

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF)
MORGAN COUNTY WATER DISTRICT) CASE NO.
FOR A DECLARATORY ORDER) 2025-00413

VERIFIED APPLICATION

Comes now Morgan County Water District (“Morgan County”), by and through the undersigned counsel, pursuant to 807 KAR 5:001 Section 19 and other applicable law, and does hereby submit its Application for the Commission to declare that a project funded by the Cleaner Water Program does not require a Certificate of Public Convenience and Necessity (“CPCN”) pursuant to KRS 278.020(1)(a)(3)(b). Morgan County requests a decision on this matter by **February 2, 2026** in order to finish the project in 2026 so the funding does not expire. As grounds for this Application, Morgan County respectfully states as follows:

Introduction and Filing Requirements

1. Morgan County is a water district organized pursuant to KRS Chapter 74. Morgan County owns and operates a distribution system through which it provides retail water service to approximately 2,863 residential customers and 121 commercial customers in Morgan County, Kentucky. Morgan County is a “utility” as that term is defined in KRS 278.010(3)(d), and subject to the rates and service jurisdiction of the Commission.

2. Pursuant to 807 KAR 5:001 Section 14(1), Morgan County’s business and mailing address is 1009 U.S. Highway 172, West Liberty, Kentucky 41471. Morgan County’s email address is morganwater@gmail.com and its web address is <https://morgankywaterdistrict.com>.

Morgan County's telephone number is 606-743-1204 and its fax number is 606-743-9585.

Morgan County requests that the following individuals be included on the service list:

Andy Legg, Morgan County's Manager – andy.legg@morgankywwater.org

L. Allyson Honaker – allyson@hloky.com;

Heather S. Temple – heather@hloky.com

Meredith L. Cave – meredith@hloky.com

Request for Declaratory Relief

3. Morgan County seeks a declaratory order from the Commission declaring a project funded by the Cleaner Water Program does not require a CPCN pursuant to KRS 278.020(1)(a)(3)(b).

4. KRS 278.020(1)(a)(3)(b) states that a water district does not require CPCN to undertake waterline extensions or improvements if the water district will not incur obligations of indebtedness that require Commission approval pursuant to KRS 278.300.

5. KRS 278.300 requires a utility to receive authorization from the Commission before it issues any evidences of indebtedness.

6. In the 2021 Regular Session of the Kentucky General Assembly, Senate Bill 36 approved a \$250,000,000 allocation in Federal Funds for Fiscal Year 2021 from the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund to the Authority for the Drinking Water and Wastewater Grant Program, known as the Kentucky Cleaner Water Program (“CWP”). House Bill 1 of the 2022 Regular Session of the Kentucky General Assembly approved another \$250,000,000 allocation in Federal Funds for Fiscal Year 2022 from the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund to the Authority for the CWP.

7. The Kentucky Infrastructure Authority (“KIA”) is responsible for administrating

the funding allocated Senate Bill 36 and House Bill 1. Morgan County applied for and obtained assistance from KIA through the CWP. KIA granted Morgan County \$3,286,800 for a waterline extension project.

8. As the Commission is aware, Morgan County is attempting to rebuild the district after years of disrepair and mismanagement. The CWA will provide \$3,286,800 in grant assistance to complete waterline extension and improvements. Morgan County has no obligation to repay the amount. This project will further Morgan County's efforts to provide safe and reliable service to its customers. Additionally, the project will assist Morgan County's ongoing attempt reduce water loss. As **Attachment A** to this application, Morgan County is providing the agreement with KIA and plans for the project.

9. Since there will be construction occurring because of this grant, there will be ongoing Operations and Maintenance Expense ("O&M"). Morgan County conducted an evaluation of these expenses and it will result in an additional \$16,285. This amount will be offset by the projected operating income from the project of \$40,473. Overall, more income will be generated than expenses. Morgan County's operations will not be affected by the project. As **Attachment B** to this application, Morgan County is providing the operating cost analysis.

Conclusion

10. Morgan County believes the waterline improvements and extensions do not require a CPCN pursuant to KRS. 278.020(1)(a)(3)(b) because Morgan County will not issue evidence of indebtedness that needs approval pursuant to KRS 278.300. Morgan County will fund the project through a grant from KIA and is not obligated to repay the grant funds. Morgan County will not incur additional O&M expenses that are not offset by the income generated.

11. Additionally, the federal funding underlying the CWA is required to be expended

by December 31, 2026. Morgan County evaluated the projects and must begin no later than February 15, 2026 to finish the projects by December 31, 2026. Morgan County respectfully requests the Commission issue an order in this matter by **February 2, 2026**.

This the 31st of December 2025.

VERIFICATION

STATE OF KENTUCKY)
)
) SS:
COUNTY OF MORGAN)

The undersigned, Andy Legg, first being duly sworn, deposes and says that he is the General Manager of Morgan County Water District and that he has personal knowledge of the matters set forth in the foregoing Application, and that the information contained therein is true and correct to the best of his knowledge, information and belief.

MORGAN COUNTY WATER DISTRICT

By: Andy Legg

Andy Legg
General Manager, Morgan County Water District

Subscribed and sworn to before me by Andy Legg, General Manager of Morgan County Water District on this 29th day of December, 2025.

Vanessa Elam
NOTARY PUBLIC

Notary ID#: *K4NP103120*

My Commission Expires: **07-24-2029**

Respectfully submitted,

Heather S. Temple

L. Allyson Honaker
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Counsel for Morgan County Water District

CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on December 31, 2025; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.

Heather S. Temple

Counsel for Morgan County Water District

ATTACHMENT A

AMENDED AND RESTATED SUPPLEMENTAL GRANT ASSISTANCE AGREEMENT

This AMENDED AND RESTATED SUPPLEMENTAL Grant Assistance Agreement (the "Agreement") is made and entered into by and between the Kentucky Infrastructure Authority (the "Authority"), a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of Kentucky, and the Morgan County Water District (the "Grantee"), acting herein through its Authorized Official, each a party to this Agreement, which shall be effective upon the date of signing by the Executive Director of the Authority,

W I T N E S S E T H:

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted legislature of Kentucky at its 1988 Regular Session, enacted House Bill 217 amending Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority, attached to the Governor's Office, is charged pursuant to Section 224A.300 of the Act with coordinating the funding and implementation of infrastructure projects and to this end maintains the Water Resource Information System (the "WRIS") a comprehensive database of community water and wastewater projects across Kentucky; and

WHEREAS, Senate Bill 36 of the 2021 Regular Session of the Kentucky General Assembly approved a \$250,000,000 allocation in Federal Funds for Fiscal Year 2021 from the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund to the Authority for the Drinking Water and Wastewater Grant Program, known as the Kentucky Cleaner Water Program (the "CWP"), and House Bill 1 of the 2022 Regular Session of the Kentucky General Assembly approved another \$250,000,000 allocation in Federal Funds for Fiscal Year 2022 from the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund to the Authority for the CWP, a portion of which funds are the subject of this Agreement; and

WHEREAS, the Grantee is acquiring and constructing a project as described in the Grantee's Project Profile in the WRIS (the "Project") and the Authority has determined that the Project meets the guidelines of the Cleaner Water Program and the directives of the General Assembly;

WHEREAS, the Grantee and the Authority previously entered into that certain Grant Assistance Agreement dated February 27, 2023 (the "Original Agreement"); and now wish to amend and restate the Original Agreement in its entirety by their adoption of this Agreement for the purpose of increasing the amount of the Grant (as defined below); and

WHEREAS, the Grantee and the Authority desire to enter into this Agreement which sets forth and revises their respective duties, rights, covenants, and obligations with respect to the acquisition and construction of the Project and the application of the proceeds of a grant, as increased hereunder, from the Cleaner Water Program as administered by the Authority.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the grant hereby effected, and for other good and valuable consideration, the receipt, mutuality and sufficiency of which is hereby acknowledged by the parties hereto, the Authority and the Grantee each agree as follows:

SECTION 1 – DEFINITIONS

All terms utilized herein shall have the same definitions and meaning as ascribed to them in the Act, which Act is hereby incorporated in this Agreement by reference, the same as if set forth herein verbatim; provided, however, that those definitions utilized in the Act having general application are hereby modified in certain instances to apply specifically to the Grantee and its Project.

Act shall mean Chapter 224A of the Kentucky Revised Statutes, as amended (the “KRS”).

Agreement shall mean this Amended and Restated Supplemental Grant Assistance Agreement made and entered into by and between the Grantee and the Authority, as authorized by the Act, providing for a Grant to be made to the Grantee or its approved agent, subject to approval by the Authority.

Area Water Management Council shall mean the entity designated as the regional planning body for the respective counties within an Area Development District in Kentucky, which shall prepare and maintain an Area Water Management Plan, listing and prioritizing Project Profiles for water and wastewater projects within that region.

Engineer(s) shall mean the professional engineer or firm of professional engineers properly procured in accord with KRS Chapter 45A and 2 CFR 200.317 through 2 CFR 200.327 (where applicable), as amended, by the Grantee in connection with the Project, as identified in the WRIS Cleaner Water Program Database.

Exhibit shall refer to a specific document, or to the completion of a process or procedure to be accomplished as a prerequisite to release of funds to the Grantee by the Authority.

Grant shall mean that portion of the Kentucky CWP funds made available to the Commonwealth by the American Recovery Program Act and allocated by the Kentucky General Assembly in its 2021 and 2022 Regular Sessions, which shall be incrementally transferred under this Agreement from the Commonwealth to the Grantee through Grant

Number 21CWW292 in the principal amount of \$3,286,800 for the purpose of defraying the costs incidental to the Project.

Grantee shall mean any unit of local government, or its designated agent, as approved by the Authority, or any special purpose governmental entity within the Commonwealth eligible for funds under the CWP in accordance with the Act, now having been or hereafter being granted the funds for the Project; and for the purposes of this Agreement shall mean the Grantee identified on the front page of this Agreement.

