

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LARUE	)	
COUNTY WATER DISTRICT #1 FOR FINANCING	)	CASE NO.
APPROVAL PURSUANT TO KRS 278.300	)	2026-00173

**LARUE COUNTY WATER DISTRICT #1'S VERIFIED
RESPONSE TO COMMISSION STAFF'S SECOND REQUEST
FOR INFORMATION ENTERED AUGUST 27, 2026**

Comes now Larue County Water District #1 (Larue County), by counsel, and does hereby tender its Verified Response to Commission Staff's Second Request for Information entered August 27, 2026.

Updated: October 13, 2026

ELECTRONIC APPLICATION OF LARUE)
COUNTY WATER DISTRICT #1 FOR FINANCING)
APPROVAL PURSUANT TO KRS 278.300) **CASE NO.**
2026-00173

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF LARUE)

Tim Bartley

Commission expiration:

KyNP98715

April 9, 2029

Larue Count Water District #1
Case No. 2026-00173
Commission Staff's Second Request for Information

Request 1: Refer to Larue District #1's response to Commission Staff's First Request for Information (Staff's First Request), Item 6b. Provide the following information related to the bid process.

- a. The Request for Proposal.
- b. All bids received in response to the Request for Proposal.
- c. Board of Commissioner's meeting minutes that approved the selected bid

Response 1(a)-(b): KRS 424.260 does not require a water district to take bids for professional services. Engineering is considered a professional service, and therefore Larue County was not required to take bids. Larue County chose to utilize its long-time engineer, Kentucky Engineering Group, PLLC based upon its knowledge of Larue County's system and its history of engineering projects with other water districts and water associations in Kentucky.

Response 1(c): Please see Attachment 2-1(c) for the Board of Commissioner's minutes from June 10, 2024, November 11, 2024, December 9, 2024, and January 13, 2025 Board Meetings which discussed the potential water treatment plant.

October 13, 2026 Update:

Response 1(a): Please see Attachment 2-1(a) for the request for proposal ("RFP"). The RFP was advertised in *The LaRue County Herald News* beginning on June 19, 2024.

Response 1(b): Kentucky Engineering Group, PLLC was the only response to the RFP.

Response 1(c): Please see the previously provided Attachment 2-1(c). The Board of Commissioner's first discussed the RFP at the June 10, 2024 Board Meeting. At the November 11, 2024 Board Meeting the Board of Commissioners accepted Kentucky Engineering Group, PLLC's bid.

ATTACHMENT 2-1(c)

REQUEST FOR QUALIFICATIONS

This is a Request for Qualifications to provide engineering services for the design of various water system projects, including the design of a Water Treatment Plant for the LaRue County Water District #1. Anticipated sources of funding include, but are not limited to: Kentucky Infrastructure Authority Revolving Loan Funds, Cleaner Water Program Grant Funds, USDA Rural Development, American Rescue Plan Act – Coronavirus State and Local Fiscal Recovery Funds and local funds.

Firms wishing to be considered should submit four (4) proposals to be received no later than 10:00 am local time on **June 28, 2024**. The proposals should be submitted to **Tim Bartley, LaRue County Water District #1, 421 Strange Road, Hodgenville, KY 42748**.

All interested parties must only contact Tim Bartley via email, laruewater@laruecountywater.com.

The district will enter negotiations for a contract with the responsible offeror whose proposal is determined to be the most advantageous to the district. The factors to be considered and the method to be utilized in the evaluation of the qualifications and selection of the engineer are 1. Qualifications of the Firm, 2. Past Record of Performance, 3. Previous Experience, 4. Familiarity with Local Conditions. The district reserves the right to reject any and all responses and to waive any technicalities.

Qualified Minority, Female, and Disadvantaged businesses are encouraged to reply. The LaRue County Water District is an Equal Opportunity Employer.

