manually read, defeating the purpose of the allegedly remote-read meters which the City had paid for.

48. The water meters therefore breached the implied warranty of fitness for a particular purpose.

49. As a consequence of RG3's breach of the implied warranty of fitness for a particular purpose, the City experienced damages by needing to verify and adjust faulty meter readings, correct billing errors, and respond to resident complaints. The City claims these consequential damages as part of its total recovery

COUNT 4: BREACH OF CONTRACT

50. The City entered into a Contract Agreement with Defendant MIG on July 15, 2022, for the installation of 2,200 remote-read water meters manufactured by RG3.

51. As part of this Contract Agreement, MIG was obligated to install properly functioning remote-read water meters manufactured by RG3, which would enable the City to measure water usage accurately and remotely for billing purposes.

52. The Contract Agreement specified that the meters were to be installed in a manner consistent with the manufacturer's guidelines and industry standards to ensure accurate, remote readings.

53. MIG breached the terms of the Contract Agreement by failing to install the water meters in accordance with these standards and by failing to ensure that the water meters functioned as intended. Specifically: (1) some water meters were installed backwards, resulting in inaccurate readings; (2) some water meters were improperly sealed, leading them to fall apart and become unusable; (3) some water meters produced inaccurate data, including incorrect property readings; (4) certain water meters malfunctioned, adding extra zeroes to reported readings; and (5) MIG installed manual meters to replace defective remote-read meters without consulting the City.

54. The breach of contract by MIG has resulted in significant damages to the City, as the City has incurred costs in terms of time, labor, and financial resources to address the issues arising from the defective installation.

55. As a result of MIG's breach of contract, the City is entitled to damages in an amount to be determined at trial, including the cost of replacement meters, labor for reinstallation, and any consequential damages resulting from MIG's failure to meet its contractual obligations.

56. As a direct result of MIG's breach of contract, the City incurred consequential damages, including costs for reinstallation, time and labor spent on manual recording and billing adjustments, and responding to resident complaints. The City claims these consequential damages in an amount to be determined at trial.

COUNT 5: NEGLIGENCE

57. MIG had a duty to install the remote-read water meters manufactured by RG3 in accordance with industry standards and manufacturer specifications to ensure their proper

functioning.

58. MIG breached this duty by failing to install the water meters in a reasonably careful manner.

59. As a direct and proximate result of MIG's negligent installation of the water meters, the City incurred substantial damages, including:

- a. Costs associated with manually verifying water usage data that should have been accurately reported by the remote-read meters;
- b. Expenses related to the reinstallation or repair of improperly installed water meters;
- c. Time, labor, and financial resources spent on correcting inaccurate billing statements generated by faulty readings; and
- d. The need to respond to resident complaints regarding erroneous billing caused by the improper installation of the water meters.

60. The City is therefore entitled to recover damages resulting from MIG's negligence.

FACTS GERMANE TO ALL COUNTS

61. The City incurred significant damages as a direct consequence of the failures of the water meters manufactured by RG3 and installed by MIG.

62. The City was forced to manually record water meter numbers on meters that it expected to fully function remotely when it contracted with MIG to install the RG3-manufactured meters.

63. The City was required to expend time, labor, and financial resources to correct faulty billing statements caused by the inaccurate data from the defective meters.

64. The City was compelled to address numerous complaints from resident customers whose bills were improperly and vastly inflated due to the errors in the water meters.

65. As a result of Defendants' breaches, the City incurred consequential damages, including but not limited to time, labor, and reinstallation costs, as well as reputational damage and administrative expenses.

66. The City incurred consequential damages equal to or in excess of \$75,000.00.

DEMAND

67. The City therefore seeks the following relief:

- a. Compensatory damages to recover losses, including but not limited to the cost of replacement meters, labor, and reinstallation;
- b. Consequential damages arising from the breaches as described in Counts 1 through 4, which have directly impacted the City's financial and operational standing;
- c. Punitive damages as deemed appropriate by the Court, to deter Defendants from future wrongful conduct;
- d. Attorney's fees and costs associated with this action; and
- e. Any other relief to which the City may be entitled, as deemed just and proper by the Court.