Project shall mean, when used generally, a water, wastewater or other infrastructure project authorized pursuant to the Act, and when used in specific reference to the Grantee's Project funded by the Authority through the CWP, it shall refer to that project as described in the Grantee's Project Profile in the WRIS, which has an 8 digit number following the designation WX or SX.

Project Administrator shall mean that individual designated in the Project Profile by that title, who has the capacity and responsibility of supervising the Project and coordinating the preparation of all related documentation on behalf of the Grantee with respect to the Project.

Project Budget shall mean a list of Project expenses and funding sources, in the form set forth in the current Project Profile as set forth in the WRIS.

Project Profile shall mean those specific details of the Project, presented by the Grantee to the respective Area Water Management Council for review and incorporation into the Area Water Management Plan and the WRIS.

System shall mean the utility system owned and operated by the Grantee or the agent of the Grantee, as approved by the Authority, to which the Project shall become a part, and any revenues generated by the Project, which are used to operate and maintain the utility system in the typical manner of a local public utility in Kentucky.

SECTION 2 - OBLIGATIONS OF THE AUTHORITY

The Authority covenants and agrees, conditioned upon the timely performance by the Grantee of its respective obligations, to undertake the following obligations:

- A. The Authority shall review and approve Project related documentation provided by the Grantee. Once the Project is under construction, the Authority shall review requests for payment submitted for payment of costs of the Project. Any deficiencies found in said requests will be reported immediately to the Grantee. If there are no deficiencies in said requests or deficiencies have been resolved satisfactorily by the Grantee, the Authority will approve the requests and disburse grant funds to the Grantee in an amount not to exceed, cumulatively, the approved grant amount for the Project.

- B. The Authority will communicate and cooperate with the Grantee to best assist the Grantee in meeting its obligations set out in this Agreement.

SECTION 3 - OBLIGATIONS OF THE GRANTEE

The Grantee covenants and agrees to undertake the following obligations:

- A. The Grantee shall complete and submit executed copies of all required Exhibits to the Authority, in accordance with the Conditional Commitment Letter and Supplemental Conditional Commitment Letter instructions.
- B. The Grantee may consider utilizing the option for partial funding set out in Section 6, below. Over the course of the acquisition and construction of the Project, the Grantee shall provide such status reports as may be requested by the Authority, and once the Project is under construction submit periodic requests for payment to the Authority accompanied by copies of invoices for costs incurred in accordance with the Authority's standard draw-down request format.
- C. The Grantee shall perform and/or cause to be performed all necessary acts consistent with all federal and state labor and procurement laws in connection with the planning, design, acquisition and construction of the Project, including: the proper procurement of land, easements and rights of way; professional services, including but not limited to architectural and engineering services; construction contractor(s) services; and the acquisition of necessary equipment and/or materials.
- D. The Grantee shall obtain and keep on file all required permits, licenses and approvals from the appropriate federal, state, and/or local governmental agencies prior to starting construction of the Project.
- E. The Grantee shall comply with all applicable federal and state statutes, executive orders, regulatory requirements, and policies relating to the planning and construction of the Project.
- F. The Grantee shall cooperate fully with the Authority and provide any documentation requested by the Authority in order to facilitate completing the obligations set out in this Agreement.
- G. The Grantee will proceed expeditiously to complete the Project in accordance with the approved final engineering plans and specifications or amendments thereto, prepared by the Project Engineer for the Grantee, if required and as approved by the Authority and other state and federal agencies, as appropriate.
- H. The Grantee agrees that throughout the reasonable life of the infrastructure facilities developed under the Project it will retain ownership of, operate, and

maintain these facilities, and all appurtenances thereto, keeping them in good and sound repair and good operating condition at its own expense so that the completed Project will continue to provide the services for which it was designed. Change of ownership or disposal of the Project facilities during their useful life may occur only with written approval of the Authority.

- I. If the Grantee is a local unit of government, city or county, and determines that it is in the best interest of its citizens, it may enter into a memorandum of agreement with a Kentucky corporation to serve as its agent for the implementation and long term operation and management of the Project, subject to the Agreement. The form and content of such a memorandum of agreement is subject to the prior approval of the Authority.
- J. General Compliance with all Duties. The Grantee shall faithfully and punctually perform all duties with reference to the System required by the American Rescue Plan Act of 2021, and by the terms and provisions of the Act, and this Assistance Agreement.
- K. Further Covenants under the American Rescue Plan Act of 2021. The Grantee shall comply with all further requirements or conditions which may arise from time to time in order to assure compliance with the American Rescue Plan Act of 2021, including but not limited to the following:
 1. Records Retention. The Grantee shall provide to the Authority access to all records related to the Project for review in determining compliance with this Agreement and all applicable laws and regulations, including the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund. The Grantee shall retain all records, including all invoices, relating to the Project for five (5) years after full execution of the Certificate of Completion.
 2. Single Audit Requirements. Grantees that expend more than \$750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements. Grantees may also refer to the Office of Management and Budget (OMB) Compliance Supplements for audits of federal funds and related guidance and the Federal Audit Clearinghouse to see examples and single audit submissions.
 3. Civil Rights Compliance. The Grantee is required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the U.S. Department of the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part

22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

L. General. The Grantee shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Grantee under the provisions of the American Rescue Plan Act of 2021 and this Assistance Agreement in accordance with the terms of such provisions.

SECTION 4 - MUTUALITY OF OBLIGATIONS

A. The parties agree that the funds granted by the Commonwealth to the Grantee are to be used solely for the purposes of the acquisition and construction of the Project. Further, the parties agree that the obligations imposed upon them are for their respective benefit and the timely fulfillment of the obligations set herein are necessary for the Project.

B. Except as may otherwise be provided herein, the parties to this Agreement shall be solely responsible for any incidental costs incurred in fulfilling their respective obligations under this Agreement and neither party shall have any claim against the other party for reimbursement of incidental costs whether or not a party is in default.

SECTION 5 - TERMS OF AGREEMENT

A. This Agreement shall be valid only after both parties have duly signed and provided the executed document to the other.

B. This Agreement may be terminated by either party at any time for cause and may be terminated by either party without cause upon 30 days written notice to the other party. Termination of this Agreement shall not diminish or in any other manner affect any other remedy that may be available to the parties for any breach of the Agreement that occurs prior to the termination.

C. If, after execution of this Agreement, additional financial assistance is found to be required for the acquisition and construction of the Project and the required additional assistance does or does not become available to the Grantee from any source, the Project may be modified so long as any change in scope and budget is mutually agreed to by the parties to this Agreement, and clearly documented in a revision of the Project Budget within the Project Profile.

SECTION 6 - ADVANCE FUNDING FOR PROJECT PLANNING AND DESIGN

- A. The Grantee may request, in writing, that a portion of the grant funds be disbursed prior to Project bidding to pay up to 50% of the budgeted engineering fee for Project planning and design to the Project Engineer to expedite submission of the Project plans and specifications for review by the Kentucky Division of Water. The balance of the budgeted engineering fee for project planning and design may be paid only after approval of the plans by the Kentucky Division of Water.
- B. It is specifically understood and agreed by the Grantee in the event that the Project has not been advertised for bids within twenty-four (24) months from the date of signing of the Original Agreement, for whatever reason, any funds disbursed for Project planning and design are subject to full and immediate repayment by the Grantee to the Authority.
- C. No funds shall be released under this Section until the requirements of Exhibits 1 through 7 of this Agreement have been completed.

SECTION 7. - EVENTS OF DEFAULT AND REMEDIES.

Section 7.1. Events of Default Defined.

The following will be “Events of Default” under this Agreement and the term “Event of Default” or “Default” will mean, whenever it is used in this Agreement, any one or more of the following events:

- A. Any unauthorized or improper expenditure of funds by the Grantee, or expenditure of funds by the Grantee other than in accordance with the terms of this Agreement.
- B. Failure by the Grantee to observe or perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (A) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied will have been given to the Grantee by the Authority unless the Authority agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Authority will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Grantee within the applicable period and diligently pursued until such failure is corrected.
- C. The dissolution or liquidation of the Grantee, or the voluntary initiation by the Grantee of any proceeding under any federal or Kentucky law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Grantee of any such

proceeding which remain undismissed for sixty (60) days, or the entry by the Grantee into an agreement of composition with creditors or the failure generally by the Grantee to pay its debts as they become due.

- D. A default by the Grantee under the provisions of any agreements relating to its debt obligations.

Section 7.2. Remedies on Default.

Whenever any Event of Default referred to in Section 7.1 has occurred and is continuing, the Authority may, without any further demand or notice, take one or any combination of the following remedial steps:

- A. Declare this Agreement void from the beginning without further obligation to the Grantee and may commence appropriate legal action to enforce its rights under this Agreement including action for recovery of funds expended hereunder.
- B. Terminate any remaining grant payments to the Grantee.
- C. Exercise all the rights and remedies of the Authority set forth in the Act.
- D. Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement.
- E. Submit a formal referral to the appropriate federal agency.

Section 7.3. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Authority is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given hereunder and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power and any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 7.4. Consent to Powers of Authority Under Act.

The Grantee hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges in respect of the Project upon the occurrence of an Event of Default, and the Grantee hereby covenants and agrees that if the Authority should in the future have recourse to said rights and powers, the Grantee shall take no action of any nature whatsoever calculated to inhibit,

nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Agreement.

Section 7.5. Waivers.

In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 7.6. Agreement to Pay Attorneys' Fees and Expenses.

