Prestonsburg City's Utilities Commission

Water, Waste Water and Natural Gas System (Municipally Owned) 2560 South Lake Drive Prestonsburg, Kentucky 41653-1048

Phone (606) 886-6871 • Fax (606) 886-8779 TDD: Ky Relay #711

January 11, 2019

RECEIVED

JAN 1 4 2019

PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director Kentucky Public Service Commission P.O. Box 615 Frankfort, KY 40602

Re: Southern Water Case No. 2018-00230

Dear Ms. Pinson,

Attached please find information informally requested by Chairman Schmitt during the Southern Water ARC Hearing on Tuesday, January 8, 2109.

In addition, the Chairman requested information from me pertaining to the subject of any available documentation pertaining to an estimated forty (40) customers located in the Harold/Betsy Layne area transferred to Prestonsburg from Southern in 2017 that may have been receiving water via either straight hookups in their respective meter boxes or receiving free water by any other means. We installed new radio read meters in this area of 1,050 customers from July 1, 2017 through approximately December 1, 2017. I informed Chairman Schmitt and the Commission about this during the January 8th hearing and at that time he asked me for any documentation of the type I have stated. After a lengthy discussion with our Assistant Superintendent regarding this request I have determined that with our workers installing the new meters on a complete change out basis for these new customers no incidents of straight hookups, non- functioning meters, etc., were actually documented. Although our meter installers did indeed encounter a number of incidents of customers receiving water and not being billed due to straight hookups, etc., the workers simply installed our new meters in the meter boxes of the legitimate customers in that area. The Assistant Superintendent did inform me that there were a few customers in that area that had functioning meters but said meters were not in the billing system records given Prestonsburg by Southern. In my opinion this could have been simply an oversight that may have happened when those 1,050 customers were transferred in 2007 from the old Sandy Valley Water District to Southern.

If either you or the Commission has any questions regarding this submittal please do not hesitate to contact me.

Respectfully,

Turner E. Campbell Superintendent/CEO

Copy: File



Telephone (606) 886-9193 TDD 810-648-6056

Benjamin L. Hale

COMMONWEALTH of KENTUCKY

Floyd County Fiscal Court 149 South Central Avenue - Suite 9 Prestonsburg, Kentucky 41653



Fax (606) 886-1083

10/10/17

Doug Hoff,

I am writing to clarify any questions you might have concerning the financial package involved in the transfer of water and sewer infrastructure assets and customers from Southern Water District to Prestonsburg City's Utilities Commission. In the early 2000's it became quite evident that capital improvements/enhancements in the water infrastructure of Southern Water were drastically needed. The governing board of Southern at the time had studied areas of existing water infrastructure that were in drastic need of improvement and replacement. In addition, the board identified several areas within the Southern Water service area where new tanks and water lines would enable the District to provide potable water to a significant number of new customers. On June 28, 2005 the Floyd County Fiscal Court entered into a Kentucky Area Development District Financing Trust Lease in the amount of \$2,600,000 to finance the water infrastructure improvements/enhancements on behalf of the Southern Water District. This program required that a lien be secured on the assets of the entity (Southern) benefitting from the proceeds. Therefore, it was necessary for Southern Water to deed the Floyd County Fiscal Court a number of tank and booster pump sites in order to satisfy the "collateral" requirements of the KADDLT funding. Although these sites are being utilized daily by Southern they remain the property of the Floyd County Fiscal Court. The transaction with Prestonsburg, in which the City pays off the remaining nearly two million(\$2M) of the original Fiscal Court KADDLT funding issue borrowed on behalf of Southern, would allow the Fiscal Court to deed back to Southern, the tanks, water line extensions, and booster station sites.

I hope this will clarify any questions you may have regarding this transaction.

Please do not hesitate to contact me if you have any further questions.

Thank You,

Ben Hale, County Judge/Executive



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Floyd County Fiscal Court is committed to providing safe, decent and affordable housing for low-income clients with special needs.



Benjamin L. Hale

JUDGE/EXECUTIVE of FLOYD COUNTY COMMONWEALTH of KENTUCKY

Floyd County Fiscal Court 149 South Central Avenue - Suite 9 Prestonsburg, Kentucky 41653



Telephone (606) 886-9193 TDD 810-648-6056

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Below is a recap of the Kentucky Area Development District Financing Trust Lease Agreement dated on June 28, 2005. In addition to the items listed below various water line extensions were done within the areas of the pump stations and tank sites.