68. The City demands judgment against the Defendants for damages in an amount to be determined at trial, inclusive of compensatory, consequential, and punitive damages, as well as attorney's fees, costs, and any further relief this honorable court may deem appropriate.

GARVIN AGEE CARLTON, P.C.

By: 

Brett Agee OBA #12547

Jacob Yturri OBA #35269

brett.agee@gaclawyers.com

jacob.yturri@gaclawyers.com

P.O. Box 10

Pauls Valley, OK 73075-0010

405-238-1000

fax: 405-238-1001

Attorneys for the City of Pauls Valley

ATTORNEYS LIEN CLAIMED.



RG3 AMR-AMI Limited Warranty

I. Scope of Warranty

This Limited Warranty comprises a General Warranty, RF End Point Warranty, Encoder or Pulse Register Warranty, and AMR-AMI Collector Warranty (described below and referred to collectively as "Warranties") and applies exclusively to all applicable RG3 Meter Company (hereafter "RG3") products, (hereafter collectively "Product(s)" listed in IV below) and shipped from RG3 after January 1, 2023 to the entity (hereafter "Purchaser") who purchases Product(s) directly from RG3. Where the Purchaser is an RG3 authorized Distributor, the Warranties may be extended by the authorized Distributor to its own purchasers who may not extend the warranty further and RG3 will not be liable for any additional warranty provision(s) beyond the provisions contained in this document unless agreed to in writing.

II. Materials and Workmanship Warranty

General Warranty: As limited by the Warranty Limitations defined below, RG3 warrants Product(s) to be free from defects in materials and workmanship for a period of one (1) year after installation or 1.5 years after the date of shipment by RG3 (whichever occurs first).

RF End Point Warranty: RF End Point(s) covered by the RF End Point Warranty as limited by the Warranty Limitations defined below, shall be free from defects in materials and workmanship as proven through an evaluation by RG3 or an RG3 agent, will be repaired or replaced¹ at a prorated percentage measured from the date of installation or 6 months after the date of shipment by RG3 (whichever occurs first) and applied towards the published list prices in effect for the year the RF End Point is accepted by RG3 under warranty conditions according to the following schedule:

| Years | Replacement Price | Years | Replacement Price |
|-------|-------------------|-------|-------------------|
| 1-10 | 0% (free) | 16 | 65% |
| 11 | 40% | 17 | 70% |
| 12 | 45% | 18 | 75% |
| 13 | 50% | 19 | 80% |
| 14 | 55% | 20 | 90% |
| 15 | 60% | >20 | 100% |

¹Either the battery alone or RF End Point(s) comprising the battery will be repaired or replaced at RG3's option - [Example: Battery Alone: Assume Full Replacement Cost is \$5; Battery failure at 11 years exactly; You Pay: .4 x \$5 = \$2]; or Complete Product Replacement: Assume Full Replacement Cost is \$50; You Pay: .4 x \$50 = \$20].

For any RF End Point(s) with data logging/consumption audit capabilities ("Logging") covered by the RF End Point Warranty described above, the RF End Point Warranty is only valid for 50 Logging events for the lifetime of the battery. On the 51st Logging event, the RF End Point Warranty, if still in effect, ends regardless of the date the RF End Point was shipped from RG3.

Encoder and Pulse Register Warranty: Encoder and Pulse Register(s) covered by the Encoder and Pulse Register Warranty as limited by the Warranty Limitations defined below, shall be free from defects in materials and workmanship as proven through an evaluation by RG3 or an RG3 agent, will be repaired or replaced¹ for a period of ten (10) years after installation or 10.5 years after the date of shipment by RG3 (whichever occurs first).