Tim Bartley, General Manager

Larue Count Water District #1
Case No. 2026-00173
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Request 2: Refer to Larue District #1's response to Staff's First Request, Item 8c. Larue District #1 did not provide an explanation of how it would fulfill its ongoing contracts if it built the proposed Water Treatment Plant and no longer purchased water. Provide a detailed explanation of any conditions in Larue District #1's ongoing contracts requiring a minimum gallons purchased or minimum bill and how Larue District #1 will fulfill its ongoing contracts if it no longer purchased water.

Response 2: Larue County has not yet determined if it is even feasible to build its own water treatment plant. The request for financing in this Application is to determine the feasibility of the project. If the project is feasible, and then if Larue County can secure grants for a large portion of the cost, Larue County will begin the process of negotiating contract terminations.

October 13, 2026 Update:

Larue County has contracts with six (6) wholesale suppliers. The minimum/maximum for the contracts are as follows:

- City of Bardstown:
 - Minimum – 1 million gallons per month
 - Maximum – 6 million gallons per month
- City of Hodgenville:
 - Minimum – 1 million gallons per month
 - Maximum – 6 million gallons per month
- Campbellsville Municipal Water and Sewer:
 - No minimum
 - Maximum – 10 million gallons per month
- Green River Valley Water District:
 - No minimum or maximum
- Green-Taylor Water District:
 - No minimum or maximum
- Hardin County Water District #2:
 - No minimum or maximum

Larue Count Water District #1
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Request 3: Refer to Larue District #1's response to Staff's First Request, Item 9, in which Larue District #1 stated that it "cannot provide an answer with any certainty at this point because the final design has not been completed and will not be completed for some time." Also refer to Larue District #1's 2025 Annual Report. The 2025 Annual Report states that Larue District #1 purchased approximately 252,977,000 gallons of water, or approximately 693,000 gallons a day. The proposed Water Treatment Plant would produce 4 million gallons a day or approximately 1,460,000,000 gallons a year. Based on Larue District #1's current water purchases, the proposed Water Treatment Plant would only be operating at 17 percent capacity. Explain the need for a water treatment plant that will have excess capacity exceeding 80 percent. Include in the response any documentation, calculations, or projections that support the need for a plant capable of producing 4 million gallons of water a day.

Response 3: Larue County has not yet determined if it is even feasible to build its own water treatment plant. The request for financing in this Application is to determine the feasibility of the project.

If, and only if, the project is feasible Larue County will evaluate the size of the potential water plant and the potential project could decrease in size. Additionally, there is increasing growth within Larue County and surrounding counties. This increasing commercial and industrial growth could necessitate additional water. If the project is feasible, Larue County will take this potential growth into consideration with a multitude of other factors to determine the size of the water treatment plant.

October 13, 2026 Update

Please see Attachment 2-3 for an article related to growth within the area served by Larue County. Another industrial park and subdivision were recently approved by the Land of Lincoln Planning and Zoning Commission.

