

HARRISON COUNTY WATER ASSOCIATION, INC.
AMENDED RESOLUTION NUMBER: 2026-00008

Whereas, the Harrison County Water Association, Inc., ("HCWA, Inc."), desiring to proceed with a USDA-Rural Development Loan for project improvements and, for an increase in customer water rates as deemed necessary by USDA-Rural Development, and Harrison County Water Association, Inc, desires to proceed with a purchased water adjustment to its rates, to offset the increased costs by the approved wholesale water rate increase, pursuant to KRS 278.023 and 807 KAR 5:069; wherein, Board of Director S. Frank Mous, made a motion to approve the resolution to proceed with a request for CPCN with KY PSC, and for approval of federal funded improvement project, for US 27 and KY 353 Water Main Replacement and Extension, and to begin charging increased rates to customers as required by USDA in its supplemental letter of conditions dated January 5, 2026, (attached hereto and identified as Exhibit "A"), and Board of Director Trent Hearn seconded the motion to approve the resolution, and it is HEREBY RESOLVED AS FOLLOWS:

- a) The Harrison County Water Association, Inc., shall proceed with a application with KY PSC for a CPCN, pursuant to approve a federally funded improvement project with applicable financing and to increase customer water rates as required by USDA-Rural Development, Supplemental Letter of Conditions, dated January 5, 2026, pursuant to KRS 278.023 and 807 KAR 5:068, and to make the new rat as specified in Exhibit "A", (supplemental letter of conditions) which is fully incorporated herein, to be effective for billing period beginning October 13, 2026 to November 12, 2026, and thereafter with bills to be mailed in December for payment by December 17, 2026, at the calculated rates as attached

or if not approved, the rates as approved by KY PSC.

SO RESOLVED THIS THE 19TH DAY OF AUGUST, 2026.



MR. LINCOLN CLIFFORD
VICE-PRESIDENT OF
HARRISON COUNTY WATER
ASSOCIATION, INC.

This instrument prepared by:



JESSE P. MELCHER
ATTORNEY FOR HARRISON COUNTY WATER ASSOCIATION, INC.
P.O. BOX 345
MT. OLIVET, KENTUCKY 41064
(606) 724-5322
jpmelcher@yahoo.com

Exhibit "A"



United States Department of Agriculture

Rural Development

January 5, 2026

Kentucky State Office

Gary Carter, Chairman

771 Corporate Drive,
Suite 200
Lexington, KY
40503

Harrison County Water Association
433 Sea Biscuit Way
Cynthiana, KY 41031

Voice 859.224.7300
Fax 859.224.7425
TTY 859.224.7422

SUBJECT: Letter of Conditions

Harrison County Water Association

Project Name: FY25 – US27 and KY 353 Water Main Replacement and
Extension
CFDA NUMBER – 10.760

RUS Loan:	\$2,437,000
Connections/ Tap on Fees:	\$ 24,700
Applicant Contribution:	\$ 200,766
Cleaner Water Program (CWP):	\$ 694,534

Dear Chairman Carter:

This letter shall serve as Amendment No. 1 to the Letter of Conditions dated June 26, 2025. The purpose of this amendment is to update Rates & Charges due to the purchased water cost increase as a result of KY American (Wholesale Provider) wholesale rate increase.

Paragraph numbered "5" is revised to read as follows:

1. "Rates and Charges:

Rates and charges for facilities and services rendered by the Association must be at least adequate to meet cost of maintaining, repairing and operating the water system and meeting required principal and interest payments and the required deposits to debt service and/ or depreciation reserve.

Water rates will be at least:

5/8" X 3/4" Meter:

First	2,000	gallons @ \$	31.21	- Minimum Bill.
Next	1,000	gallons @ \$	12.37	- per 1,000 gallons.
Next	2,000	gallons @ \$	12.12	- per 1,000 gallons.
Next	45,000	gallons @ \$	11.38	- per 1,000 gallons.
All Over	50,000	gallons @ \$	10.09	- per 1,000 gallons.

USDA is an equal opportunity provider, employer and lender.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDCF), found online at http://www.nacir.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Harrison County Water Association

¾" Meter:

First	3,000	gallons @ \$	44.04	- Minimum Bill.
Next	2,000	gallons @ \$	12.12	- per 1,000 gallons.
Next	45,000	gallons @ \$	11.38	- per 1,000 gallons.
All Over	50,000	gallons @ \$	10.09	- per 1,000 gallons.

1" Meter:

First	5,000	gallons @ \$	66.64	- Minimum Bill.
Next	45,000	gallons @ \$	11.38	- per 1,000 gallons.
All Over	50,000	gallons @ \$	10.09	- per 1,000 gallons.

1 ½" Meter:

First	10,000	gallons @ \$	124.65	- Minimum Bill.
Next	40,000	gallons @ \$	11.38	- per 1,000 gallons.
All Over	50,000	gallons @ \$	10.09	- per 1,000 gallons.

2" Meter:

First	15,000	gallons @ \$	181.44	- Minimum Bill.
Next	35,000	gallons @ \$	11.38	- per 1,000 gallons.
All Over	50,000	gallons @ \$	10.09	- per 1,000 gallons.

All other provisions of the referenced Letter of Conditions remain in full force and unchanged.

Sincerely,

TRAVIS
BURTON

Travis Burton
State Director

Digitally signed by TRAVIS
BURTON
Date: 2026.01.06 15:16:09
-05'00'

cc: Community Programs Director, USDA Rural Development
Jesse Melcher, Jesse Melcher Law Office, PPLC. – Mt. Olivet, Ky.
Mark Askin, Strand Associates – Louisville, Ky.
Missie Lynch, Lynch and Lynch CPAs, PPLC. – Louisville, Ky.
PSC – Frankfort, Kentucky