AMR-AMI Collector Warranty: AMR-AMI Collector(s) covered by the AMR-AMI Collector(s) Warranty as limited by the Warranty Limitations defined below, shall be free from defects in materials and workmanship for a period of one (1) year after installation or 1.5 years after the date of shipment by RG3 (whichever occurs first). Warranty services provided during the warranty period are:

- Free repair (including parts and labor), or replacement at RG3's discretion, of defective Product
- Return shipment of repaired Product via standard ground service
- These are purchaser's exclusive remedy for warranty issues

NOT included in the Warranty:

- Equipment damaged by abuse or negligence, or environmental damage as a fault of fires and storms
- Expedited shipping of repaired Product(s)
- Cables and hardware
- Antennas
- USB Flash Drives or SD cards
- Battery
- Firmware modifications

III. Claims

Product(s) covered by the Warranties (as limited by the Warranty Limitations defined below) and proven defective through an evaluation by RG3 or an RG3 agent, will be repaired or replaced, at the option of RG3, without additional charge to the Purchaser. Any Replaced Product(s) becomes the property of RG3.

A Returned Material Authorization (RMA) number MUST accompany all Product(s) sent to RG3 for repair or replacement. This number may be obtained by calling Customer Support at 1 (903) 753-3456.

The Purchaser is responsible for the costs associated with removing the Product(s) from service, returning it to the factory service center designated by RG3 (including freight costs), providing a completed RG3 Return Materials Authorization form (available at www.rg3meter.com), and reinstallation of the repaired and/or replaced Product(s). A separate Product(s) removal and reinstallation service agreement can be purchased from RG3 to cover such costs.

The RG3 obligation hereunder shall be limited to such repair and replacement and shall be conditioned upon RG3 receiving written notice of any asserted defect within 10 (ten) days after its discovery. This exclusive remedy and the Product(s) shall not be deemed to have failed their essential purpose so long as RG3 is willing and able to replace the defective Product(s) for the Purchaser within a reasonable time, after receipt of proof that a defect is involved.

IV. PRODUCT(S)

RF End Point Product(s)

- | | |
|--------------------------------|------------------|
| • Tesla 4 TR -AMR/AMI Register | • TeslaDuo |
| • Tesla EXT | • TeslaSOLO |
| • Tesla Gas Register | • Tesla EcoPoint |
| • Tesla Gas 450 Register | |

AMR-AMI Collector Product(s)

- | | |
|---------------------------------|--------------------------------|
| • Fixed Network Collector (FNC) | • Fixed Network Repeater (FNR) |
| • 450 Repeater | • IoT Gateway |
| • 450-Transceiver | • 900-Transceiver |

Encoder and Pulse Register Product(s)

- | | |
|-------------------|--------------------|
| • Optical Encoder | • Tomahawk Encoder |
|-------------------|--------------------|



V. Warranty Limitations

The limitations on liability set forth in this section are fundamental inducements to RG3 for providing and entering into any Limited Warranty agreement. Such limitations on liability apply unconditionally in all respects and are to be interpreted broadly to provide RG3 with the maximum protection permitted under law.

RG3 provides NO warranty and shall not be liable for any loss associated with the use of any item or Product(s) not purchased directly from RG3 or an RG3 authorized Distributor who has extended the Warranties to the authorized Distributor's customer.

The Warranties do not apply to Product(s) that have been: installed improperly or in non-recommended installations; damaged, accidentally or intentionally, or in need of repair; improperly modified or repaired; vandalized or tampered with; modified or repaired with parts or assemblies not certified in writing by RG3, including without limitation, communication parts and assemblies; converted; altered; read by equipment not approved by RG3 (collectively, "Exclusions.").

If, during evaluation of returned Product(s), RG3: (a) identifies Exclusions or (b) determines the returned Product(s) is not defective, or (c) is otherwise not covered by the Warranties, such Product(s) are Warranty Ineligible Product(s). The Purchaser shall pay for and/or reimburse RG3 for all expenses incurred by RG3 in evaluating a returned Warranty Ineligible Product(s), repairing or replacing a Warranty Ineligible Product(s) and for the costs of returning a Warranty Ineligible Product(s) to the Purchaser.

Product(s) comprising RF transmitters have a rated transmitter power level and a Product(s) that generate a properly formatted and transmitted signal at the rated power level or a desired level below the rated power level are not defective whether or not such signals are received by a remote receiver.