ATTACHMENT 2-3

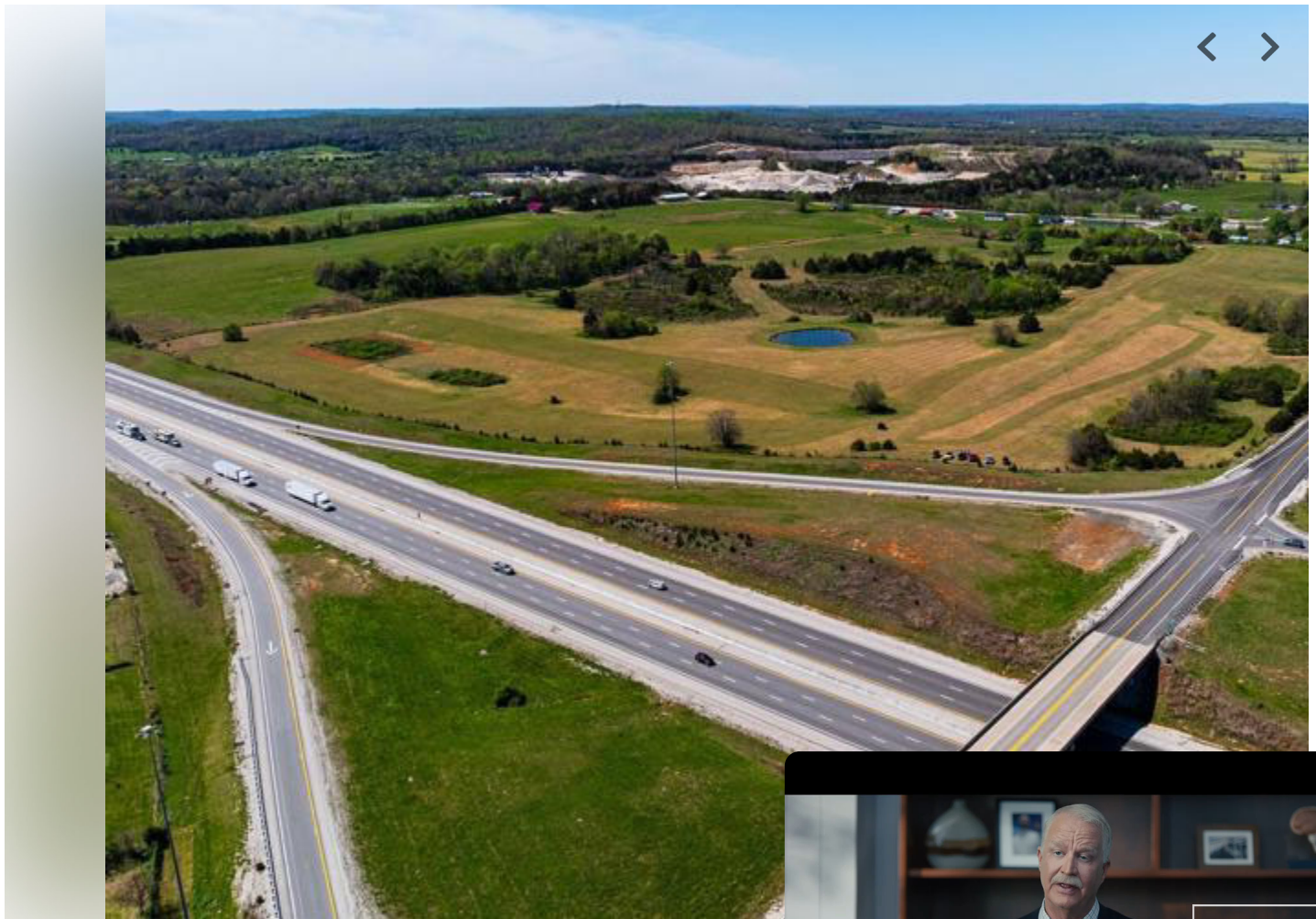
https://www.pmg-ky2.com/larue/news/industrial-park-ready-for-business/article_a582d0f2-fa28-5c3c-a1f3-155911e2a0a7.html

FEATURED

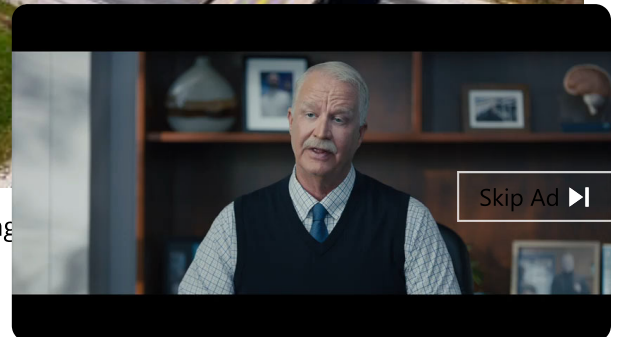
Industrial Park ready for business

By Victoria Cox Editor
Apr 8, 2026

1 of 4



The approximate 69-acre Upton Industrial Park, which is situated along
Drone photo by Muthos Media



The Upton Industrial Park is officially open for business and ready to welcome its first tenants. The occasion was celebrated by local government officials and community leaders with a tour of the location on Monday, April 6.