Exhibit A Legal Description of Project Site

Frasure Creek Pump Station

N 13 23' 41" W a distance of 30.03 feet N 76 35' 08" E a distance of 30.01 feet S 13 20' 30" E a distance of 30.03 feet

Mink Branch Tank Site-Tract 1

S38 52' 40" W a distance of 50.00" feet N51 06" 47" W a distance of 49.99'feet S 51 06' 49" E a distance of 50.03' feet

Martin Tank Site-Tract 2

S61 54' 35" E a distance of 149.98' feet S28 04' 42" W a distance of 149.99' feet N 61 54' 37" W a distance of 150.00 feet' N 28 05' 08" E a distance of 149.99' feet

Weeksbury Pump Station-Tract 4

S 52 42' 00" W a distance of 30.01 feet N 37 18' 31" W a distance of 30.02 feet N 52 39' 41" E a distance of 30.01 feet S 37 18' 39" E a distance of 30.04 feet

Johns Branch Pump Station-Tract 5

S86 00' 12" W a distance of 30.00 feet N 03 58' 43" E a distance of 29.99 feet N 85 58' 43" E a distance f 30.00 feet S 03 59' 41" E a distance of 30.00 feet

Ben Hale, County Judge/Executive

Spurlock Tank Site- Tract 6

N 55 24' 01" W a distance of 50.00 feet N 34 35' 47" E a distance of 49.99 feet S 55 4' 24" E a distance of 50.02 feet S 34 37' 30" W a distance of 49.99 feet

Hamilton Branch Pump Station-Tract 3 N 29 04' 01" E a distance of 5.68 feet S 60 56' 48" E a distance of 25.01 feet S 29 04' 03" W a distance of 25.03 feet N 60 54' 35" W a distance of 25.01 feet

Mink Branch Pump Station-Tract 7

S 14 06' 15" W a distance of 29.92 feet S 73 09' 46" W a distance of 29.90 feet N 13 49' 35" E a distance of 30.05 feet N 73 31' 00" E a distance of 29.96 feet

John Hall Branch Tank Site-Tract 8

N 18 01' 16" W a distance of 49.96 feet N 71 59' 03" E a distance of 50.00 feet S 17 59' 59" E a distance of 49.97 feet S 71 59' 28" W a distance of 49.98 feet

Weeksbury Tank Site-Tract 9

N 49 07' 53" E a distance of 49.98 feet S 40 52' 58" E a distance of 50.01 feet S 49 08' 07" W a distance of 49.99 feet



Floyd County Fiscal Court is committed to providing safe, decent and affordable housing for low-income clients with special needs.



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EXHIBIT A (The Premises)

Being a part of the same property conveyed to Geneva Mullins and Dinna Mullins, from Mitchell Short and Bertha Short, his wife, by deed dated September 22, 1973, of record in Deed Book 215, Page 32, and being a part of the same property conveyed to Dinna Mullins, from Geneva Mullins, single, by deed dated January 18, 1988, of record in Deed Book 316, Page 278, both in the office of the Floyd County Clerk, and being a certain tract or parcel of land lying in Floyd County, Kentucky, on the waters of Frasures Creek, which is more particularly described as follows:

Frasure Creek Pump Station

Description of a certain tract or parcel of land lying and being on Frasure Creek near the town of McDowell, Floyd County, Kentucky, approximately 312' feet northwest from the intersection of Gearheart Branch and Frasure Creek, subject property lies on the north side of KY RT. 1929 and entirely within a boundary of land now owned by Dinna Mullins as recorded in the Office of the Floyd County Clerk in Deed Book 215, Page 32, and Deed Book 316, Page 278, and being more particularly described as follows:

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" inch diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

Beginning at a capped pin set near the northern line of the KY RT. 1929 right-ofway said point also being a common corner to the new boundary for the Dinna and Geneva Mullins property as recorded in Deed Book 215, Page 32 and has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,055,511.68, and East 2,520,894.58; thence severing the Dinna and Geneva Mullins property for three (3) calls as follows:

N 13° 23' 41" W a distance of 30.03' feet to a capped pin set N 76° 35' 08" E a distance of 30.01' feet to a capped pin set S 13° 20' 30" E a distance of 30.03' feet to a capped pin set near the northern line of

KY RT. 1929 right-of-way; thence leaving the new boundary line of Dinna and Geneva Mullins and following a line near the right-of-way of and parallel to KY RT. 1929 for one call as follows:

S 76° 35' 00" W a distance of 29.98' feet to the beginning contacting 01021 acents that the more or less as per a survey by R.M. Johnson Engineering fit completed in order of the was on the information of the same with the torgoing and this confidence have been duty recorded

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Book D472 Page 168

Description of a certain tract or parcel of land lying and being on Mink Branch of Mud Creek, Floyd County, Kentucky, approximately 8,177' feet southwest from the intersection of Mink Branch and Mud Creek. Subject property is at approximately 1246' feet elevation above Mean Sea Level and lies entirely within a boundary of land now owned by Roy and Mary Hall as recorded in the office of the Floyd County Clerk in Deed Book 354, Page 225 and being more particularly described as follows:

EXHIBIT "A" FRACT NO. 1

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" inch diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

Beginning at a capped pin set, said capped pin also being a common corner to the new boundary for the Roy and Mary Hall property as recorded in Deed Book 354, Page 225 and has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,053,353.6854 and East 2,533,513.4123; thence severing the Roy and Mary Hall property for four (4) calls as follows:

S 38° 52′ 40″ W a distance of 50.00′ feet to a capped pin set

N 51° 06' 47" W a distance of 49.99' feet to a capped pin set

N 38° 49′ 48″ E a distance of 50.00′ feet to a capped pin set

S 51° 06′ 49″ E a distance of 50.03′ feet to the beginning containing 0.057 acres more or less as per a survey by R.M. Johnson Engineering, Inc., completed on 12-10-01.

It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining property of Roy and Mary Hall beginning at Mink Branch Road and continuing across said Hall property to the boundary of the aforementioned tract to be conveyed and there ending.

Being a part of the same property conveyed to the Grantor, from Ray Hall and Mary Hall, his wife, by deed dated December 22, 2001, of record in Deed Book 467, Page 510, in the office of the Floyd County Clerk.

Book D412 Page 169

Description of a certain tract or parcel of land lying and being on the Right Fork of Beaver Creek near the City of Martin, Floyd County, Kentucky, approximately 660' feet southeast from the intersection of KY RT. 80 and KY RT. 122. Subject property is at approximately 850' feet elevation above Mean Sea Level and lies entirely within a boundary of land now owned by Susan Elaine Compton as recorded in the Office of The Floyd County

Court Clerk in Deed Book 237, Page 74, and being more particularly described as follows:

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8'' inch diameter rebar steel, 18'' inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

Beginning at a capped pin set, said pin also being a common corner to the new boundary for the Susan Elaine Compton property as recorded in Deed Book 237, Page 74 and has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North-2,100,730.74 and East 2,506,037.68; thence severing the Susan Elaine Compton property for four calls as follows:

S 61° 54' 35" E a distance of 149.98' feet to a capped pin set

S 28° 04' 42" W a distance of 149.99' feet to a capped pin set

N 61° 54' 37" W a distance of 150.00' feet to a capped pin set

N 28° 05' 08" E a distance of 149.99' feet to the beginning, containing 0.516 acres more or less as per a survey by R.M. Johnson Engineering, Inc., completed on 11-21-01.

It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining property of Susan Elaine Compton beginning at an existing graveled road and continuing across said Compton property to the boundary of the aforementioned tract to be conveyed and there ending.

Being a part of the same property conveyed to the Grantor, from T. J. Compton and Juanita Compton, his wife, and Susan Elaine Compton, single, by deed dated January 30, 2002, of record in Deed Book 468, Page 474, in the office of the Floyd County Clerk.

