

Rubin & Hays

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT
NICHOLAS J. LOCOCO

October 29, 2019

RECEIVED

OCT 29 2019

PUBLIC SERVICE
COMMISSION

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

via: Hand delivery

Re: Allen County Water District PSC Application

Dear Director Pinson:

Enclosed please find the original and ten (10) copies of the Application of the Allen County Water District for (i) a Certificate of Public Convenience and Necessity to construct a project pursuant to KRS 278.020; and (ii) an Order authorizing the issuance of securities pursuant to KRS 278.300.

Also enclosed are two copies of the location maps and a compact disc containing the Plans and Specifications all of which have been stamped, signed and dated by a Professional Engineer.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jl
Enclosures
cc: Distribution List

DISTRIBUTION LIST

Re: Allen County Water District (US 231 Elevated Water Storage Tank Project)

Ms. DeAnn Marquez, Office Manager
Allen County Water District
330 New Gallatin Road
Scottsville, Kentucky 42164
acwd@nctc.com

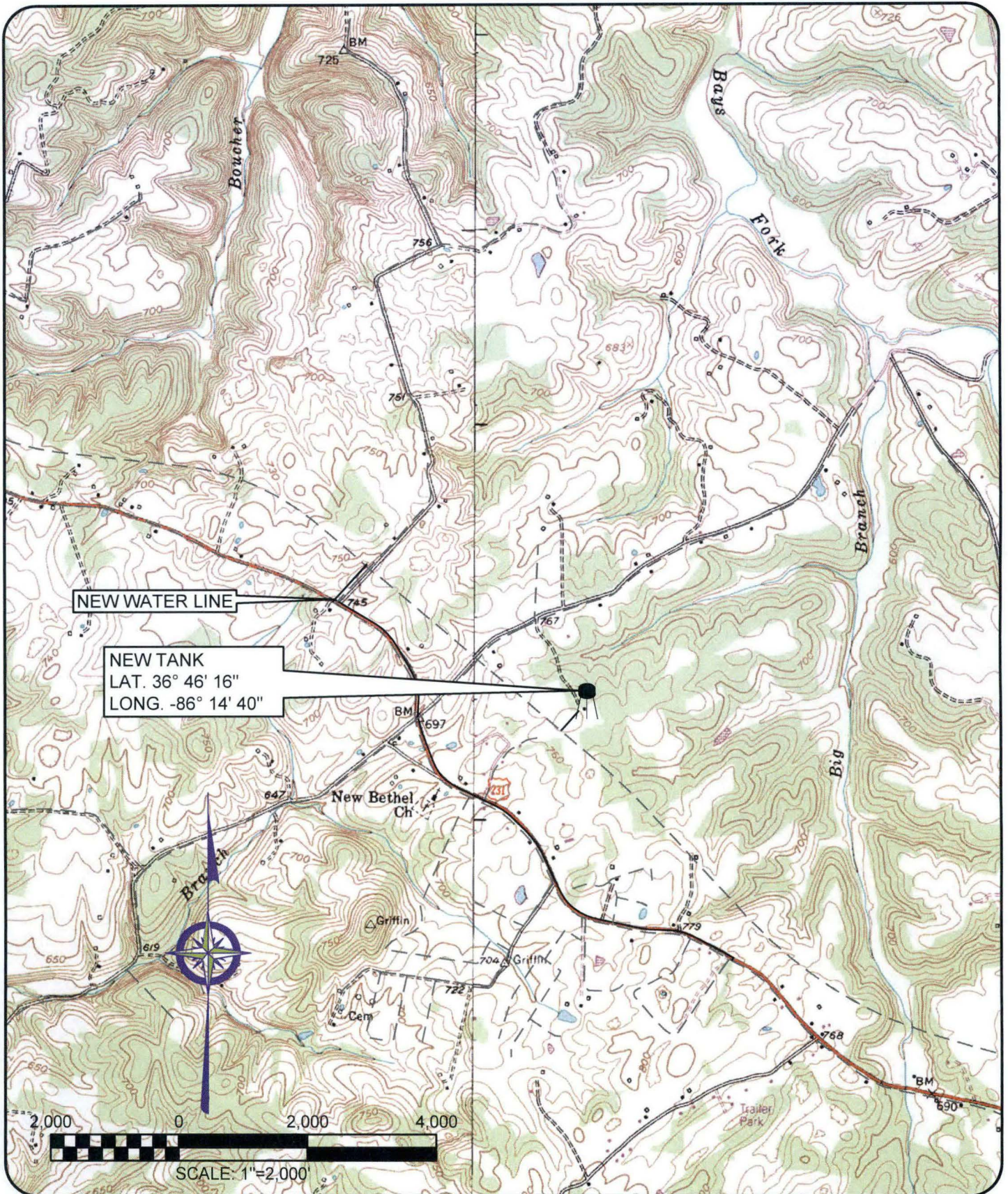
Phone: (270) 622-3040
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Matthew R. Curtis, P.E.
Bluegrass Engineering, PLLC
222 East Main Street, Suite 1
Georgetown, Kentucky 40324
mcurtis@bluegrassengineering.net

Telephone: (502) 370-6551
Fax: (502) 642-5180

W. Randall Jones, Esq.
Rubin & Hays
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450 South Third Street
Louisville, Kentucky 40202
wrjones@rubinhays.com

Phone: (502) 569-7534
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222 East Main Street, Ste. 1 • Georgetown, KY 40324

US 231 ELEVATED WATER
STORAGE TANK
FOR
ALLEN COUNTY WATER DISTRICT

Project No.
17023

Date
04/2019

Dwg. No.
1

RECEIVED

OCT 29 2019

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF THE ALLEN COUNTY)
WATER DISTRICT FOR THE ISSUANCE OF A)
CERTIFICATE OF PUBLIC CONVENIENCE AND)
NECESSITY TO CONSTRUCT A WATER SYSTEM)
IMPROVEMENTS PROJECT AND AN ORDER) Case No. 2019 - _____
AUTHORIZING THE ISSUANCE OF SECURITIES)
PURSUANT TO THE PROVISIONS OF)
KRS 278.020, KRS 278.300 AND 807 KAR 5:001)

** *** **** ***** ***** *** **

APPLICATION

The Applicant, Allen County Water District (the "District"), files this Application pursuant to KRS 278.020(1), KRS 278.300 and KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") grant the District a Certificate of Public Convenience and Necessity ("CPCN") to construct a water system improvements project (the "Project") and an order authorizing the issuance of securities to finance said Project. In support of this Application, and in compliance with the rules and regulations of the Commission, the District states as follows:

1. The District was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the Allen County Judge/Executive, which Order is on file in the County Court Order Books in the office of the Allen County Clerk. The District is now, and has been since its inception, regulated by the Commission, and all records and proceedings

of the Commission with reference to the District are incorporated in this Application by reference. The District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

2. The governing body of the District is its Board of Commissioners which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purpose as provided for in KRS 74.070 and all applicable law and regulations.