In the event that either party hereto defaults under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefor to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

SECTION 8 - MISCELLANEOUS PROVISIONS

- A. The Grantee may sign this Agreement electronically via a program subject to the approval by the Authority, or manually on a paper copy that is scanned to the portable document format (.pdf) and emailed to the Authority. Transmittal of all other correspondence or documentation, including the required Exhibits identified in the Attachment shall be scanned and attached as a file to email. The Authority and the Grantee, working through the Project Administrator, shall assist each other in securing and maintaining a complete, current Project document file for reference, records, and audit purposes.
- B. The headings set forth in this Agreement are for convenience and the terms contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.
- C. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successor and assigns, respectively, of the parties. Except for the limited use of a memorandum of agreement (as provided in Section 3 herein), this provision shall not be construed to permit an assignment by any party of any of its rights and duties under this Agreement which assignment shall be prohibited except with the prior written consent of the parties hereto.
- D. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and may be modified only by a written instrument duly executed by each of the parties hereto.
- E. Timely and accurate performance of all actions by the respective parties are mutually recognized by the parties of this Agreement to be of importance to the citizens of the Commonwealth generally, and particularly to those citizens directly affected by the Project.

- F. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.
- G. The Authority may audit or review all documentation and records of the Grantee relating to this Project pursuant to the provisions of Section 45A.150 of the KRS or any other applicable federal or state law.
- H. The Grantee agrees that the Authority, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other documentation or evidence, which are directly pertinent to this Agreement for the purpose of financial audit or program review. Furthermore, any books, documents, papers records, or other evidence provided to the Commonwealth, the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission, which are directly pertinent to this Agreement, shall be subject to public disclosure regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1)(c) prior to the execution of this Agreement. The Secretary of the Finance and Administration Cabinet shall not restrict the public release of any information which would otherwise be subject to public release if a state government agency was providing the services.
- I. This Agreement amends, supplements, and replaces the Original Agreement in its entirety effective as of the date of execution by the Executive Director of the Authority on the signature page hereof. The Original Agreement shall continue to govern the relationship of the parties hereto with respect to the Grant and other matters set out herein and in the Original Agreement for the period beginning from the effective date of the Original Agreement to, but excluding, the effective date of this Agreement.
- J. During the performance of this contract, the Grantee agrees to the following Appendix II to 2 CFR Part 200 contract provisions, as amended:

Equal Employment Opportunity

1. The Grantee will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Grantee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:
 - a. Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The

contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- b. The Grantee will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c. The Grantee will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- d. The Grantee will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e. The Grantee will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- f. The Grantee will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- g. In the event of the Grantee's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- h. The Grantee will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every

subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a Grantee becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Contract Work Hours and Safety Standards Act

All contracts that are in excess of \$100,000 and involve the employment of mechanics or laborers must include provisions requiring compliance with the Contract Work Hours and Safety Standards Act as follows:

1. Overtime requirements: No contractor or subcontractor contracting for any part of the Agreement work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such a workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such a workweek.
2. Violation: liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
3. Withholding for unpaid wages and liquidated damages. The Grantee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums

as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower-tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

Clean Air Act

1. The Grantee agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Grantee agrees to report each violation to the Authority and understands and agrees that the Authority will, in turn, report each violation as required to assure notification to the Treasury Department and the appropriate Environmental Protection Agency Regional Office.
3. The Grantee agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with American Rescue Plan Act funding.

Federal Water Pollution Control Act

1. The Grantee agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The Grantee agrees to report each violation to the Authority and understands and agrees that the Authority will, in turn, report each violation as required to assure notification to the Treasury Department and the appropriate Environmental Protection Agency Regional Office.
3. The Grantee agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with American Rescue Plan Act funds.

Debarment and Suspension

Contracts shall not be awarded to parties listed on the governmentwide exclusions in the System for Award Management (SAM) listed at www.sam.gov.

Byrd Anti-Lobbying Amendment

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officials as of the day and year above written.

**KENTUCKY INFRASTRUCTURE
AUTHORITY**

By: Sandy Williams
Sandy Williams, Executive Director

Date: 11/18/2024

MORGAN COUNTY WATER DISTRICT

By: Chris Adams
Authorized Official

Print Name: Chris Adams

**THIS AGREEMENT HAS BEEN EXAMINED
BY:**

By: Natalie Lile
LEGAL COUNSEL TO THE KENTUCKY
INFRASTRUCTURE AUTHORITY

used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier, up to the recipient.

[Signature Page Follows]

Drinking Water Project Profile

Legal Applicant: **Morgan County Water District**

Project Title: **County Wide Water Line Extensions**

Project Number: **WX21175053** [View Map](#)

Submitted By: **GWADD**

Funding Status: **Fully Funded**

Primary County: **Morgan**

Project Status: **Approved**

Planning Unit: **Morgan**

Project Schedule: **0-2 Years**

Multi-County: **Yes**

E-Clearinghouse SAI: **KY202506180516**

ECH Status: **Approved**

Applicant Entity Type: **Water District (KRS 74)**

ADD WMC Contact: **Robin Purvis**

Date Approved (AWMPC): **11-30-2023**

Project Description:

The Morgan County Water District is proposing a comprehensive infrastructure project aimed at expanding water service to 69 currently unserved households across various regions of Morgan County. The project will involve the construction of approximately 55,000 linear feet (LF) of PVC waterline, using various pipe sizes to ensure optimal water distribution.

Key Project Components:

Waterline Extensions:

Liberty Road: 7,000 LF (1.3miles) of 4-inch PVC waterline

Hoover Lane Road: 2,283 LF (0.43 miles) of 3-inch PVC waterline, Add Blow off and air release

Honeymoon Hollow Road: 2,660 LF (0.5 miles) of 2-inch PVC waterline

HWY 844: 7,800 LF (1.5 miles) of 6-inch PVC waterline

Bolden Branch: 3,744 LF (0.7 miles) of 3-inch PVC waterline, Add 2 air relief valves (1 Valve, 1 Blow off)

Hog Branch and Left Fork: 2,360 LF (0.45 miles) of 3-inch PVC waterline

Lee Roark Road: 2,075 LF (0.4 miles) of 3-inch PVC waterline

Cindas Creek Road: 9,056 LF (1.7 miles) of 4-inch PVC waterline

Dyer Branch Road: 5,876 LF (1.1 miles) of 4-inch PVC waterline, Add valve and air relief

HWY 460 East: 6,750 LF (1.3 miles) of 6-inch PVC waterline and 1330 LF (0.25 miles) 4-inch PVC waterline

HWY 946 1,800 LF (0.34 miles) of 4-inch PVC waterline

Additional Infrastructure:

Installation of three water sales machines at designated fire station locations to increase community access to water.

Construction of a Pump Station to improve water pressure and accessibility for existing customers who currently face service challenges.

The project aims to directly serve the current population of approximately 8,851 individuals (4,103 households) within the Morgan County Water District. Additionally, the project indirectly supports a larger population of approximately 22,794 people (11,521 households).

Morgan County Water District's service area has a Median Household Income (MHI) of \$44,367, which is significantly below the Kentucky state median of \$60,183, underscoring the need for equitable access to reliable water services in these underserved regions.

Need for Project:

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

The completion of the proposed County Wide Waterline Extension Project would provide clean, potable drinking water to multiple areas through out Morgan County.

Project Alternatives:

Alternate A:

Not applicable at this time.

Alternate B:

Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

Legal Applicant:

Entity Type: Water District (KRS 74)

Entity Name: Morgan County Water District

Web URL: <https://morgankywaterdistrict.com/>

Office EMail: morganwater@gmail.com

Office Phone: 606-743-1204

Toll Free:

Fax: 606-743-9585

Mail Address Line 1: 1009 Hwy 172

Mail Address Line 2:

Mail City, State Zip: West Liberty, KY 41472

Contact: Andy Legg

Financial Contact:

Financial Contact Title:

Financial Contact EMail: andy.legg@morgankywater.org

Financial Contact Phone:

Contact Phone: 606-743-1204

Data Source: Kentucky Infrastructure Authority

Project Administrator (PA) Information

Name: Ben Hamm

Title: Associate Director of Economic Development

Organization: Morgan County Water District

Address Line 1: 1009 Hwy 172

Address Line 2:

City: West Liberty State: KY Zip: 41472

Phone: 606-743-1204 Fax: 606-743-9585

Applicant Contact (AC) Information

Name: John Coffey

Title: General Manager - Interim

Organization: Morgan County Water District

Address Line 1: 1009 Hwy 172

Address Line 2:

City: West Liberty State: KY Zip: 41472

Phone: 606-743-1204 Fax: 606-743-9585

Date Last Modified: 01.14.2025

Project Engineer (PE) Information:

- ✓ This project requires a licensed Professional Engineer.
- ✓ A Professional Engineer has been procured for this project.

Project Engineer Information:

License No: PE 9382

PE Name: Paul D. Nesbitt

Phone: 859-233-3111 Fax:

E-Mail: pnesbitt@nei-ky.com

Firm Name: Nesbitt Engineering, Inc.

Addr Line 1: Paul D. Nesbitt, President

Addr Line 2: Nesbitt Engineering, Inc.

Addr Line 3: 227 North Upper Street

City: Lexington State: KY Zip: 40507

Status: Current Disciplinary Actions: NO

Issued: 01-16-1976 Expires: 06-30-2026

Engineering Firm Information:

Permit No: 331

Firm Name: Nesbitt Engineering, Inc.

Phone: 859-233-3111 Fax:

Web URL:

E-Mail: pnesbitt@nei-ky.com

Addr Line 1: 227 N Upper St

Addr Line 2:

City: Lexington State: KY Zip: 40507

Status: Current Disciplinary Actions: NO

Issued: 07-06-1993 Expires: 12-31-2026



Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

Estimated Budget

Project Cost Categories:

Cost Category	Cost
Administrative Expenses:	\$ 40,000
Legal Expenses:	\$ 8,000
Land, Appraisals, Easements:	\$ 17,000
Relocation Expenses & Repayments:	
Planning:	\$ 29,286
Engineering Fees - Design:	\$ 155,000
Engineering Fees - Construction:	\$ 39,000
Engineering Fees - Inspection:	\$ 110,000
Engineering Fees - Other:	\$ 47,500
Construction:	\$ 2,618,800
Equipment:	
Miscellaneous:	
Contingencies:	\$ 222,214
Total Project Cost:	\$ 3,286,800

Construction Cost Categories:

Cost Category	Cost
Treatment:	
Transmission & Distribution:	\$ 2,618,800
Lead Remediation:	
Source:	
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized:	
Total ConstructionCost:	\$ 2,618,800

Total Sustainable Infrastructure Costs:

Note: Total Sustainability Infrastructure Costs are included within construction and other costs reported in this section. This breakout is provided for SRF review purposes.