TRACT NO. 2

Hamilton Branch Pump Station

TRACT NO.3

Deed description for a certain tract or parcel of land lying and being on Hamilton Branch of Mud Creek, in Floyd County, Kentucky, and being more particularly described as follows:

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8'' inch diameter rebar steel, 18'' inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

Beginning at a capped pin set in the southeast right-ofway line of KY RT. 680 having an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,065,587.8620 and East 2,537,867.1100, said capped pin being 35' feet right of Centerline Station 235+00, and also being a common corner to land now owned by the Floyd County Fiscal court and recorded in Deed Book 410, Page 356, records of the Floyd County Court Clerk's Office; thence leaving the right-ofway of KY RT 680 and severing the remaining land of the Floyd County Fiscal Court for four (4) calls as follows:

N 29° 04' 01" E a distance of 5.68' feet to a capped pin set

S 60° 56' 48" E a distance of 25.01' feet to a capped pin set

S 29° 04' 03" W a distance of 25.03' feet to a capped pin set

N 60° 54' 35" W a distance of 25.01' feet to a capped pin set in the southeast right-of-way line of KY RT 680, said point being 35' feet right of Centerline Station 234+80.71; thence leaving the land owned by the Floyd County Fiscal Court and following the southeast rightof-way line of KY RT. 680 for one call as follows:

N 29° 04' 01" E a distance of 19.34' feet to the beginning, containing 0.014 acres more or less as per a survey by R. M. Johnson Engineering, Inc., completed on 11-20-01.

Being a part of the same property conveyed to the Grantor, from Floyd County Fiscal Court, by deed dated January 25, 2002, of record in Deed Book 468, Page 479, in the office of the Floyd County Clerk.

Book_ D472 Page 171

Weeksbury Pump Statior

TRACT NO. 4 Description for a certain tract or parcel of land lying Weeksbury, Floyd County, Kentucky, and being more particularly described as follows:

> Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" inch diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

> Beginning at a capped pin set within the boundary of a tract of land now owned by Tommy and Barbara Roop, this tract of land is designated as Lot #5 in the town of Weeksbury as shown on Map #142 and recorded in the Floyd County Court Clerk's Office in Deed Book 360, Page 628. Said capped pin has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,017,179.07 and East 2,529,765.82 and bears N 59° 04' 17" W approximately 47.16' feet from the intersection of KY RT 466 and Caleb Fork Road; thence severing the remaining land owned by Tommy and Barbara Roop with four (4) calls as follows:

S 52° 42′ 00″ W a distance of 30.01′ feet to a capped pin set

N 37° 18′ 31″ W a distance of 30.02′ feet to a capped pin set

N 52° 39′ 41″ E a distance of 30.01′ feet to a capped pin set

S 37° 18′ 39″ E a distance of 30.04′ feet to the beginning, containing 0.021 acres more or less as per a survey by R.M. Johnson Engineering, Inc., completed on 11-26-01.

It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining land of Tommy and Barbara Roop beginning at KY RT 466 and continuing across said Roop property to the boundary of the aforementioned tract to be conveyed and there ending.

Being a part of the same property conveyed to the Grantor, from Tommy Roop and Barbara Roop, his wife, by deed dated January 25, 2002, of record in Deed Book 468, Page 483, in the office of the Floyd County Clerk. Description for a certain tract or parcel of land lying and being on Johns Branch near the town of Langley, Floyd County, Kentucky, approximately 4,647' feet northwest from the intersection of Johns Branch and the Right Fork of Beaver Creek. Subject property lies on the north side of Johns Branch Road and entirely within a boundary of land owned by The Floyd County Fish and Game Club as recorded in the Office of the Floyd County Court Clerk in Deed Book 185, Page 460, and being more particularly described as follows: Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" inch diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

TRACT NO. 5

Beginning at a capped pin set approximately 15.69' feet north of the northern edge of pavement of Johns Branch Road, said capped pin also being a common point in the new boundary line of land owned by The Floyd County Fish and Game Club as recorded in the Office of the Floyd County Court Clerk in Deed Book 185, Page 460, and has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,095,555.65 and East 2,497,547.86; thence severing The Floyd County Fish and Game Club property for four (4) calls as follows:

S 86° 00' 12" W a distance of 30.00' feet to a capped pin set

N 03° 58' 57" W a distance of 29.99' feet to a capped pin set

N 85° 58' 43" E a distance of 30.00' feet to a capped pin set

S 03° 59' 41" E a distance of 30.00' feet to the beginning, containing 0.021 acres more or less as per a survey by R.M. Johnson Engineering, Inc., completed on 01-09-02.