3. The mailing address of the District is as follows:

Allen County Water District
c/o Ms. DeAnn Marquez, Office Manager
330 New Gallatin Road
Scottsville, Kentucky 42164
Phone: (270) 622-3040
Fax: (270) 622-3041
email address: acwd@nctc.com

4. A general description of the District's system property, together with a statement of the original cost, is contained in the District's Annual Report for 2018 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. Pursuant to 807 KAR 5:001, Section 15 - Applications for Certificates of Public Convenience and Necessity, the District hereby responds as follows:

- (i) Section 15(2)(a): Facts Relied Upon to Show Public Necessity: The proposed Project and the need for the Project is described in **Exhibit "A"** attached hereto.
- (ii) Section 15(2)(b): Copies of Permits: Required permits are attached hereto as **Exhibit "B"**.
- (iii) Section 15(2)(c): Description of Proposed Location or Route. Construction of the Project is being performed within the boundaries of the District and is

detailed in the location map referred to in paragraph 5(iv) below. The proposed Project will not compete with any other public utilities and will not result in any wasteful duplication.

- (iv) Section 15(2)(d)(1): Maps to Suitable Scale: Three copies (two paper medium and one electronic storage medium) of maps to suitable scale showing the location of the proposed Project, as well as the location of like facilities owned by others located anywhere within the map area are being filed with this Application.
- (v) Section 15(2)(d)(2): Plans and Specifications: The signed, sealed and dated Plans and Specifications in .pdf format on electronic storage medium are being filed with this Application.
- (vi) Section 15(2)(e) Financing: The District is financing the Project with the proceeds of a loan from the Kentucky Infrastructure Authority ("KIA") Federally Assisted Drinking Water Revolving Loan Fund (F19-025) in the principal amount of \$2,450,000 (the "KIA Loan"). The KIA Loan will be evidenced by an Assistance Agreement between the District and KIA and the District has received a conditional commitment letter dated August 7, 2019 (the "Commitment"). A copy of the Commitment is attached hereto as **Exhibit "C"**. The Commitment contains a special condition (see paragraph XII - Recommendations) stating that the District must adopt a resolution agreeing to increase water rates to yield a 7% increase in revenues or add \$160,000 of additional revenues, effective January 1, 2021. The District

adopted the required resolution on August 5, 2019, a copy of which is attached hereto as **Exhibit "D"**. The Final Project Budget is attached hereto as **Exhibit "E"**.

- (vii) Section 15(2)(e) Statement of Estimated Annual Cost of Operation: a statement of the estimated annual cost of operation after the Project is placed in service is titled Annual Cost of Operation and is attached hereto as **Exhibit "F"**.

6. The detailed Statement of Net Position; Statement of Revenue, Expenses and Changes in Net Position; and Statement of Cash Flows for the twelve month periods ending on December 31, 2018 are attached hereto as **Exhibit "G"** respectively.

7. Pursuant to 807 KAR 5:001, Section 12 - Financial Exhibit; the District hereby responds as follows:

- (i) Section 12(1)(a): The District states that it had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and that no material changes have occurred since December 31, 2018.
- (ii) Section 12(2)(a), (b) and (c) Stock: The District does not have any authorized, issued or outstanding stock as of the date hereof.
- (iii) Section 12(2)(d) Mortgages: The District does not have any outstanding mortgages as of the date hereof.
- (iv) Section 12(2)(e), (f) and (g) Indebtedness: The information concerning the outstanding indebtedness of the District is contained in financial statements

and Note 6 to financial statements which have been filed with the Commission and are incorporated herein by reference.

(v) Section 12(2)(h) Dividends: The District has no outstanding stock and therefore pays no dividends.

(vi) Section 12(2)(i) Financial Statements: See **Exhibit "G"** attached hereto.

8. Pursuant to 807 KAR 5:001, Section 18, the District hereby responds as follows:

(i) Section 18(1)(a): The District has complied with the requirements of 807 KAR 5:001, Section 14.

(ii) Section 18(1)(b): A general description of the District's property, its field of operation and a statement of original cost of said property and the cost to the District is contained in the District's 2018 Annual Report on file with this Commission.

(iii) Section 18(1)(c): The District is not issuing any stock as part of this financing. The information concerning the proposed KIA Loan is contained in this Application and the supporting exhibits. The KIA Loan will be secured by and payable from the gross revenues of the District's water system.

(iv) Section 18(1)(d): The District is not refunding any outstanding obligations in connection with this Project. The proceeds of the KIA Loan are being used for the construction of the Project described in **Exhibit "A"**.

(v) Section 18(1)(e): See paragraph 5(i) above and paragraph 8(x) below.

- (vi) Section 18(1)(f): The District is not refunding any outstanding obligations in connection with this Project.
 - (vii) Section 18(1)(g): Written notification of the proposed issuance of the KIA Loan is being provided to the State Local Debt Officer (see **Exhibit “H”** attached hereto).
 - (viii) Section 18(2)(a): See paragraph #7 above.
 - (ix) Section 18(2)(b): The District does not have any outstanding trust deeds or mortgages.
 - (x) Section 18(2)(c): A detailed estimate of the acquired property, arranged according to the Uniform System of Accounts for Class A/B Water Districts and Associations is \$1,674,000 classified as USOA account #330 (distribution reservoirs and standpipes) and \$281,980 classified as USOA account #331 (transmission and distribution mains) - see the Final Project Budget attached hereto as **Exhibit “E”**.
9. Certified copies of the bid tabulations for the Project are attached hereto as **Exhibit “I”**.
10. No rate adjustment will be necessary.

WHEREFORE, the District respectfully requests that the Commission take the following actions:

- A. Grant the District a Certificate of Public Convenience and Necessity permitting the District to construct the Project;
- B. Authorize the issuance of securities pursuant to the KIA Assistance Agreement evidencing of the \$2,450,000 KIA Loan; and
- C. Grant the District any other relief to which said District is entitled.