Project Funding Sources:

Total Project Cost:	\$ 3,286,800
Total Committed Funding:	\$ 3,286,800
Funding Gap:	\$ 0

This project will be requesting SRF funding for fiscal year 2027.

Estimated Project Schedule:

Est. Environmental Review Submittal Date:	12-31-2022
Estimated Bid Date:	06-15-2024
Estimated Construction Start Date:	08-01-2024
Estimated Construction Completeion Date:	02-01-2025

Funding Source	Loan or Grant ID	Fiscal Year	Amount	Status	Applicable Date
21SB036 Cleaner Water Program (FY 2022)	21CWW292	2022	\$ 3,286,800	Committed	03-26-2024
KIA SRF Fund F Loan (DW)	F25-071	2025	\$ 2,988,000	Expired	04-29-2024
Total Committed Funding:				\$ 3,286,800	

Funding Source Notes:

Consensus was not reached at the county project selection meeting which was held June 28, 2021.

The following systems are beneficiaries of this project:

✓ **KY0880594** Morgan County Water District

Note: Check mark indicates primary system for this project.

Project Ranking by AWMPC:

Regional Ranking(s):

Planning Unit Ranking:

Total Points:

Plans and specs have been sent to DOW.

Plans and specs have been reviewed by DOW.

Plans and specs have been sent to PSC.

Plans and specs have been reviewed by PSC.

Economic, Demographic and Geographic Impacts

Economic Impacts	
Jobs Created:	
Jobs Retained:	

Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

*Demographic Impacts (GIS Census Overlay)			
Servceable Demographic	Project Area	Included Systems	Included Utilities
Population:	80	8,762	8,761
Households:	32	4,033	4,033
MHI:	\$46,980	\$49,096	*\$49,096
MHI MOE	\$10,631	\$10,403	*\$10,403
MOE as Pct:	23%	21.0%	21.0%
**NSRL:		2	2

Population and household counts are based on 2010 census block values from the SF1 (100%) dataset.

MHI Source is from the American Community Survey 2019-2023 5 Yr Estimates (Table B19013 *(for the primary system operated by the above listed beneficiary utilities).

MHI MOE = Med HH Income Margin of Error.

** NSRL (Non-Standard Rate Levels):

- 0 = Income above Kentucky MHI (KMHI).
- 1 = Income between 80% KMHI and KMHI.
- 2 = Income less than or equal to 80% KMHI.
- KMHI = \$62,417
- 80% KMHI = \$49,934

New Customers	
New Residential Customers:	69
New Commercial Customers:	
New Institutional Customers:	
New Industrial Customers:	

New or Improved Service		
Service Demographic	Survey Based	Census Overlay*
To Unserved Households:	69	32
To Underserved Households:		
To Total Households:	69	32
** Cost Per Household:	\$47,635	

* GIS Census block overlay figures are estimates of population and households potentially served by systems and projects based on a proximity analysis of relevant service lines to census block boundaries.

** Cost per household is based on surveyed household counts, not GIS overlay values.

Geographic Impacts For Project Area		Geographic Impacts For Included System(s)	
Counties		Counties	
Magoffin		Johnson	
Morgan		Magoffin	
Legislative Districts		Legislative Districts	
District Name	Legislator	District Name	Legislator
House 092	John Blanton	House 074	David Hale
House 099	Richard White	House 089	Timmy Truett
Senate 30	Brandon Smith	House 092	John Blanton
Congressional 5	Hal Rogers	House 097	Bobby McCool
Groundwater Sensitivity Zones		Senate 28	
HUC 10 Watersheds		Senate 30	
HUC Code	Watershed Name	Senate 31	Phillip Wheeler
0507020304	Paint Creek	Congressional 5	Hal Rogers
0510010101	Headwaters Licking River		
0510010102	Elk Fork		
0510010103	Craney Creek-North Fork Licking River		
0510010105	Blackwater Creek-Licking River		



Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

DW Specific Impacts

- 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.
- This project is necessary to achieve full or partial compliance with a court order, agreed order, or a judicial or administrative consent decree.
- Primary system has not received any SDWA Notices of Violation within the previous state fiscal year-July through June, i.e. July 2014 – June 2015.
- 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.
- 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.

Project Readiness - Lead Inventory and Lead Service Line Replacement:

Lead Service Line Inventory:

- 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:

- A strategy for informing customers before a LSLR and a template for an agreement with the private property owner to replace the LSL.
- A process for documenting all property owners declining replacement of privately owned portion of LSL.
- A procedure for customers to flush service lines and premise plumbing of particulate lead.
- A proposed plan for conducting LSL replacement utilizing all requested funding.
- A funding strategy for conducting LSLRs utilizing all requested funding.

Project Components - Mapped Point Features

DOW Permit ID	Count	FeatureType	Purpose	Status	Existing Capacity	Proposed Capacity	Units
KY0880594	1	PUMP STATION	PUMP - FILL TANK	NEW			
KY0880594	1	WATER TANK	TANK - INCREASE STORAGE	NEW		150,000.00	GALLON S
KY0880594	3	WATER FILL STATION	INSTALL NEW WATER FILL STATION	NEW			EA

Project Components - Mapped Line Features

DOW Permit ID	Line Type	Purpose	Activity	Size (in.)	Material	Length (LF)
KY0880594	WATER LINE: FINISHED	DISTRIBUTION	EXTENSION - UNSERVED RURAL AREAS	2.00	PVC	6,977
KY0880594	WATER LINE: FINISHED	DISTRIBUTION	EXTENSION - UNSERVED RURAL AREAS	3.00	PVC	13,219
KY0880594	WATER LINE: FINISHED	DISTRIBUTION	EXTENSION - UNSERVED RURAL AREAS	4.00	PVC	18,324
KY0880594	WATER LINE: FINISHED	DISTRIBUTION	EXTENSION - UNSERVED RURAL AREAS	6.00	PVC	14,891



Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

Audits on Record Associated With Applicant

Audit Year	Entity Name	Entity Relationship
2022	Morgan County Water District	Parent
2021	Morgan County Water District	Parent

Regionalization Components and Eliminated Systems/Plants:

Public Water Systems Eliminated:

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

Water Treatment Plants Eliminated:

This project includes the elimination of water treatment plant(s).

Supplementation of Raw Water Supply:

This project includes supplementing the existing raw water supply.

Supplementation of Potable Water Supply:

This project includes supplementing the existing potable water supply.

Supplementation of Emergency Water Supply:

This project includes supplementing the existing emergency water supply.

Water Source Protection

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 rehabilitates a water source dam or reservoir.

This project includes land acquisition for water source protection.

Water Treatment Components

This project includes water treatment components.

Water Distribution and Storage Components:

This project includes water distribution and/or storage components.

Water Line Extensions:

This project includes water line extension(s).

Length of extensions (LF): **53,411**

Number of new connections: **-**

This project extends service to unserved rural areas.

Redundancy Components:

This project includes emergency power generators for distribution and/or storage activities.

This project includes redundant distribution and/or storage processes.

Finished Water Quality:

This project includes infrastructure to address inadequate water turnover and disinfection byproducts (DBPs).

Service Line Inventory:

This project includes implementation of a service line inventory.

Incorporates GIS procedures or methods to record the service line inventory.

Service line inventory replacement will be integrated into asset management planning.

Water Line Replacement:

This project replaces problem water lines (breaks, leaks, or restrictive flows due to age), water lines consisting of lead and/or asbestos-cement (AC), and/or inadequately sized water lines.

In-line or in-situ repair methods will be used in lieu of water line replacement.

Total length of in-place or in-line repair (LF): **-**

This project replaces lead service lines.

Water Loss in the past 12 Months:

The system has experienced the following water loss over the past 12 months:

Water Loss Volume (MG): **77.246**

Water Loss Percent (%): **34.000**

Water Storage and Pressure Components:

This project includes the construction of new water tank(s).

Number of new tank(s): **1**

Proposed storage capacity of new tank(s): **150,000**

Reason for increased storage:

To increase water storage capacity and additional water pressure to provide water to the new service areas created as result of the line extensions and interconnects.

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

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

This project includes the construction of new pump station(s).

Number of new pump stations: **1**

This project includes new pump stations for filling water tanks.

This project includes new pump stations for boosting pressure.

This project includes the rehabilitation of existing pump station(s).

Security:

This project includes security components for water distribution infrastructure.



Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

Sustainable Infrastructure - Green Infrastructure:

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:

Component	Cost
<input type="checkbox"/> Bioretention	
<input type="checkbox"/> Trees	
<input type="checkbox"/> Green Roofs	
<input type="checkbox"/> Permeable Pavement	
<input type="checkbox"/> Cisterns	
	Total Green Infrastructure Cost: \$0

There are no Green Infrastructure components specified for this project.