It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining property of The Floyd County Fish and Game Club beginning at Johns Branch Road and continuing across said Floyd County Fish and Game Club property to the boundary of the aforementioned tract to be conveyed and there ending.

Being a part of the same property conveyed to the Grantor, from Floyd County Fish and Game Club, Inc., by deed dated January 28, 2002, of record in Deed Book 468, Page 487, in the office of the Floyd County Clerk.

Description of a certain tract or parcel of land Bark and 472 Page 173 being in Spurlock Creek, Floyd County, Kentucky, approximately 330' feet north of KY RT 2030 and approximately 1,093' feet northwest from the Road Gap on KY Rt 2030 between Trace Fork and Spurlock Creek. Subject property is at approximately 1,110' feet elevation above Mean Sea Level and lies entirely within a boundary of land now owned by Ivan and Ethel Carroll as recorded in the Office of the Floyd County Court Clerk in Deed Book 286, Page 102 and being more particularly described as follows:

TRACT NO. 6

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" inch diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

Beginning at a capped pin set, said pin also being a common corner to the new boundary for the Ivan and Ethel Carroll property as recorded in the Office of the Floyd County Court Clerk in Deed Book 286, Page 102 and has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,081,502.3203 East 2,522,255.2038; thence severing the Ivan and Ethel Carrol property for four calls as follows:

N 55° 24' 01" W a distance of 50.00' feet to a capped pin set

N 34° 35′ 47″ E a distance of 49.99′ feet to a capped pin set

S 55° 4' 24" E a distance of 50.02' feet to a capped pin set

S 34° 37' 30" W a distance of 49.99' feet to the beginning containing 0.057 acres more or less as persurvey by R.M. Johnson Engineering, Inc., completed on 12-10-01.

It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining property of Ivan and Ethel Carroll beginning at KY RT 2030 and continuing across said Carroll property to the boundary of the aforementioned tract to be conveyed and there ending.

Being a part of the same property conveyed to the Grantor, from Ethel Carroll, single, by deed dated January 28, 2002, of record in Deed Book 468, Page 492, in the office of the Floyd County Clerk.

Mink Branch Pump Station

TRACT NO. 7

A description for a certain tract or parcel of land lying and being on Mink Branch of Mud Creek, Floyd County, Kentucky, on the west bank of Mud Creek at the mouth of Mink Branch. Subject property lies on the south side of Mink Branch and Mink Branch Road and entirely within a boundary of land now owned by Eula Hall as recorded in the Office of the Floyd County Court Clerk in Deed Book 221, Page 233, and being more particularly described as follows:

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8'' inch diameter rebar steel, 18'' inches in length, with a plastic cap stamped R.M. Johnson Engineer 3521.

Beginning at a capped pin set 4.41' feet south of the southern edge of Mink Branch Road, and being S 54° 40' 10" W 14.67' feet from the southwest corner of the bridge crossing Mud Creek. Said point also being a common corner in the new boundary line of property now owned by Eula Hall as recorded in the Floyd County Clerks Office in Deed Book 221, Page 233 and has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,059,714.6700 and East 2,538,636.5440; thence severing the Eula Hall property with three (3) calls as follows;

S 14° 06' 15" W a distance of 29.92' feet to a capped pin set

S 73° 09' 46" W a distance of 29.90' feet to a capped pin set

N 13° 49' 35" E a distance of 30.05' feet to a capped pin set 3.72' feet south of the southern edge of Mink Branch Road; thence following a line near the southern edge of Mink Branch Road for one call as follows:

N 73° 31′ 00″ E a distance of 29.96′ feet to the beginning, containing 0.018 acres more or less as per a survey by R.M. Johnson Engineering, Inc., completed on 11-21-01.

Being a part of the same property conveyed to the Grantor, from Eula Hall, single, by deed dated January 31, 2002, of record in Deed Book 469, Page 13, in the office of the Floyd County Clerk.