Allen County Water District

By Wayne Jackson
Wayne Jackson, Chairman
330 New Gallatin Road
Scottsville, Kentucky 42164
Phone: (270) 622-3040
Fax: (270) 622-3041
email address:
acwd@nctc.com

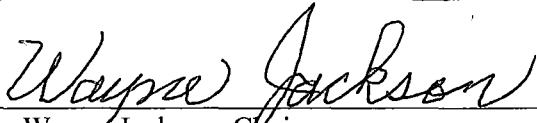
Rubin & Hays

By W. Randall Jones
W. Randall Jones
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7525
Fax: (502) 569-7555
Counsel for Allen County Water District
wrjones@rubinhays.com

STATE OF KENTUCKY)
) SS
COUNTY OF ALLEN)

The affiant, Wayne Jackson, being first duly sworn, states: That he is the Chairman of the Allen County Water District, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters which are herein stated to be based on information or belief, and that these matters, believes to be true and correct.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 23 day of October, 2019.


Wayne Jackson, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Wayne Jackson, Chairman of the Allen County Water District on this the 23 day of October, 2019.

My Commission expires: January 8, 2023.


Notary Public

Notary ID#: 614620

EXHIBIT A

1. The US 231 Elevated Water Tank Project will address the lack of storage volume within the existing pressure zone. Currently Lambert Road Tank is turning over in excess of 7 times per day due to growth in the service area. The Lambert Road tank is a ground storage tank and only utilizes the top third of the tank. An elevated tank would allow for a more through cycling, thus improving water quality.
2. The US 231 Elevated Water Tank Project will address the lack of storage volume within the existing pressure zone. The new 500,000 gallon elevated tank will replace the existing Lambert Road ground storage tank to address the short fill cycles and the lack of adequate storage capacity in this portion of the ACWD distribution system. 200 LF of 12-inch DI pipe will make a connection to the existing 12-inch waterline along US 231. The existing Lambert Road storage tank will be removed from operation and ultimately be decommissioned. In addition to the new elevated tank approximately 9,000 LF of 8-inch PVC water line will be run along Bowling Green Road to transport water being pumped via the Halfway Booster Station to the Walker's Chapel Pressure Zone. The existing waterline along Bowling Green Road will be connected to the existing 12-inch waterline along US 231 via 1,000 LF of 8-inch waterline along Spears Road to place additional customers on the new tank. The Halfway Booster Station will have some internal piping switched out for installation of a new master meter to aid in ACWD's Water Loss Program.

MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

AARON B. KEATLEY
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

May 2, 2018

Wayne Jackson
Allen Co Water District
330 New Gallatin Rd
Scottsville, KY 42164

RE: US 231 Elevated Water Tank
Allen County, KY
Allen Co Water District
AI #: 33768, APE20180001
PWSID #: 0020956-18-001

Dear Mr. Jackson:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 3,800 feet 12-inch DIP waterline and a 500,000 gallon elevated water storage tank. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the attached construction permit.

If you have any questions concerning this project, please contact Mr. Mortaza Tabayeh at 502-782-7086.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Humphries".

Terry Humphries, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

TH: MT
Enclosures

C: Bluegrass Engineering PLLC
Allen County Health Department
Division of Plumbing





Kentucky Transportation Cabinet
Department of Highways
Division of Maintenance
Permits Branch

TC 99-1 (B)
07/2018
Page 1 of 1

ENCROACHMENT PERMIT

KYTC KEPT #: 03-2019-00093

Permittee: Allen County Water District

Permit Type / Subtype: Utilities / Water

Work Completion Date: 8/2/2019

INDEMNITIES		
Type	Amount Required	Tracking Number
Performance Bond	\$0.00	
Cash / Check	\$0.00	
Self-Insured	\$0.00	
Payment Bond	\$0.00	
Liability Insurance	\$0.00	

This permit has been:

APPROVED ☒

DENIED ☐

Sarah Payton

D3 Permits - Supervisor

5/9/2019

SIGNATURE

TITLE

DATE

The TC 99-1(B), including the application TC-99 1(A) and all related and accompanying documents and drawings make up the permit. It is not a permit unless both the TC 99-1(A) and TC 99-1(B) are both present.

LOCATION(S)			
Description	County - Route	Latitude	Longitude
Utilities	Allen - KY 3241	36.760758	-86.235970

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

Page 1 of 14

GACT0000000027 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP and 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-1	Construction of this project shall not result in the water system's inability to supply consistent water service in compliance with 401 KAR 8:010 through 8:600. [401 KAR 8:100 Section 5]
T-2	The public water system shall not implement a change to the approved plans without the prior written approval of the cabinet. [401 KAR 8:100 Section 4(3)]
T-3	A proposed change to the approved plans affecting sanitary features of design shall be submitted to the cabinet for approval in accordance with Section 2 of this administrative regulation. [401 KAR 8:100 Section 4(2)]
T-4	During construction, a set of approved plans and specifications shall be available at the job site. Construction shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 3(1)]
T-5	Unless construction begins within two (2) years from the date of approval of the final plans and specifications, the approval shall expire. [401 KAR 8:100 Section 3(3)]
T-6	Upon completion of construction, a professional engineer shall certify in writing that the project has been completed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 4(1)]
T-7	The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under all conditions of flow. [Recommended Standards for Water Works 8.2.1, Drinking Water General Design Criteria IV.1.a]
T-8	Water storage tanks shall have a minimum 100% turnover rate of once per 72 hours. [Drinking Water General Design Criteria IV.6.a]
T-9	Minimum water level for all gravity storage tanks shall maintain a minimum design pressure of 30 psi for all potential points of use supplied by the tank. [Drinking Water General Design Criteria IV.6.b]
T-10	Separate inlet and outlet is required on storage tanks; and the inlet has to be in the upper half of the tank (unless there is a separate mixing system). [Drinking Water General Design Criteria IV.6.c]
T-11	The maximum variation between high and low levels in storage structures providing pressure to a distribution system should not exceed 30 feet. [Recommended Standards for Water Works 7.3.1]
T-12	Finished water storage structures which provide pressure directly to the distribution system shall be designed so they can be isolated from the distribution system and drained for cleaning or maintenance without causing a loss of pressure in the distribution system. [Recommended Standards for Water Works 7.3.2]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