Sustainable Infrastructure - Water Efficiency:

The 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:

Component	Cost
<input type="checkbox"/> Installing or retrofitting water efficient devices such as plumbing fixtures and appliances (toilets, showerheads, urinals).	
<input type="checkbox"/> Installing any type of water meter in previously unmetered areas (can include backflow prevention if in conjunction with meter replacement).	
<input type="checkbox"/> Replacing existing broken/malfunctioning water meters with AMR or smart meters, meters with leak detection, backflow prevention.	
<input type="checkbox"/> Retrofitting/adding AMR capabilities or leak equipment to existing meters.	
<input type="checkbox"/> 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.	
<input type="checkbox"/> 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.	
<input type="checkbox"/> 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).	
<input type="checkbox"/> Retrofit or replacement of existing landscape irrigation systems to more efficient landscape irrigation systems.	
<input type="checkbox"/> Water meter replacement with traditional water meters.*	
<input type="checkbox"/> Distribution pipe replacement or rehabilitation to reduce water loss and prevent water main breaks.*	
<input type="checkbox"/> Storage tank replacement/rehabilitation to reduce water loss.*	
<input type="checkbox"/> New water efficient landscape irrigation system, where there currently is not one.*	
	Total Water Efficiency Cost: \$0

* Indicates a business case may be required for this item.

There are no Water Efficiency components specified for this project.



Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

Sustainable Infrastructure - Energy Efficiency:

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:

Component	Cost
<input type="checkbox"/> 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.	
<input type="checkbox"/> Utility-owned or publicly-owned renewable energy projects.	
<input type="checkbox"/> Utility energy management planning, including energy assessments, energy audits, optimization studies, and sub-metering of individual processes to determine high energy use areas.	
<input type="checkbox"/> Energy efficient retrofits, upgrades, or new pumping systems and treatment processes (including variable frequency drives (VFDs).*)	
<input type="checkbox"/> Pump refurbishment to optimize pump efficiency.*	
<input type="checkbox"/> Projects that result from an energy efficient related assessment.*	
<input type="checkbox"/> Projects that cost effectively eliminate pumps or pumping stations.*	
<input type="checkbox"/> Projects that achieve the remaining increments of energy efficiency in a system that is already very efficient.*	
<input type="checkbox"/> Upgrade of lighting to energy efficient sources.*	
<input type="checkbox"/> Automated and remote control systems (SCADA) that achieve substantial energy savings.*	

Total Energy Efficiency Cost: \$0

* Indicates a business case may be required for this item.

There are no Energy Efficiency components specified for this project.

Sustainable Infrastructure - Environmentally Innovative:

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:

Component	Cost
<input type="checkbox"/> 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.	
<input type="checkbox"/> Plans to improve water quantity and quality associated with water system technical, financial, and managerial capacity.	
<input type="checkbox"/> Source water protection planning (delineation, monitoring, modeling).	
<input type="checkbox"/> Planning activities to prepare for adaptation to the long-term effects of climate change and/or extreme weather.	
<input type="checkbox"/> Utility sustainability plan consistent with EPA's sustainability policy.	
<input type="checkbox"/> 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.	
<input type="checkbox"/> Construction of US Building Council LEED certified buildings, or renovation of an existing building.	
<input type="checkbox"/> Projects that significantly reduce or eliminate the use of chemicals in water treatment.*	
<input type="checkbox"/> 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.*	
<input type="checkbox"/> Trenchless or low impact construction technology.*	
<input type="checkbox"/> Using recycled materials or re-using materials on-site.*	
<input type="checkbox"/> Educational activities and demonstration projects for water or energy efficiency (such as rain gardens).*	
<input type="checkbox"/> Projects that achieve the goals/objectives of utility asset management plans.*	

Total Environmentally Innovative Cost: \$0

* Indicates a business case may be required for this item.

There are no Environmentally Innovative components specified for this project.



Drinking Water Project Profile

WX21175053 - Morgan County Water District
County Wide Water Line Extensions

Sustainable Infrastructure - Asset Management:

If a category is selected, the applicant must provide proof to substantiate claims. The documents must be submitted to Anshu Singh (Anshu.Singh@ky.gov) for CW projects

Component

Last Rate Adjustment Date: **08-01-2023** [Download Fee Schedule](#)

Rate Adjustment Age: **29 months**

System's monthly water bill, based on 4,000 gallons, as a percentage of MHI: **1.36%**

- The system(s) has an Asset Management Plan (AMP).
 - The AMP includes an Asset Inventory.
 - The AMP includes a Strategic Plan.
 - The AMP includes a Capital Improvement Plan.
- The system(s) involved in this project have specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure.

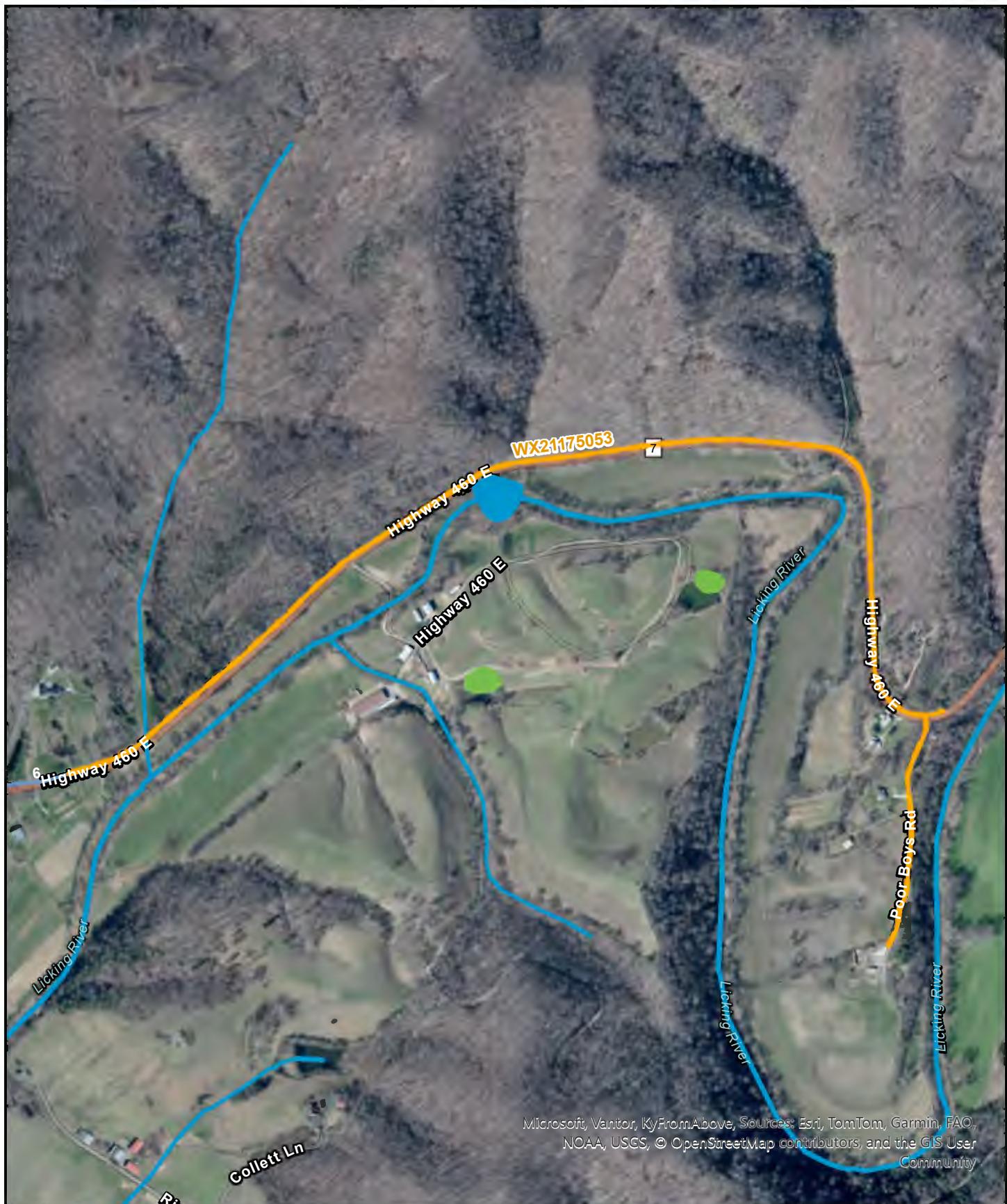
If any boxes are checked above, please describe each below:

The project has specific funding allotted in the annual budget for repairs. The project includes replacement of problematic waterlines.

Project Status: Approved

Date Approved: 05-20-2021

Date Revised: 11-30-2023



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
6" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines

Marsh, Swamp, Bog,
Prairie

River

Proposed Water Lines

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MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
6" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines

Marsh, Swamp, Bog,

Prairie

River

Proposed Water Lines

UPDATED: 12/9/2025 3:38 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
4" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