THE WARRANTIES SET FORTH IN THIS RG3 LIMITED WARRANTY ARE THE ONLY WARRANTIES GIVEN WITH RESPECT TO THE PRODUCT(S) PROVIDED BY RG3. PRODUCT(S) WHICH FAILS TO MEET THE TERMS OF THE WARRANTIES STATED ABOVE, SHALL BE LIMITED TO REPAIR OR REPLACEMENT AS DESCRIBED ABOVE. THE WARRANTIES ARE THE PURCHASER'S EXCLUSIVE REMEDY AND RG3'S AND ITS AUTHORIZED DISTRIBUTORS' SOLE LIABILITY ON ANY CLAIM, WHETHER IN TORT (INCLUDING STRICT LIABILITY), NEGLIGENCE, CONTRACT, WARRANTY OR OTHERWISE. RG3'S LIABILITY SHALL IN NO EVENT EXCEED THE PURCHASE PRICE.

ANY DESCRIPTION OF THE PRODUCT(S), WHETHER IN WRITING OR MADE ORALLY BY RG3, A RG3 DISTRIBUTOR OR ANY AGENT OF RG3, SPECIFICATIONS, SAMPLES, MODELS, BULLETINS, DRAWINGS, DIAGRAMS, ENGINEERING SHEETS OR SIMILAR MATERIALS USED IN CONNECTION WITH ANY ORDER FROM THE PURCHASER ARE FOR THE SOLE PURPOSE OF IDENTIFYING THE PRODUCT(S) AND SHALL NOT BE CONSTRUED AS AN EXPRESS WARRANTY.

ANY SUGGESTIONS BY RG3, A RG3 DISTRIBUTOR OR ANY AGENT OF RG3 REGARDING USE, APPLICATION OR SUITABILITY OF THE PRODUCT(S) SHALL NOT BE CONSTRUED AS AN EXPRESS WARRANTY UNLESS CONFIRMED TO BE SUCH IN WRITING BY RG3.

THE FOREGOING EXPRESS WARRANTEES ARE IN LIEU OF ALL OTHER WARRANTEES OR WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY (EXCEPT FOR WARRANTY OF TITLE AND RG3 EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES, CONDITIONS, EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, REGARDING ANY MATTER IN CONNECTION WITH THIS RG3 LIMITED WARRANTY OR WITH THE TERMS OF SALE, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT OF INTELLECTUAL PROPERTIES AND TITLE.



IN NO EVENT SHALL RG3 AND/OR ITS AUTHORIZED DISTRIBUTORS BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUE, LOSS OF USE, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, FACILITIES OR SERVICES, DOWNTIME COSTS, DELAYS AND CLAIMS OF PURCHASERS OF THE PURCHASER OR OTHER THIRD PARTIES.

THESE WARRANTIES SHALL BE VOID IN THE EVENT THAT THE FAILURE OR DEFECT IN THE LISTED PRODUCT HAS ARISEN AS A RESULT OF THE PRODUCT BEING USED FOR ANY PURPOSE OTHER THAN THAT WHICH WAS INTENDED AND APPROPRIATE AT THE TIME OF MANUFACTURE INCLUDING USE IN A CONFIGURATION OTHER THAN AS RECOMMENDED BY RG3, DATA LOGGING EXCESSIVELY, OR AS A RESULT OF IMPROPER INSTALLATION OR MAINTENANCE.

RG3 SHALL NOT BE SUBJECT TO AND DISCLAIMS THE FOLLOWING: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR OF WARRANTY (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY RG3, OR ANY UNDERTAKINGS, ACT OR OMISSIONS RELATING THERETO, AND (3) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, MULTIPLE, EXEMPLARY, AND PUNITIVE DAMAGES WHATSOEVER.

VI. Applicable Law and Severability

The laws of the State of Texas, excluding its conflicts of law rules shall exclusively govern this warranty. If any provision in the Warranties is, for any reason, held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provisions of the Warranties, but the Warranties will be construed as if the invalid, illegal, or unenforceable provisions had never been contained in the Warranties, unless, the deletion of such provisions would result in a change of such scope that the Warranties become commercially unreasonable.



RG3-W00022823

**SHORT FORM OF AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of _____ ("Effective Date") between Southern Water and Sewer District ("Owner") and Bell Engineering ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows: Water Loss Reduction, Capital Improvement Plan (CIP) ("Project").