Acquired by the LaRue County Industrial Foundation in 2023, the approximate 69-acre property is located along Interstate 65 – one of the most traveled freight corridors in the nation – and offers unmatched logistical advantages for manufacturing, distribution, and industrial operations of every scale. The purchase was spurred by a clear and deliberate vision: to create a destination that attracts quality employers, generates high-wage career opportunities and strengthens the county's long-term economic foundation.

Believing that executing this vision also required a commitment to sustainable, community-centered development, Foundation leaders state they have been intentional about every aspect of the project from the very beginning. This included traveling to industrial parks and mixed-use development sites across the region, studying what works and what doesn't, and determining how a site like theirs could evolve into something the entire community takes pride in.

“When we acquired this site, we made a promise to LaRue County that we would do this right,” LaRue County Judge Executive Blake Durrett said. “That means being intentional about who we recruit, how we develop the land, and what kind of legacy we leave behind. Sustainable growth isn't just an environmental concept — it's about building an economy that lasts, one that provides opportunity for our residents today without compromising what makes this community special for those who come after us.”

Comprehending that developing a site of this magnitude requires strong collaboration with numerous organizations, the Industrial Foundation has done just that. This Skip Ad included working hand-in-hand with LaRue County Fiscal Court, the City of Hodgenville and the City of Upton to pursue grant funding to finance critical infrastructure improvements needed to bring the site to a development-ready state. Those partnership efforts paid off in a significant way, with just under \$1 million (specifically \$961,345)

received through the Kentucky Product Development Initiative. This funding has been deployed to install the utilities and site infrastructure that modern industrial tenants require.

The Industrial Foundation partnered with ARCO Design Build, a nationally recognized design-build firm with deep expertise in industrial and mixed-use site planning, to bring the project to life. Together, they developed a master site plan that blends commercial convenience with substantial industrial capacity. The plan incorporates quick service restaurants and a gas station along the I-65 frontage to serve both site employees and the thousands of travelers who pass through daily, while the rear of the property is configured with multiple flexible industrial building pads capable of accommodating a variety of manufacturing, warehousing and distribution users.

“We thought carefully about every element of this site plan, and what excites me most is that it creates opportunity at every stage of a working life,” said Al Ryder, LaRue County Industrial Foundation Board Chair. “The quick service restaurants along the corridor will be among the first jobs for many of our young people – a place where they learn the value of hard work, earn their first paycheck and start building toward their future. And right behind that, the industrial facilities will be there waiting for them, offering the kind of manufacturing careers with real wages, real benefits, and real advancement that can sustain a family for a lifetime. This site is a bridge from first job to career, and that is exactly what LaRue County needs.”

The Industrial Foundation has also partnered with CBRE, one of the world’s largest and most respected commercial real estate firms, to ensure the site reaches the widest possible audience of prospective tenants and investors. This is expected to give the Upton site exposure to the national and international companies actively seeking locations in the Southeast and Midwest corridors – employers and investments that represent genuine economic growth, not simply relocations from within the region.

Skip Ad

Hodgenville Mayor Jim Phelps said the site is a reflection of what is possible when local government, community organizations and the private sector work together: a project that poises LaRue County to not only compete, but also win, the race for quality economic development.

“We didn’t just want growth for growth’s sake – we wanted the right kind of growth, growth that is sustainable, inclusive and built to benefit our residents for decades to come,” he said. “From day one, our focus has been on attracting employers who will invest in our people and respect our community, and everything about this development reflects that commitment. LaRue County is ready, and this site proves it.”

Skip Ad