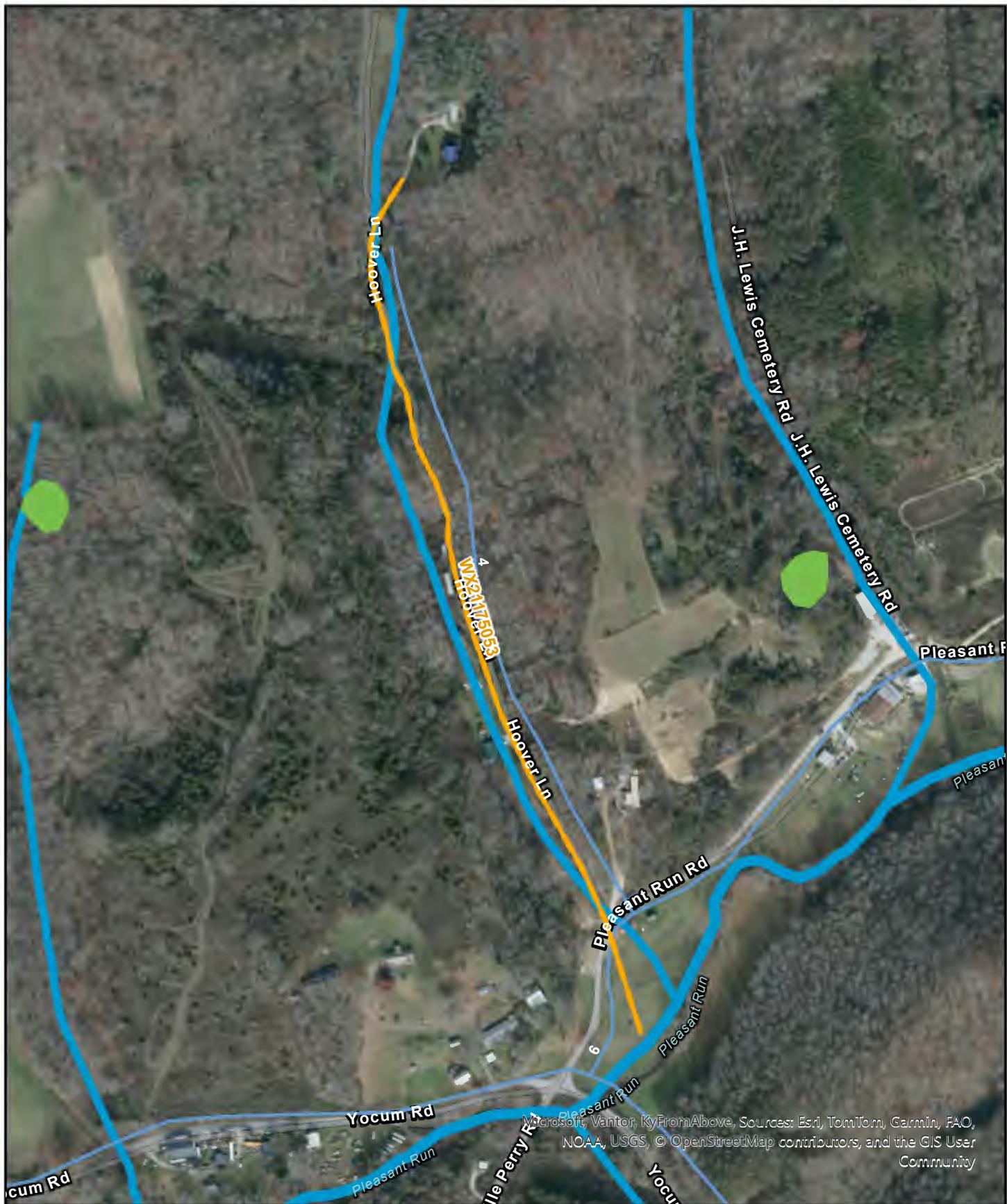
Existing Waterlines

Marsh, Swamp, Bog,
Prairie

River

Proposed Water Lines

UPDATED: 12/9/2025 3:38 PM



UPDATED: 12/9/2025 3:38 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
4" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines River
Proposed Water Lines

UPDATED: 12/9/2025 3:38 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
3" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines River
Proposed Water Lines

UPDATED: 12/9/2025 3:39 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
3" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines

Marsh, Swamp, Bog,
Prairie
River
ProposedWaterLines

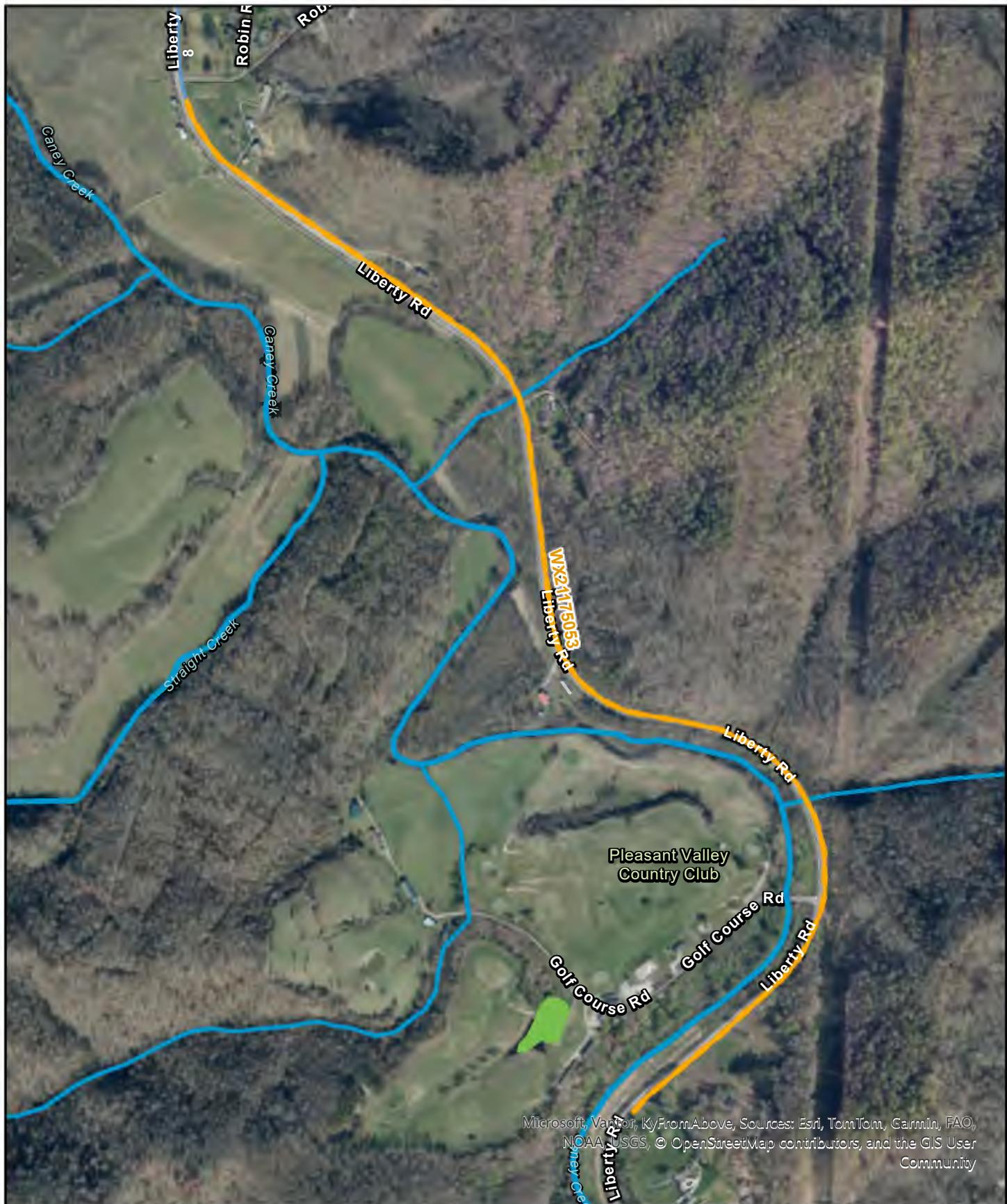
UPDATED: 12/9/2025 3:39 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
3" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines River
Proposed Water Lines

UPDATED: 12/9/2025 3:39 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
4" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

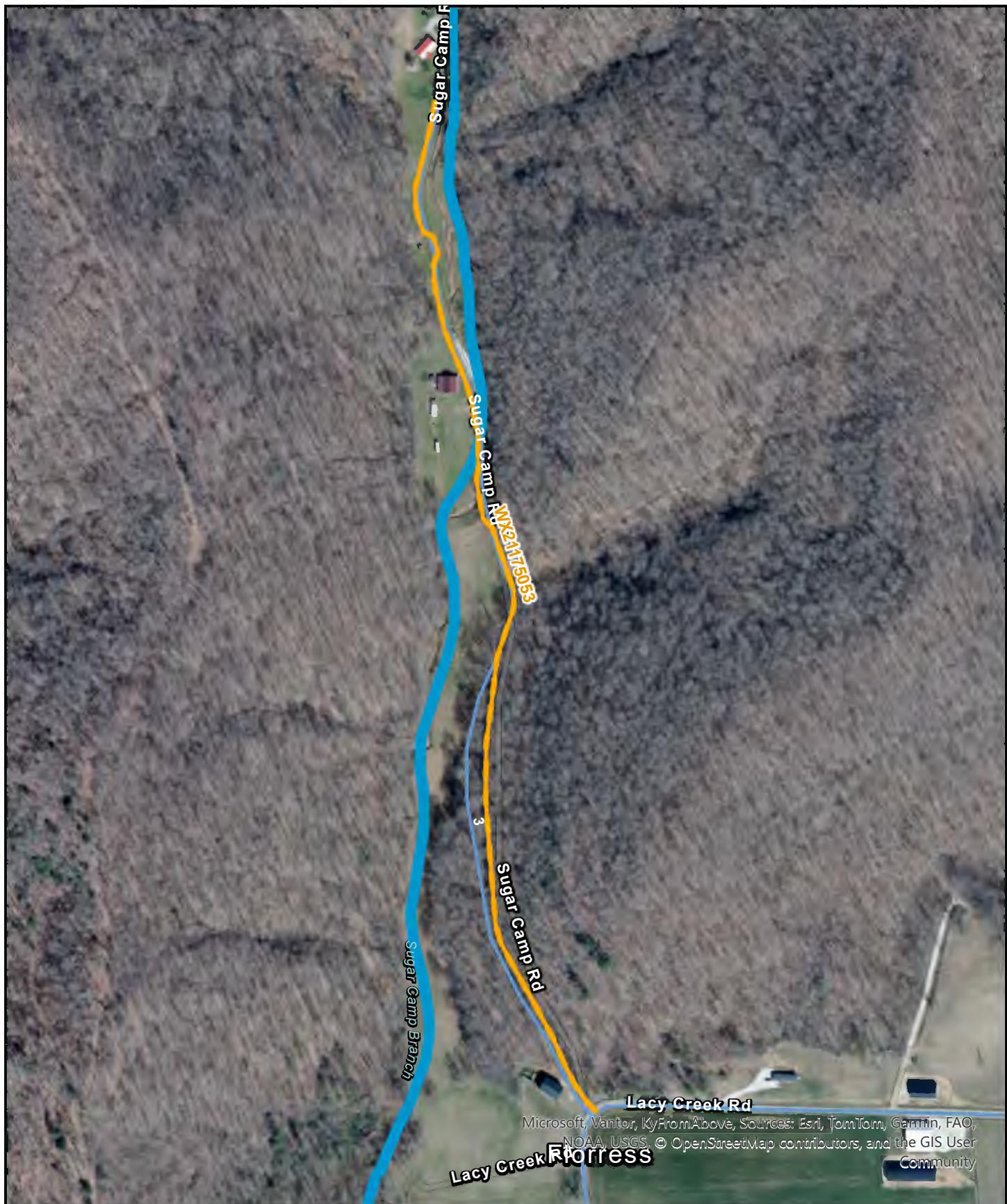
Existing Waterlines

Marsh, Swamp, Bog,
Prairie

River

Proposed Water Lines

UPDATED: 12/9/2025 3:39 PM



MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
2" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines River
Proposed Water Lines