Engineer's services under this Agreement are generally identified as follows: See Exhibit A ("Services").

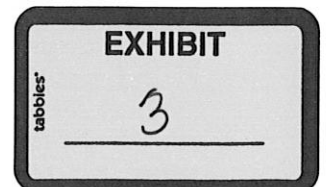
Owner and Engineer further agree as follows:

1.01 Basic Agreement and Period of Service

- A. Engineer shall provide or furnish the Services set forth in this Agreement. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above ("Additional Services").
- B. Work shall begin within 30 days of approval of the Contract by the Public Service Commission, all work shall be completed thereafter within a period of 24 months. Extensions will only be granted with approval of the Board.
- C. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's Services is impaired, or Engineer's Services are delayed or suspended, then the time for completion of Engineer's Services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

2.01 Payment Procedures

- A. *Invoices:* Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 50 days of receipt. If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 50 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and (2) in addition Engineer may, after giving seven days written notice to Owner, suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.



- B. *Payment:* As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in Paragraphs 2.01, 2.02 (Services), and 2.03 (Additional Services). If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion. Owner shall utilize funds from its water loss reduction surcharges, as mandated by the Public Service Commission, to pay Engineer.

2.02 *Basis of Payment—Phases*

- A. Owner shall pay Engineer for Services as follows:
1. Payment shall be disbursed based upon phase completion, following the Proposed Project Scope and Budget, see Exhibit B.
 2. In addition to the Lump Sum amount, reimbursement for the following expenses: None.
- B. The portion of the compensation amount billed monthly for Engineer's Services will be based upon Engineer's estimate of the percentage of the total Services actually completed during the billing period.

- 2.03 *Additional Services:* For Additional Services, Owner shall pay Engineer an amount equal to the cumulative hours charged in providing the Additional Services by each class of Engineer's employees, times standard hourly rates for each applicable billing class; plus reimbursement of expenses incurred in connection with providing the Additional Services and Engineer's consultants' charges, if any. Engineer's standard hourly rates are attached as Appendix 1. Examples of additional services that may be required include, but are not limited to, the following: 1) Attendance at public service commission hearings, 2) attendance at other public hearings, 3) preparation of additional documents, 4) additional exhibits, and/or 5) preparation of a Capital Improvements Plan for the sanitary sewer assets.

3.01 *Termination*

- A. The obligation to continue performance under this Agreement may be terminated:
1. For cause,
 - a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Failure to pay Engineer for its services is a substantial failure to perform and a basis for termination.
 - b. By Engineer:
 - 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
 - 2) upon seven days written notice if the Engineer's Services are delayed for more than 90 days for reasons beyond Engineer's control, or as the result of the presence at the Site of undisclosed Constituents of Concern, as set forth in Paragraph 5.01.i.
 - c. Engineer shall have no liability to Owner on account of a termination for cause by Engineer.

- d. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under Paragraph 3.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon Engineer's receipt of written notice from Owner.

- B. In the event of any termination under Paragraph 3.01, Engineer will be entitled to invoice Owner and to receive full payment for all Services and Additional Services performed or furnished in accordance with this Agreement, plus reimbursement of expenses incurred through the effective date of termination in connection with providing the Services and Additional Services, and Engineer's consultants' charges, if any.

4.01 *Successors, Assigns, and Beneficiaries*

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 4.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- C. Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

5.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer. Subject to the foregoing standard of care, Engineer and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.

- B. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs Incident thereto, for security or safety at the Project site, nor for any failure of a Constructor to comply with laws and regulations applicable to such Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.
- C. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform its work.
- D. Engineer's opinions (if any) of probable construction cost are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents other than those made by Engineer or its consultants.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Owner shall have a limited license to use the documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the documents and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and consultants;
 - 3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 - 4. such limited license to Owner shall not create any rights in third parties.