Page 2 of 14

GACT0000000027 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP and 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-13	The storage structure drain shall discharge to the ground surface with no direct connection to a sewer or storm drain. [Recommended Standards for Water Works 7.3.2]
T-14	Adequate controls shall be provided to maintain levels in distribution system storage structures. Level indicating devices should be provided at a central location. [Recommended Standards for Water Works 7.3.3]
T-15	The minimum storage capacity (or equivalent capacity) for systems not providing fire protection shall be equal to the average daily consumption. [Recommended Standards for Water Works 7.0.1.b]
T-16	The system should be designed to facilitate turnover of water in the reservoir. [Recommended Standards for Water Works 7.0.6]
T-17	Excessive storage capacity should be avoided to prevent potential water quality deterioration problems. [Recommended Standards for Water Works 7.0.1.c]
T-18	The overflow pipe shall be of sufficient diameter to permit waste of water in excess of the filling rate. [Recommended Standards for Water Works 7.0.7.d]
T-19	Finished water storage structures shall be designed with reasonably convenient access to the interior for cleaning and maintenance. [Recommended Standards for Water Works 7.0.8]
T-20	Finished water storage structures shall be vented. Vents shall prevent the entrance of surface water, rainwater, bird, and animals. The overflow pipe shall not be considered a vent. Open construction between the sidewall and roof is not permissible. [Recommended Standards for Water Works 7.0.9]
T-21	Finished water storage structures and their appurtenances, especially the riser pipes, overflows, and vents, shall be designed to prevent freezing. Equipment used for freeze protection that will come into contact with the potable water shall meet ANSI/NSF Standard 61. [Recommended Standards for Water Works 7.0.13]
T-22	If a flapper valve is utilized, a screen shall be provide inside the valve. Provisions must be included to prevent the flapper from freezing shut. [Recommended Standards for Water Works 7.0.7.e]
T-23	The roof and sidewalls of all water storage structures must be watertight with no openings except properly constructed vents, manholes, overflows, risers, drains, pump mountings, control ports, or piping for inflow and outflow. [Recommended Standards for Water Works 7.0.10]
T-24	Any pipes running through the roof or sidewall of a metal storage structure must be welded, or properly gasketed. In concrete tanks, these pipes shall be connected to standard wall castings which were poured in place during the forming of the concrete. [Recommended Standards for Water Works 7.0.10.a]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

Page 3 of 14

GACT0000000027 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP and 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-25	Openings in the roof of a storage structure designed to accommodate control apparatus or pump columns, shall be curbed and sleeved with proper additional shielding to prevent contamination from surface or floor drainage. [Recommended Standards for Water Works 7.0.10.b]
T-26	Valves and controls should be located outside the storage structure so that the valve stems and similar projections will not pass through the roof or top of the reservoir. [Recommended Standards for Water Works 7.0.10.c]
T-27	Every catwalk over finished water in a storage structure shall have a solid floor with sealed raised edges, designed to prevent contamination from shoe scrapings and dirt. [Recommended Standards for Water Works 7.0.14]
T-28	The discharge pipes from water storage structures shall be located in a manner that will prevent the flow of sediment into the distribution system. [Recommended Standards for Water Works 7.0.15]
T-29	Smooth-nosed sampling tap(s) shall be provided to facilitate collection of water samples for both bacteriological and chemical analyses. The sample tap(s) shall be easily accessible. [Recommended Standards for Water Works 7.0.19]
T-30	Sewers, drains, standing water, and similar sources of possible contamination must be kept at least 50 feet from water storage facilities. Gravity sewers constructed of water main quality pipe, pressure tested in place without leakage, may be used at distances greater than 20 feet but less than 50 feet. [Recommended Standards for Water Works 7.0.2.c]
T-31	The roof of the storage structure shall be well drained. Downspout pipes shall not enter or pass through the reservoir. [Recommended Standards for Water Works 7.0.10.d]
T-32	Porous material, including wood and concrete block shall not be used for potable water contact applications. [Recommended Standards for Water Works 7.0.11]
T-33	All finished water storage structures shall have suitable watertight roofs which exclude birds, animals, insects, and excessive dust. [Recommended Standards for Water Works 7.0.3]
T-34	Fencing, locks on access manholes, and other necessary precautions shall be provided to prevent trespassing, vandalism, and sabotage. [Recommended Standards for Water Works 7.0.4]
T-35	Ladders, ladder guards, balcony railings, and safely located entrance hatches shall be provided where applicable. [Recommended Standards for Water Works 7.0.12.a]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

Page 4 of 14

GACT0000000027 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP and 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-36	All water storage structures shall be provided with an overflow which is brought down to an elevation between 12 and 24 inches above the ground surface, and discharges over a drainage inlet structure or a splash plate. All overflow pipes shall be located so that any discharge is visible. [Recommended Standards for Water Works 7.0.7]
T-37	No drain on a water storage structure may have a direct connection to a sewer or storm drain. [Recommended Standards for Water Works 7.0.5]
T-38	The design shall allow draining the storage facility for cleaning or maintenance without causing loss of pressure in the distribution system. [Recommended Standards for Water Works 7.0.5]
T-39	No overflow may be connected directly to a sewer or a storm drain. [Recommended Standards for Water Works 7.0.7]
T-40	Proper protection shall be given to metal surfaces by paints or other protective coatings, by cathodic protective devices, or by both. [Recommended Standards for Water Works 7.0.17]
T-41	Paint systems shall meet ANSI/NSF standard 61. [Recommended Standards for Water Works 7.0.17.a]
T-42	Interior paint must be applied, cured, and used in a manner consistent with the ANSI/NSF approval. [Recommended Standards for Water Works 7.0.17.a]
T-43	After curing, the coating shall not transfer any substance to the water which will be toxic or cause taste or odor problems. [Recommended Standards for Water Works 7.0.17.a]
T-44	Wax coatings for the tank interior shall not be used on new tanks. [Recommended Standards for Water Works 7.0.17.b]
T-45	Old wax coating must be completely removed before using another tank coating. [Recommended Standards for Water Works 7.0.17.b]
T-46	Finished water storage structures shall be disinfected in accordance with AWWA Standard C652. Two or more successive sets of samples, taken at 24-hour intervals, shall indicate microbiologically satisfactory water before the facility is placed into operation. [Recommended Standards for Water Works 7.0.18.a]
T-47	The disinfection procedure specified in AWWA Standard C652 chlorination method 3, section 4.3 which allows use of the highly chlorinated water held in the storage tank for disinfection purposes, is prohibited unless the initial heavily chlorinated water is properly disposed. [Recommended Standards for Water Works 7.0.18.c]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