UPDATED: 12/9/2025 3:39 PM

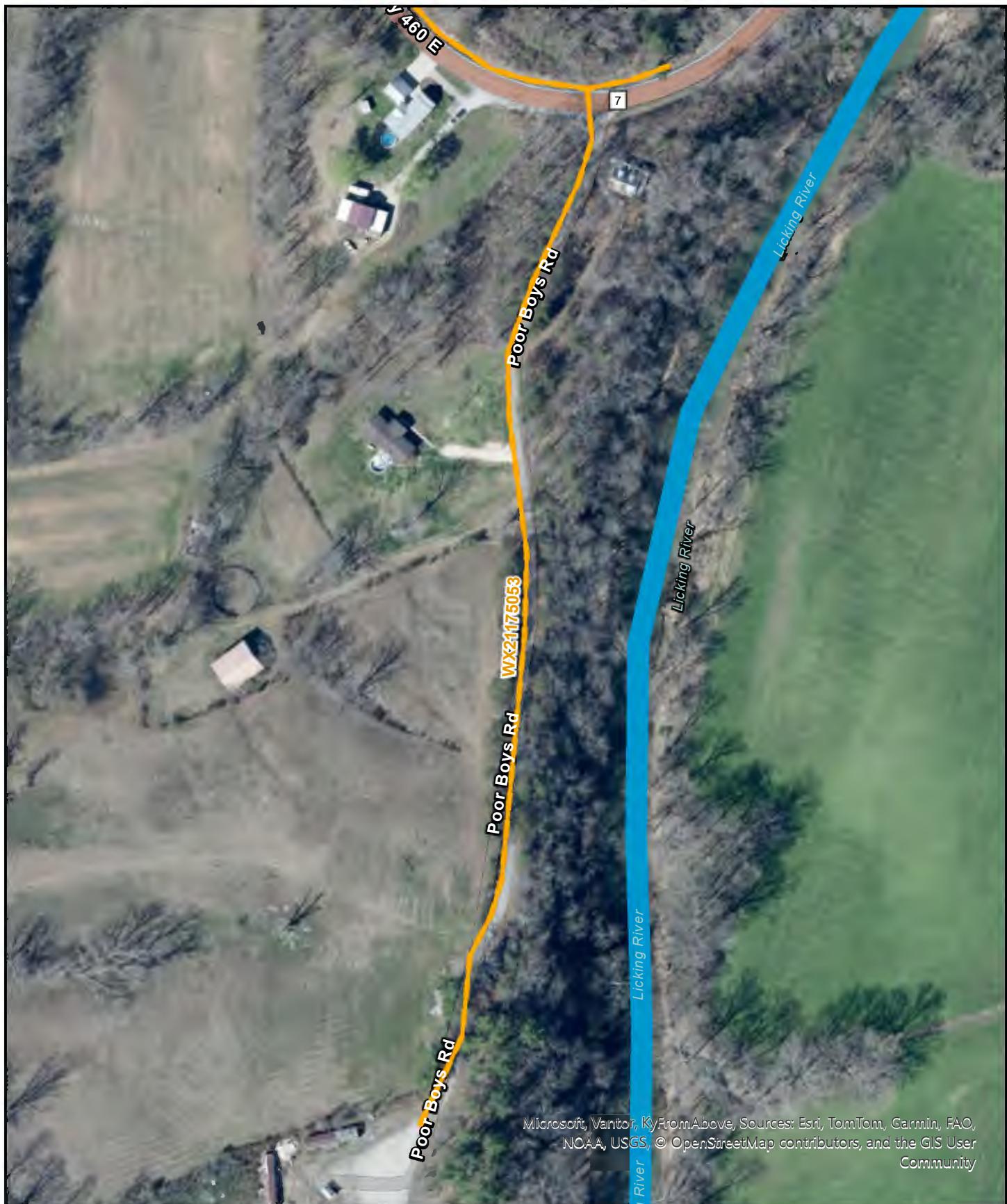


Microsoft, Vantor, KyFromAbove, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
4" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

Existing Waterlines River
Proposed Water Lines

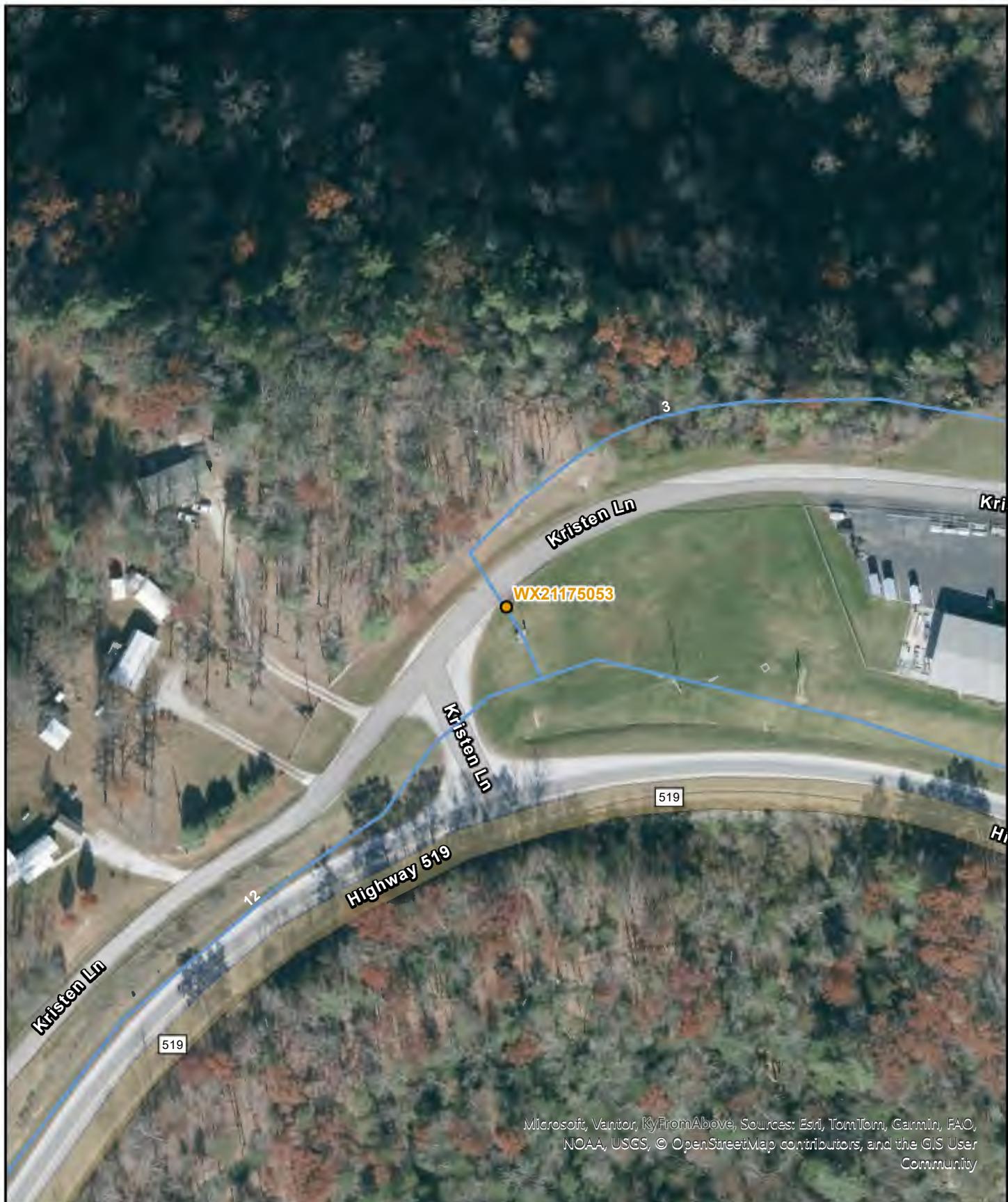
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MORGAN COUNTY WATER DISTRICT
WX21175053
EXTENSION - UNSERVED RURAL AREAS
4" PVC DISTRIBUTION WATERLINE (FINISHED)
LINEAR FEET

River
ProposedWaterLines

UPDATED: 12/9/2025 3:39 PM



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MORGAN COUNTY WATER DISTRICT
WX21175053
NEW PUMP STATION ()
PUMP - BOOST PRESSURE ()
Existing Capacity: 0

Proposed Points

Existing Waterlines

Flood Zone

Marine

Estuary

Marsh, Swamp, Bog, Prairie

River

Lake, Reservoir

Proposed Capacity: 0

P

UPDATED: 12/9/2025 3:37 PM



MORGAN COUNTY WATER DISTRICT

WX21175053

NEW OTHER (WATER FILL STATION)

OTHER (INSTALL NEW WATER FILL STATION)