- G. Owner and Engineer may transmit, and shall accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$250,000.
- I. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.
- K. This Agreement is to be governed by the law of the state in which the Project is located.
- L. Engineer's Services and Additional Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

6.01 *Total Agreement*

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

Definitions

- B. *Constructor*—Any person or entity (not including the Engineer, its employees, agents, representatives, and consultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- C. *Constituent of Concern*—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or

becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5101 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, State, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

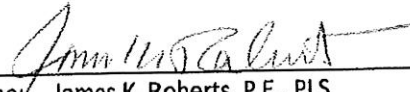
Attachments: Appendix 1, Engineer's Standard Hourly Rates
Exhibit A, Scope of Services
Exhibit B, Project Budget

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

OWNER: SOUTHERN WATER AND SEWER DISTRICT

ENGINEER: BELL ENGINEERING

By: _____
Print name: Donnie Daniels
Title: Chairman
Date Signed: _____

By: 
Print name: James K. Roberts, P.E., PLS
Title: Executive Vice President
Date Signed: 05/27/20

Engineer License or Firm's Certificate No. (if required):

15736

State of: Kentucky

Address for Owner's receipt of notices:

245 KY 680

McDowell, Kentucky 41647

Address for Engineer's receipt of notices:

2480 Fortune Drive

Suite 350

Lexington, Kentucky 40509

This is **Appendix 1, Engineer's Standard Hourly Rates**, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated _____.

Engineer's Standard Hourly Rates

A. Standard Hourly Rates

1. Standard Hourly Rates are set forth in this Appendix 1 and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
2. The Standard Hourly Rates apply only as specified in Paragraphs 2.01, 2.02, and 2.03, and are subject to annual review and adjustment.

B. Schedule of Hourly Rates

| | | | |
|-------------------------|-------|--------------------------|-------|
| Principal V | \$282 | Designer/Planner IV | \$152 |
| Principal IV | \$276 | Designer/Planner III | \$125 |
| Principal III | \$270 | Designer/Planner II | \$123 |
| Principal II | \$262 | Designer/Planner I | \$114 |
| Principal I | \$254 | Engineering Tech II | \$97 |
| Senior Associate | \$216 | Engineering Tech I | \$94 |
| Associate III | \$227 | Inspector III | \$117 |
| Associate II | \$195 | Inspector II | \$107 |
| Engineer VI | \$211 | Inspector I | \$97 |
| Engineer V | \$203 | Draftsman III | \$89 |
| Engineer IV | \$195 | Accountant/Economist III | \$221 |
| Engineer III | \$163 | Accountant/Economist II | \$159 |
| Engineer II | \$146 | Accountant/Economist I | \$114 |
| Engineer I | \$130 | Admin Assistant III | \$129 |
| Landscape Architect IV | \$227 | Admin Assistant II | \$110 |
| Landscape Architect III | \$195 | Admin Assistant I | \$67 |
| Landscape Architect II | \$143 | Secretary III | \$91 |
| Landscape Architect I | \$94 | | |

Appendix 1, Standard Hourly Rates Schedule.

EJCDC® E-520, Short Form of Agreement Between Owner and Engineer for Professional Services.
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This is Exhibit A, Scope of Services, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated _____

**WATER UTILITY CAPITAL IMPROVEMENT PLAN (CIP)
FOR THE
SOUTHERN WATER AND SEWER DISTRICT
APRIL 2026**

Basic Scope of Services of Services to be performed are as follows:

PHASE I

1. District will provide the following data:
 - a) Total number of service lines for each quadrant.
 - b) Percentage of gallons lost in service line leaks for each quadrant.
 - c) Percentage and gallons lost in main line breaks for each quadrant.
 - d) Booster pump station run time, gpm and/or master meter reading and electrical cost.

2. Engineer to review data included in Phase I, Item 1 and provide the following:
 - a) Provide an annual replacement schedule for service line and main line replacement for each quadrant.
 - b) Project the proposed schedule in reduced water loss percentage for each quadrant annually.
 - c) Quantify the reduced water loss percentage into cost savings for each quadrant.
 - d) Prioritize and prepare an opinion of probable cost for service line replacement, main line replacement, zone metering and telemetry installation in strategic locations in each quadrant to specifically combat water loss.

If District is unable to provide data by quadrant, analysis will be performed over the system as a whole.