Page 5 of 14

GACT0000000027 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP and 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-48	The overflow for an elevated tank shall open downward and be screened with a four mesh, non-corrodible screen. [Recommended Standards for Water Works 7.0.7.c]
T-49	Elevated storage tanks shall have at least one of the access manholes framed at least four inches above the surface of the roof at the opening. All other manholes or access ways shall be bolted and gasketed. [Recommended Standards for Water Works 7.0.8.1]
T-50	Elevated storage tank vents shall open downward, and be fitted with either four mesh non-corrodible screen, or with finer mesh non-corrodible screen in combination with an automatically resetting pressure-vacuum relief mechanism. [Recommended Standards for Water Works 7.0.9.e]
T-51	Elevated tanks with riser pipes over eight inches in diameter shall have protective bars over the riser openings inside the tank. [Recommended Standards for Water Works 7.0.12.b]
T-52	Railings or handholds shall be provided on elevated tanks where persons must transfer from the access tube to the water compartment. [Recommended Standards for Water Works 7.0.12.c]
T-53	When an internal overflow pipe is used on elevated tanks, it should be located in the access tube. For vertical drops on other types of storage facilities, the overflow pipe should be located on the outside of the structure. [Recommended Standards for Water Works 7.0.7.a]
T-54	If a water circulation system is used, it is recommended that the circulation pipe be located separately from the riser pipe. [Recommended Standards for Water Works 7.0.13]
T-55	Reservoirs with pre-cast concrete roof structures must be made watertight with the use of a waterproof membrane or similar product. [Recommended Standards for Water Works 7.0.10.f]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

Page 6 of 14

PORT0000000029 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP:

Narrative Requirements:

Condition No.	Condition
T-1	Construction of this project shall not result in the water system's inability to supply consistent water service in compliance with 401 KAR 8:010 through 8:600. [401 KAR 8:100 Section 5]
T-2	The public water system shall not implement a change to the approved plans without the prior written approval of the cabinet. [401 KAR 8:100 Section 4(3)]
T-3	A proposed change to the approved plans affecting sanitary features of design shall be submitted to the cabinet for approval in accordance with Section 2 of this administrative regulation. [401 KAR 8:100 Section 4(2)]
T-4	During construction, a set of approved plans and specifications shall be available at the job site. Construction shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 3(1)]
T-5	Unless construction begins within two (2) years from the date of approval of the final plans and specifications, the approval shall expire. [401 KAR 8:100 Section 3(3)]
T-6	Upon completion of construction, a professional engineer shall certify in writing that the project has been completed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 4(1)]
T-7	The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under all conditions of flow. [Recommended Standards for Water Works 8.2.1, Drinking Water General Design Criteria IV.1.a]
T-8	Water lines should be hydraulically capable of a flow velocity of 2.5 ft/s while maintaining a pressure of at least 20 psi. [Drinking Water General Design Criteria IV.1.b]
T-9	The normal working pressure in the distribution system at the service connection shall not be less than 30 psi under peak demand flow conditions. Peak demand is defined as the maximum customer water usage rate, expressed in gallons per minute (gpm), in the pressure zone of interest during a 24 hour (diurnal) time period. [Drinking Water General Design Criteria IV.1.d]
T-10	When static pressure exceeds 150 psi, pressure reducing devices shall be provided on mains or as part of the meter setting on individual service lines in the distribution system. [Drinking Water General Design Criteria IV.1.c]
T-11	The minimum size of water main in the distribution system where fire protection is not to be provided should be a minimum of three (3) inch diameter. Any departure from minimum requirements shall be justified by hydraulic analysis and future water use, and can be considered only in special circumstances. [Recommended Standards for Water Works 8.2.2, Drinking Water General Design Criteria IV.2.b]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

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PORT0000000029 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP:

Narrative Requirements:

Condition No.	Condition
T-12	Water mains not designed to carry fire-flows shall not have fire hydrants connected to them. [Recommended Standards for Water Works 8.4.1.b]
T-13	Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-14	No flushing device shall be directly connected to any sewer. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-15	Pipe shall be constructed to a depth providing a minimum cover of 30 inches to top of pipe. [Drinking Water General Design Criteria IV.3.a]
T-16	Water mains shall be covered with sufficient earth or other insulation to prevent freezing. [Recommended Standards for Water Works 8.7]
T-17	A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a depth of at least six inches below the bottom of the pipe. [Recommended Standards for Water Works 8.7]
T-18	Water line installation shall incorporate the provisions of the AWWA standards and/or manufacturer's recommended installation procedures. [Recommended Standards for Water Works 8.7]
T-19	All materials used for the rehabilitation of water mains shall meet ANSI/NSF standards. [Recommended Standards for Water Works 8.1]
T-20	Packing and jointing materials used in the joints of pipe shall meet the standards of AWWA and the reviewing authority. [Recommended Standards for Water Works 8.1]
T-21	All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.7]
T-22	All materials including pipe, fittings, valves and fire hydrants shall conform to the latest standards issued by the ASTM, AWWA and ANSI/NSF, where such standards exist, and be acceptable to the Division of Water. [Recommended Standards for Water Works 8.1]
T-23	Water mains which have been used previously for conveying potable water may be reused provided they meet the above standards and have been restored practically to their original condition. [Recommended Standards for Water Works 8.1]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

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PORT0000000029 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP:

Narrative Requirements:

Condition No.	Condition
T-24	Manufacturer approved transition joints shall be used between dissimilar piping materials. [Recommended Standards for Water Works 8.1]
T-25	The minimum size of water main which provides for fire protection and serving fire hydrants shall be six-inch diameter. [Recommended Standards for Water Works 8.2, Drinking Water General Design Criteria IV.2.a]
T-26	Pipes and pipe fittings containing more than 8% lead shall not be used. All products shall comply with ANSI/NSF standards. [Recommended Standards for Water Works 8.1]
T-27	Gaskets containing lead shall not be used. Repairs to lead-joint pipe shall be made using alternative methods. [Recommended Standards for Water Works 8.1]
T-28	Pipe materials shall be selected to protect against both internal and external pipe corrosion. [Recommended Standards for Water Works 8.1]
T-29	Dead end mains shall be equipped with a means to provide adequate flushing. [Recommended Standards for Water Works 8.2]
T-30	The hydrant lead shall be a minimum of six inches in diameter. Auxiliary valves shall be installed on all hydrant leads. [Recommended Standards for Water Works 8.4.3]
T-31	A sufficient number of valves shall be provided on water mains to minimize inconvenience and sanitary hazards during repairs. [Recommended Standards for Water Works 8.3]
T-32	Wherever possible, chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances to a distribution system, shall not be located in areas subject to flooding or in areas of high groundwater. Such chambers or pits should drain to the ground surface, or to absorption pits underground. The chambers, pits and manholes shall not connect directly to any storm drain or sanitary sewer. Blow-offs shall not connect directly to any storm drain or sanitary sewer. [Recommended Standards for Water Works 8.6]
T-33	At high points in water mains where air can accumulate provisions shall be made to remove the air by means of air relief valves. [Recommended Standards for Water Works 8.5.1]
T-34	Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur. [Recommended Standards for Water Works 8.5.1]
T-35	The open end of an air relief pipe from automatic valves shall be extended to at least one foot above grade and provided with a screened, downward-facing elbow. [Recommended Standards for Water Works 8.5.2.c]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