Existing Capacity: 0

Proposed Capacity: 0

Proposed Points

Existing Waterlines

Flood Zone

Marine

Estuary

Marsh, Swamp, Bog, Prairie

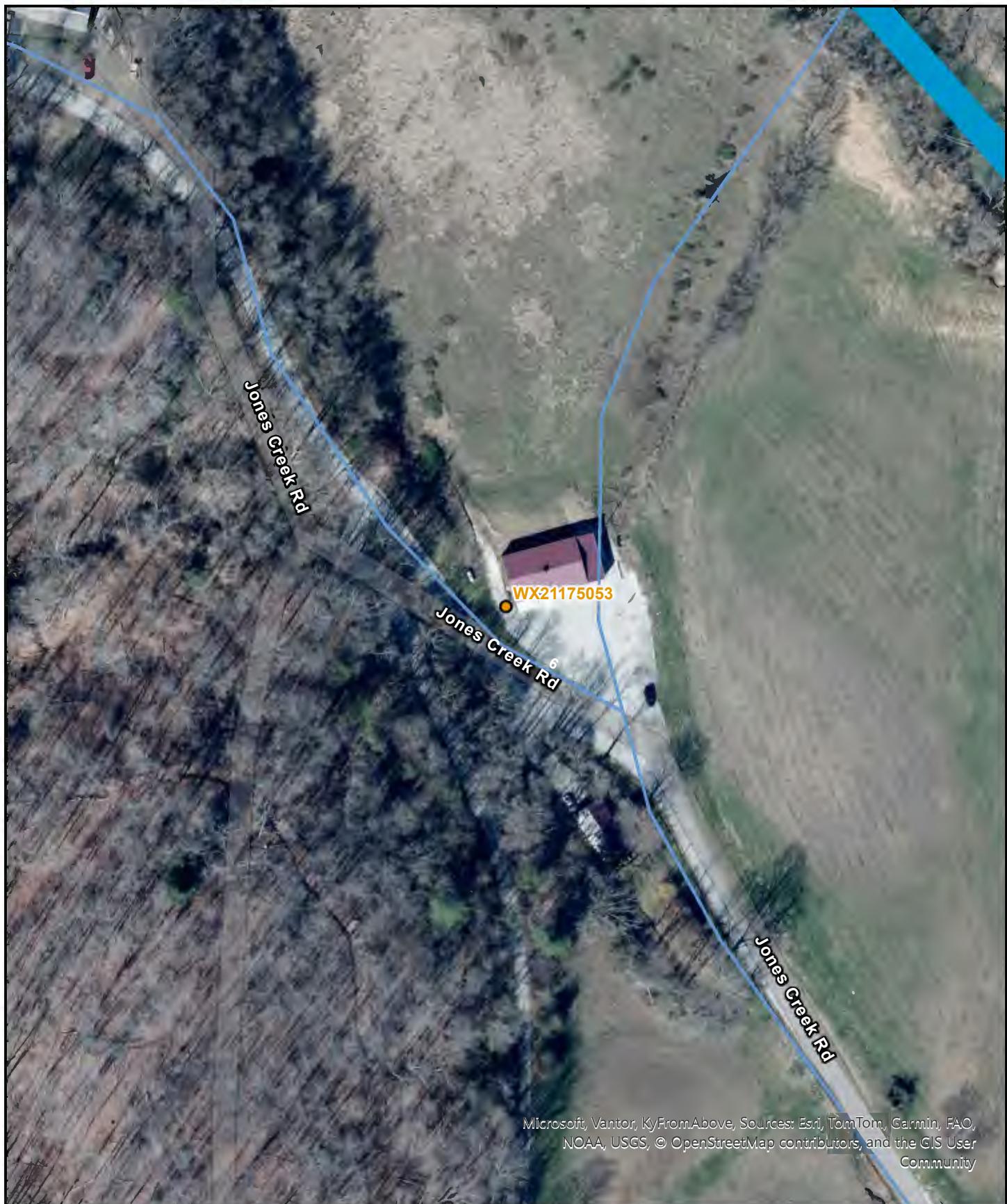
River

Lake, Reservoir

P

UPDATED: 12/9/2025 3:37 PM

172 FD



MORGAN COUNTY WATER DISTRICT

WX21175053

NEW OTHER (WATER FILL STATION)

OTHER (INSTALL NEW WATER FILL STATION)

Existing Capacity: 0

Proposed Capacity: 0

Proposed Points

Existing Waterlines

P

Flood Zone

Marine

Estuary

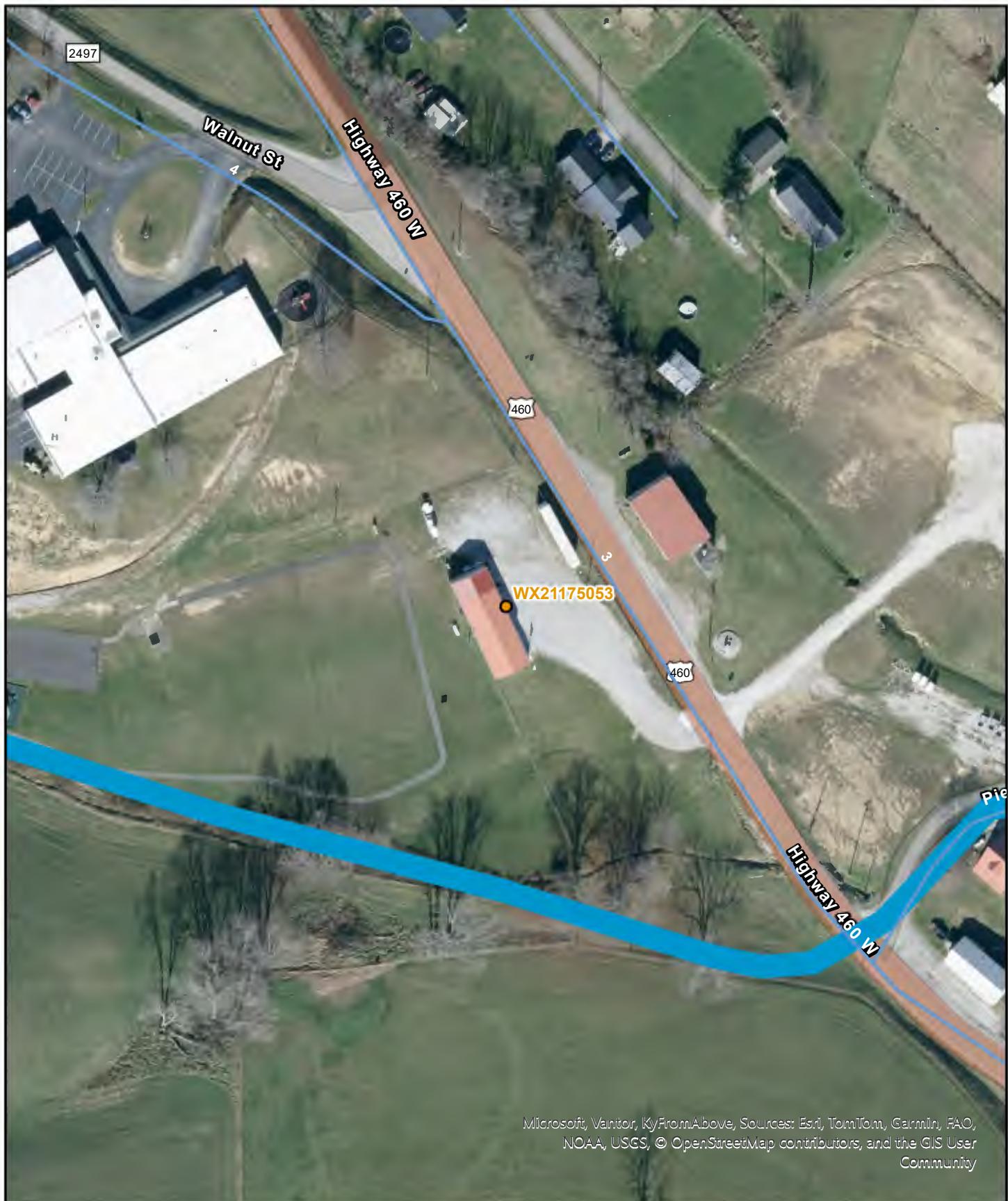
Marsh, Swamp, Bog, Prairie

River

Lake, Reservoir

White Oak FD

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MORGAN COUNTY WATER DISTRICT

WX21175053

NEW OTHER (WATER FILL STATION)

OTHER (INSTALL NEW WATER FILL STATION)

Existing Capacity: 0

Proposed Capacity: 0

Proposed Points

Existing Waterlines

Flood Zone

Marine

Estuary

Marsh, Swamp, Bog, Prairie

River

Lake, Reservoir

P

Blackwater FD

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ATTACHMENT B

Morgan County Water District
Projected Yearly Operating and Maintenance Cost Versus Yearly Income Increase

Total Length of Existing Waterline	1,882,432 Linear Feet
Total Length of Waterline Proposed	43,835 Linear Feet
Percentage Additional Waterline	2.33%
Existing Customers Served	2,996
Additional Customers Served	75
Funding Mechanism	100% Grant

*****Existing Operating and Maintenance Expenses are based on 2024 Audit. Additional Operating and Maintenance are calculated by multiplying the Existing Expenses by 2.33%.***

Yearly Operating Expenses	Existing	Additional**
Fuel	\$32,762	\$763
Miscellaneous	\$17,652	\$411
Repairs and Maintenance	\$24,925	\$580
Utilities and telephone	\$63,243	\$1,473
Water purchased	\$709,065	\$13,058
Total Operating & Maintenance	\$847,647	\$16,285

Operating Income	75
Number of Customers	75
Projected Income*	\$40,473

****Projected Income is calculated by multiplying the number of additional customers by the minimum monthly bill of \$44.97 (before taxes) multiplied by 12 to obtain yearly billing.***

With the addition of the proposed lines, more revenue will be generated than the increase in expenses.