PHASE II

1. District will provide the following data:
 - a) A priority ranking of system wide water storage tanks for replacement.
 - b) A priority ranking and implementation of a water storage tank maintenance program for system wide repairs.
 - c) A priority ranking of booster pump stations system wide for total replacement.
 - d) A priority ranking of booster pump stations system wide for internal rehabilitation.
 - e) A priority ranking of pressure regulation valves system wide for total replacement.
 - f) A priority ranking of pressure regulation valves system wide for internal replacement.
 - g) A priority list for telemetry systems in areas of no service.

Exhibit A, Scope of Services.

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- h) A priority list for the water treatment plant (WTP) upgrades.
 - i) A priority list of line locations that may be taken out of service with hydraulic modifications.
2. Engineer to review the data included in Phase I, Item 2 and provide the following:
- a) An annual replacement schedule for each item listed.
 - b) An opinion of probable cost for the annual replacement schedule for each infrastructure item listed.

PHASE III

1. Engineer will provide the following services:
- a) Engineer will address current DOW/PSC regulatory compliance requirements and anticipated future regulatory concerns system wide.
 - b) Engineer will review the District's Corrective Action Plan (CAP) with Division of Water concerning TTHM's. Upon review Engineer shall provide alternatives to address any corrective measures to maintain compliance.

PHASE IV

1. Engineer will evaluate water distribution and water treatment plant to minimize supplemental purchases from other entities. The District will provide three locations for evaluation along with potential to upgrade treatment plant.

PHASE V

1. Engineer will provide the following services:
- a) Engineer will identify multiple sources of funding, with emphasis on the opportunity to receive grant funds or surcharging.
 - b) Engineer will lay out a plan to move forward to secure funding.

Additional Services Additional services associated with the Southern Water Sanitary Sewer System would be performed by Engineer **ONLY** with the written consent of the District at a negotiated scope and fee.

EXHIBIT B

PROPOSED PROJECT SCOPE & BUDGET

**SOUTHERN WATER & SEWER DISTRICT
Water Loss Reduction - Capital Improvements Plan
April 15, 2026**

| SCOPE OF SERVICE | | TOTAL LABOR |
|---|--|----------------------|
| ENGINEERING SERVICES | | |
| Phase I - Loss Prevention in Mainline, Service Lines and Meters | | |
| 1 | Kickoff - Project Timeline Discussion | \$3,750.00 |
| 2 | Review SWSD Provided Data | \$6,800.00 |
| 3 | Provide Annual Replacement Schedule for Service Line & Main Line Replacement for Each Quadrant | \$14,500.00 |
| 4 | Quantify the Reduced Water Loss Percentage into Cost Savings Annually for Each Quadrant | \$12,600.00 |
| 5 | Prioritize & Estimate Cost for Service Line Replacement, Main Line Replacement, Zone Metering & Telemetry Installation in Strategic Locations in Each Quadrant to Specifically Combat Water Loss | \$13,750.00 |
| 6 | Develop a Hydraulic Model of the SWSD Water Distribution System (Line Sizes 3" and Larger) | \$48,350.00 |
| Subtotal Phase I | | \$99,650.00 |
| Phase II - Replacement / Rehabilitation of Tanks, Pump Stations, PRV's, Treatment Facilities & Telemetry | | |
| 1 | Review SWSD Provided Data | \$4,850.00 |
| 2 | Provide Annual Replacement Schedule for Each Infrastructure Item Identified | \$7,500.00 |
| 3 | Provide an OPPC for the Annual Replacement Schedule for Each Infrastructure Item | \$11,250.00 |
| Subtotal Phase II | | \$23,600.00 |
| Phase III - Regulatory Compliance & Corrective Measures | | |
| 1 | Address Current DOW/PSC Regulatory Compliance Requirements and Future Regulatory Concerns | \$6,300.00 |
| 2 | Review CIP with DOW Concerning TTHM's. Provide Alternatives to Address Corrective Measures to Maintain Compliance | \$6,750.00 |
| Subtotal Phase III | | \$13,050.00 |
| Phase IV - Minimization of Supplemental Water Purchases from Other Entities | | |
| 1 | Firm Will Evaluate Water distribution and Water Treatment Plant to Minimize Supplemental Water Purchases from Other Entities. The District Will Provide three locations for evaluation along with potential upgrade to water treatment Plant | \$13,500.00 |
| Subtotal Phase IV | | \$13,500.00 |
| Phase V - Funding Options | | |
| 1 | Firm Will Assist w/Identify Sources of Funding, with Emphasis on the Opportunity to Receive Grant/Surcharges | \$3,750.00 |
| 2 | Firm to lay out a plan to move forward to acquire funding | \$2,800.00 |
| Subtotal Phase V | | \$6,550.00 |
| TOTAL ENGINEERING | | \$ 156,350.00 |

Note: Scope of Work and Fee do not include evaluation of the sewer system.