John Hall Branch Tank Site Book D472 Page 175

TRACT NO. 8 Description of a certain tract or parcel of land lying and being on the John Hall Branch of Frasure Creek in Floyd County, Kentucky, at the head of John Hall Branch, approximately 780' feet north of KY RT. 680 and approximate elevation of 1406' feet above Mean Sea Level and lies entirely within a boundary of land now owned by Vernon Cornett as recorded in the Office of the Floyd County Clerk in Deed Book 336, Page 708 and being more particularly described as follows:

> Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

> Beginning at a capped pin set, said capped pin being a common corner to the new boundary for the Vernon Cornett property as recorded in the Office of the Floyd County Court Clerk in Deed Book 336, Page 708 and has approximate NAD 83 Kentucky South Zone State Plane coordinate value North 2,061,847.8941 and East 2,529,052.0629; thence severing the Vernon Cornett property for the four (4) calls as follows:

N 18 degrees 01' 16" W a distance of 49.96' feet to a capped pin set

N 71 degrees 59' 03" E a distance of 50.00' feet to a capped pin set

S 17 degrees 59'59" E a distance of 49.97' feet to a capped pin set

S 71 degrees 59'28" W a distance of 49.98' feet to the point of beginning, containing 0.057 acres more or less as per survey by R.M. Johnson Engineering, Inc., completed on 11-26-01.

It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining property of Vernon Cornett as recorded in the Office of the Floyd County Court Clerk in Deed Book 336, Page 708, beginning at KY Rt. 680 and continuing across said Cornett property to the boundary of the aforementioned tract to be conveyed and there ending.

TRACT NO. 9

A description of a certain tract or parcel of land lying and being on the Left Fork of Beaver Creek in Floyd County, Kentucky, approximately 6,327' feet southwest from the intersection of KY RT 466 and Caleb Fork Road, said road intersection is in the town of Weeksbury, Kentucky. Subject property is at approximately 1680' feet elevation above Mean Sea Level and lies entirely within a boundary of land now owned by John J. and Patsy J. Sword as recorded in the office of the Floyd County Court Clerk in Deed Book 396, Page 164, and being more particularly described as follows:

Unless otherwise stated, any monument referred to herein as a capped pin set is a 5/8" inch diameter rebar steel, 18" inches in length, with a plastic cap stamped R.M. Johnson Engineering 3521.

Beginning at a capped pin set in the dividing line between property now owned by John J. and Patsy J. Sword and recorded in Deed Book 396, Page 264, records of the Floyd County Court Clerk's Office and property now owned by Collins and Mayo, and recorded in Office of the Floyd County Court Clerk in Deed Book ______. Page _____. Said capped pin has an approximate NAD 83 Kentucky South Zone State Plane coordinate value of North 2,011,167.4396 and East 2,527,759.8617; thence following the dividing line between the property of Collins and Mayo and John J. and Patsy J. Sword down the point for one call as follows:

N 40° 52' 20" W a distance of 50.01' feet to a capped pin set; thence leaving the lines of land owned by Collins and Mayo and severing the property owned by John J. and Patsy J. Sword for three (3) calls as follows:

N 49° 07' 53" E a distance of 49.98' feet to a capped pin set

S 40° 52' 58" E a distance of 50.01' feet to a capped pin set

S 49° 08' 07" W a distance of 49.99' feet to the beginning, containing 0.057 acres more or less as per a survey by R.M. Johnson Engineering, Inc., completed on 11-27-01.

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It is also understood that there is to be a 15' feet wide perpetual easement for access road and other necessary appurtenances across the remaining property of John J. and Patsy J. Sword beginning at KY RT. 466 and continuing across said Sword property to the boundary of the aforementioned tract to be conveyed and there ending.

Being a part of the same property conveyed to the Grantor, from John J. Sword and Patsy Sword, his wife, by deed dated January 31, 2002, of record in Deed Book 469, Page 252, in the office of the Floyd County Clerk.

STATE OF KENTUCKY, COUNTY OF FLOYD, S.S. I, CHRIS WAUGH, Oper of Floyd County continue I, CHRIS WAUGH, Creck of Floyd County certify that the foregoing was on the foregoing was on the was on the day of Opil 2002 abis 0 o'clock .m. lodged for record whereupon the same with the foregoing and this certificate have been duly recorded in my office. Witness my hand, this 30 to day of Opico CHRIS WAUGH, CLERK By Oconho Dur 2002 **p**.C