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PORT0000000029 (US 231 Elevated Water Tank) 3,800 feet 12-inch DIP:

Narrative Requirements:

Condition No.	Condition
T-36	Discharge piping from air relief valves shall not connect directly to any storm drain, storm sewer, or sanitary sewer. [Recommended Standards for Water Works 8.5.2.d]
T-37	Water pipe shall be constructed with a lateral separation of 10 feet or more from any gravity sanitary or combined sewer measured edge to edge where practical. If not practical a variance may be requested to allow the water pipe to be installed closer to the gravity sanitary or combined sewer provided the water pipe is laid in a separate trench or undisturbed shelf located on one side of the sewer with the bottom of the pipe at least 18 inches above the top of the gravity sanitary or combined sewer pipe. [Drinking Water General Design Criteria IV.3.b]
T-38	Water lines crossing sanitary, combined or storm sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sanitary, combined or storm sewer with preference to the water main located above the sanitary, combined or storm sewer. [Drinking Water General Design Criteria IV.3.c]
T-39	At crossings, one full length of water pipe shall be located so both joints will be as far from the sewer as possible. [Recommended Standards for Water Works 8.8.3.b]
T-40	There shall be no connection between the distribution system and any pipes, pumps, hydrants, or tanks whereby unsafe water or other contaminating materials may be discharged or drawn into the system. [Recommended Standards for Water Works 8.10.1]
T-41	Water utilities shall have a cross connection program conforming to 401 KAR 8. [Recommended Standards for Water Works 8.10.1]
T-42	Installed pipe shall be pressure tested and leakage tested in accordance with the appropriate AWWA Standards. [Recommended Standards for Water Works 8.7.6]
T-43	New, cleaned and repaired water mains shall be disinfected in accordance with AWWA Standard C651. The specifications shall include detailed procedures for the adequate flushing, disinfection, and microbiological testing of all water mains. In an emergency or unusual situation, the disinfection procedure shall be discussed with the Division of Water. [Recommended Standards for Water Works 8.7.7]
T-44	A minimum cover of five feet shall be provided over pipe crossing underwater. [Recommended Standards for Water Works 8.9.2]
T-45	Valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair; the valves shall be easily accessible, and not subject to flooding for pipes crossing underwater. [Recommended Standards for Water Works 8.9.2.b]
T-46	Permanent taps or other provisions to allow insertion of a small meter to determine leakage and obtain water samples on each side of the valve closest to the supply source for pipes crossing. [Recommended Standards for Water Works 8.9.2.c]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

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STOR0000000001 (US 231 Elevated Water Tank) 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-1	Construction of this project shall not result in the water system's inability to supply consistent water service in compliance with 401 KAR 8:010 through 8:600. [401 KAR 8:100 Section 5]
T-2	The public water system shall not implement a change to the approved plans without the prior written approval of the cabinet. [401 KAR 8:100 Section 4(3)]
T-3	A proposed change to the approved plans affecting sanitary features of design shall be submitted to the cabinet for approval in accordance with Section 2 of this administrative regulation. [401 KAR 8:100 Section 4(2)]
T-4	During construction, a set of approved plans and specifications shall be available at the job site. Construction shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 3(1)]
T-5	Unless construction begins within two (2) years from the date of approval of the final plans and specifications, the approval shall expire. [401 KAR 8:100 Section 3(3)]
T-6	Upon completion of construction, a professional engineer shall certify in writing that the project has been completed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 4(1)]
T-7	The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under all conditions of flow. [Recommended Standards for Water Works 8.2.1, Drinking Water General Design Criteria IV.1.a]
T-8	Water storage tanks shall have a minimum 100% turnover rate of once per 72 hours. [Drinking Water General Design Criteria IV.6.a]
T-9	Minimum water level for all gravity storage tanks shall maintain a minimum design pressure of 30 psi for all potential points of use supplied by the tank. [Drinking Water General Design Criteria IV.6.b]
T-10	Separate inlet and outlet is required on storage tanks; and the inlet has to be in the upper half of the tank (unless there is a separate mixing system). [Drinking Water General Design Criteria IV.6.c]
T-11	The maximum variation between high and low levels in storage structures providing pressure to a distribution system should not exceed 30 feet. [Recommended Standards for Water Works 7.3.1]
T-12	Finished water storage structures which provide pressure directly to the distribution system shall be designed so they can be isolated from the distribution system and drained for cleaning or maintenance without causing a loss of pressure in the distribution system. [Recommended Standards for Water Works 7.3.2]