Submitted photo

Department recently held a groundbreaking for community center located in the annex building at Public Health Director Martha Ellis said the HUB from peer support, transportation, interviewing

Public Health Department Groundbreaking for the HUB

HUB, a recovery community center located in the annex building at McDowell.

"About 70 folks came out from the community to support and work with

us," said Martha Ellis, Public Health Director for the department, "I was overwhelmed by the support."

Ellis said the HUB will

See HUB, Page 7A

Committee OKs funds for water projects, parking plan

By Devin Kidd
Staff Writer

U.S. Rep Hal Rogers' office announced in a statement June 4 that nearly \$85 million for Eastern Kentucky projects won the approval of the House Appropriations Committee. The funding will now move on to a vote in the House.

Included in Rogers' proposed projects is \$7 million in infrastructure improvements for Southern Water and Sewer District.

Randley Conley, the district's manager, said the funds could make a huge impact on the district's efficiency.

"We've got three tanks that are leaking and four that need to be replaced," Conley said. "With these funds, we would first target the Frasures Creek tank, which is leaking profusely. It'll also help with the Neds Fork tank, which is leaking, and Spurlock's tank, which is currently patched. It's critical that we get these tanks fixed because if

See PROJECTS, Page 4A

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EXHIBIT

4

tabbles

PROJECTS

Continued From Page 1A

they blow, there's nothing we can do. We could put a temporary tank in,

but it'll be a strain on everybody."

Conley reiterated the importance of fixing the tanks properly and said the areas the tanks feed could be greatly

affected if they aren't.

"This could help us

replace these three to four tanks that are in critical need of repair," he said. "It's more than what people realize; if they were to burst, houses would experience the effects. So

we'll be able to fix those issues, which present the potential of danger and people being out of water."

Floyd Judge Executive Robbie Williams said if the district were to get this \$7 million, along with other funds, they will have received around \$19 million for upgrades and repairs.

"We've worked hard to help Southern Water get this money," Williams said. "People need to realize this doesn't mean they have \$19 million in completed projects, but this is

funding that's in the mill for them."

Along with the tanks Conley is focused on, Williams noted that the district is currently refurbishing their plant in Allen, which he said has been there since the 1960s.

"I honestly feel that we're getting the funding for them to do some serious upgrades that have been needed for years," he said. "When Randy and his team do things, it's to last and not a quick fix. People say the system is broken; the infrastructure has been broken, but the current staff and people running it are top-notch."

Williams also noted that folks need to re-member projects such as this one take time, but are definitely worth being excited for.

"There are years that go into planning these projects because of permitting, right-of-way, etc." he said. "From the time you receive funding for a project, it may be three to four years before that project actually takes off. But, we are really excited that Hal Rogers is pushing this for us and I believe big things are coming for Southern Water."

Another project discussed in the release is a \$2 million parking garage project in Prestonsburg.

"We were hearing a lot of complaints in town about parking; this \$2 million will help with feasibility studies and architectural work to see if a parking garage is feasible," Williams said. "It'll probably take \$7 million to

do the parking garage right, but this is a start to look at preliminary planning and see what the residents want. We have to support our small businesses, and I believe this parking structure will be a shot in the arm for us."

Prestonsburg Mayor Rick Hughes said he feels the parking garage would bring more people into town for numerous reasons.

"The bottom level would be for Sandy Valley Transportation, their vans and everything, where they can stay out of the weather," Hughes said. "So, it's where they will start and end each day. The garage would be in the upper part of town, so that, along with it being a three-story garage, would really help our parking a lot."



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