Distribution-Major Construction

Allen Co Water District
Facility Requirements

Activity ID No.:APE20180001

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STOR0000000001 (US 231 Elevated Water Tank) 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-13	The storage structure drain shall discharge to the ground surface with no direct connection to a sewer or storm drain. [Recommended Standards for Water Works 7.3.2]
T-14	Adequate controls shall be provided to maintain levels in distribution system storage structures. Level indicating devices should be provided at a central location. [Recommended Standards for Water Works 7.3.3]
T-15	The minimum storage capacity (or equivalent capacity) for systems not providing fire protection shall be equal to the average daily consumption. [Recommended Standards for Water Works 7.0.1.b]
T-16	The system should be designed to facilitate turnover of water in the reservoir. [Recommended Standards for Water Works 7.0.6]
T-17	Excessive storage capacity should be avoided to prevent potential water quality deterioration problems. [Recommended Standards for Water Works 7.0.1.c]
T-18	The overflow pipe shall be of sufficient diameter to permit waste of water in excess of the filling rate. [Recommended Standards for Water Works 7.0.7.d]
T-19	Finished water storage structures shall be designed with reasonably convenient access to the interior for cleaning and maintenance. [Recommended Standards for Water Works 7.0.8]
T-20	Finished water storage structures shall be vented. Vents shall prevent the entrance of surface water, rainwater, bird, and animals. The overflow pipe shall not be considered a vent. Open construction between the sidewall and roof is not permissible. [Recommended Standards for Water Works 7.0.9]
T-21	Finished water storage structures and their appurtenances, especially the riser pipes, overflows, and vents, shall be designed to prevent freezing. Equipment used for freeze protection that will come into contact with the potable water shall meet ANSI/NSF Standard 61. [Recommended Standards for Water Works 7.0.13]
T-22	If a flapper valve is utilized, a screen shall be provide inside the valve. Provisions must be included to prevent the flapper from freezing shut. [Recommended Standards for Water Works 7.0.7.e]
T-23	The roof and sidewalls of all water storage structures must be watertight with no openings except properly constructed vents, manholes, overflows, risers, drains, pump mountings, control ports, or piping for inflow and outflow. [Recommended Standards for Water Works 7.0.10]
T-24	Any pipes running through the roof or sidewall of a metal storage structure must be welded, or properly gasketed. In concrete tanks, these pipes shall be connected to standard wall castings which were poured in place during the forming of the concrete. [Recommended Standards for Water Works 7.0.10.a]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

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STOR0000000001 (US 231 Elevated Water Tank) 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-25	Openings in the roof of a storage structure designed to accommodate control apparatus or pump columns, shall be curbed and sleeved with proper additional shielding to prevent contamination from surface or floor drainage. [Recommended Standards for Water Works 7.0.10.b]
T-26	Valves and controls should be located outside the storage structure so that the valve stems and similar projections will not pass through the roof or top of the reservoir. [Recommended Standards for Water Works 7.0.10.c]
T-27	Every catwalk over finished water in a storage structure shall have a solid floor with sealed raised edges, designed to prevent contamination from shoe scrapings and dirt. [Recommended Standards for Water Works 7.0.14]
T-28	The discharge pipes from water storage structures shall be located in a manner that will prevent the flow of sediment into the distribution system. [Recommended Standards for Water Works 7.0.15]
T-29	Smooth-nosed sampling tap(s) shall be provided to facilitate collection of water samples for both bacteriological and chemical analyses. The sample tap(s) shall be easily accessible. [Recommended Standards for Water Works 7.0.19]
T-30	Sewers, drains, standing water, and similar sources of possible contamination must be kept at least 50 feet from water storage facilities. Gravity sewers constructed of water main quality pipe, pressure tested in place without leakage, may be used at distances greater than 20 feet but less than 50 feet. [Recommended Standards for Water Works 7.0.2.c]
T-31	The roof of the storage structure shall be well drained. Downspout pipes shall not enter or pass through the reservoir. [Recommended Standards for Water Works 7.0.10.d]
T-32	Porous material, including wood and concrete block shall not be used for potable water contact applications. [Recommended Standards for Water Works 7.0.11]
T-33	All finished water storage structures shall have suitable watertight roofs which exclude birds, animals, insects, and excessive dust. [Recommended Standards for Water Works 7.0.3]
T-34	Fencing, locks on access manholes, and other necessary precautions shall be provided to prevent trespassing, vandalism, and sabotage. [Recommended Standards for Water Works 7.0.4]
T-35	Ladders, ladder guards, balcony railings, and safely located entrance hatches shall be provided where applicable. [Recommended Standards for Water Works 7.0.12.a]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

Activity ID No.:APE20180001

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STOR0000000001 (US 231 Elevated Water Tank) 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-36	All water storage structures shall be provided with an overflow which is brought down to an elevation between 12 and 24 inches above the ground surface, and discharges over a drainage inlet structure or a splash plate. All overflow pipes shall be located so that any discharge is visible. [Recommended Standards for Water Works 7.0.7]
T-37	No drain on a water storage structure may have a direct connection to a sewer or storm drain. [Recommended Standards for Water Works 7.0.5]
T-38	The design shall allow draining the storage facility for cleaning or maintenance without causing loss of pressure in the distribution system. [Recommended Standards for Water Works 7.0.5]
T-39	No overflow may be connected directly to a sewer or a storm drain. [Recommended Standards for Water Works 7.0.7]
T-40	Proper protection shall be given to metal surfaces by paints or other protective coatings, by cathodic protective devices, or by both. [Recommended Standards for Water Works 7.0.17]
T-41	Paint systems shall meet ANSI/NSF standard 61. [Recommended Standards for Water Works 7.0.17.a]
T-42	Interior paint must be applied, cured, and used in a manner consistent with the ANSI/NSF approval. [Recommended Standards for Water Works 7.0.17.a]
T-43	After curing, the coating shall not transfer any substance to the water which will be toxic or cause taste or odor problems. [Recommended Standards for Water Works 7.0.17.a]
T-44	Wax coatings for the tank interior shall not be used on new tanks. [Recommended Standards for Water Works 7.0.17.b]
T-45	Old wax coating must be completely removed before using another tank coating. [Recommended Standards for Water Works 7.0.17.b]
T-46	Finished water storage structures shall be disinfected in accordance with AWWA Standard C652. Two or more successive sets of samples, taken at 24-hour intervals, shall indicate microbiologically satisfactory water before the facility is placed into operation. [Recommended Standards for Water Works 7.0.18.a]
T-47	The disinfection procedure specified in AWWA Standard C652 chlorination method 3, section 4.3 which allows use of the highly chlorinated water held in the storage tank for disinfection purposes, is prohibited unless the initial heavily chlorinated water is properly disposed. [Recommended Standards for Water Works 7.0.18.c]

Distribution-Major Construction

Allen Co Water District

Facility Requirements

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STOR0000000001 (US 231 Elevated Water Tank) 500,000 gal Water Storage Tank:

Narrative Requirements:

Condition No.	Condition
T-48	The overflow for an elevated tank shall open downward and be screened with a four mesh, non-corrodible screen. [Recommended Standards for Water Works 7.0.7.c]
T-49	Elevated storage tanks shall have at least one of the access manholes framed at least four inches above the surface of the roof at the opening. All other manholes or access ways shall be bolted and gasketed. [Recommended Standards for Water Works 7.0.8.1]
T-50	Elevated storage tank vents shall open downward, and be fitted with either four mesh non-corrodible screen, or with finer mesh non-corrodible screen in combination with an automatically resetting pressure-vacuum relief mechanism. [Recommended Standards for Water Works 7.0.9.e]
T-51	Elevated tanks with riser pipes over eight inches in diameter shall have protective bars over the riser openings inside the tank. [Recommended Standards for Water Works 7.0.12.b]
T-52	Railings or handholds shall be provided on elevated tanks where persons must transfer from the access tube to the water compartment. [Recommended Standards for Water Works 7.0.12.c]
T-53	When an internal overflow pipe is used on elevated tanks, it should be located in the access tube. For vertical drops on other types of storage facilities, the overflow pipe should be located on the outside of the structure. [Recommended Standards for Water Works 7.0.7.a]
T-54	If a water circulation system is used, it is recommended that the circulation pipe be located separately from the riser pipe. [Recommended Standards for Water Works 7.0.13]
T-55	Reservoirs with pre-cast concrete roof structures must be made watertight with the use of a waterproof membrane or similar product. [Recommended Standards for Water Works 7.0.10.f]



KENTUCKY TRANSPORTATION CABINET
Department of Highways
PERMITS BRANCH

TC 99-1A
Rev. 09/2018
Page 1 of 4

APPLICATION FOR ENCROACHMENT PERMIT

KYTC KEPT #: 03-2019-00093

SECTION 1: APPLICANT CONTACT INFORMATION

NAME Allen County Water District	ADDRESS 330 New Gallatin Road	CITY Scottsville
EMAIL acwd@nctc.com		STATE Kentucky
		ZIP 42164
CONTACT NAME 1 DeAnn Marquez, Office Manager	EMAIL acwd@nctc.com	PHONE # 270.622.3040
		CELL #
CONTACT NAME 2 (if applicable) Josh Reynolds, Manager	EMAIL joshreynoldsacwd@outlook.com	PHONE # 270.622.3040
		CELL # 270.622.8616

SECTION 2: PROPOSED WORK LOCATION

ADDRESS	CITY	STATE	ZIP
		Kentucky	42164
COUNTY Allen	ROUTE # KY 3241	MILE POINT 2.95-1.25	LONGITUDE (X) 86° 14' 11"
			LATITUDE (Y) 36° 45' 39"

FOR KYTC USE ONLY

Permit Type: ☐ Air Right ☐ Entrance ☒ Utilities ☐ Vegetation Removal ☐ Other: _____

Location: ☒ Left ☐ Right ☒ Crossing

Access: ☐ Full ☐ Partial ☒ by Permit

SECTION 3: GENERAL DESCRIPTION OF WORK

Encroachment permit would cover installation of new 8-inch waterline along KY 3241 within right-of-way from MP 2.95 to MP 1.25 with two road bores located near MP 2.95 of KY 3241 and one road bore at MP 1.25 of KY 3241. Road bores will be constructed via bore and jack with 14-inch steel casing.

THE UNDERSIGNED APPLICANT(s), being duly authorized representative(s) or owner(s), DO AGREE TO ALL ORIGINAL UNEDITED TERMS AND CONDITIONS ON THE TC 99-1A, pages 1-4.

Wayne Jackson
SIGNATURE

3-11-2019
DATE

This is not a permit unless and until the applicant(s) receives an approved TC 99-1B from KYTC. This application shall become void if not approved by the cancellation date. The cancellation date shall be a minimum of one year from the date the applicant submits their application.



KENTUCKY INFRASTRUCTURE AUTHORITY

Matthew G. Bevin
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
(502) 696-0676 (fax)
kia.ky.gov

Donna McNeil
Executive Director

August 7, 2019

The Honorable Wayne Jackson, Chairman
Allen County Water District
PO Box 58
Scottsville, KY 42164

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F19-025)

Dear Chairman Jackson:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On August 6, 2019, the Authority approved your loan for the US 231 Elevated Water Tank project subject to the conditions stated below. The total cost of the project shall not exceed \$2,450,000 without prior authorization, of which the Authority is the sole source of the funding. The final loan amount will be equal to the amount of funds disbursed for the project. Attachment A incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Allen County Water District upon satisfactory performance of the conditions set forth in this letter. You must meet the conditions set forth in this letter and enter into an Assistance Agreement by August 6, 2020 (twelve months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$2,450,000 without prior authorization.
2. This loan was not eligible for principal forgiveness.
3. The loan shall bear interest at the rate of 2.0% per annum commencing with the first draw of funds.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid. KIA requires the use of Automated Clearing House (ACH) debits for payment of all balances due on the loan. This will ensure that payments are credited timely to your account without the risk of incurring late payment fees. If the due date falls on a weekend or holiday your account will be debited on the next business day. Please complete and return the attached authorization form to U.S. Bank for processing.
5. Full principal payments will commence on the appropriate June 1, or December 1, within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. The loan shall be repaid over a period not to exceed 20 years from the date of initiation of operation for the project.
7. A loan servicing fee of 0.25% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
9. The Authority loan funds must be expended within six months of the official date of initiation of operation.
10. Fund "F" loan funds may be considered to be federal funds. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations, requires that all recipients and sub-recipients **expending \$750,000 or more in a year in federal awards must have a single or program-specific**

audit conducted for that year in accordance with the Circular. If the federal amount expended plus all other federal funds expended exceeds the threshold, you are required to arrange for an A-133 audit to be performed by an independent, licensed CPA, or in special cases, the Auditor of Public Accounts of the Commonwealth of Kentucky. Please note that the guidance for single audit requirements has changed for fiscal or calendar year 2016 audits. Please consult with your independent auditor as soon as possible to understand how the changes will affect you.

11. The Authority requires that an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.
13. The Borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the State's execution of the Assistance Agreement. The committee meets monthly on the third Tuesday. Any special conditions listed in Attachment A must be satisfied before the project is presented before the Committee.
4. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.

5. The Borrower must complete and return the attached "Authorization for Electronic Deposit of Vendor Payment" form to U.S. Bank.
6. The Borrower must provide documentation of Eclearinghouse Endorsement and Eclearinghouse Comments.
7. Prior to the project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving State Revolving Funds ("SRF") money.
8. Technical plans and specifications and a complete SRF specifications checklist shall be approved by the Division of Water prior to project bid.
9. All easements or purchases of land shall be completed prior to commencement of construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.
10. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the SRF loan project.
11. The Borrower must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
12. The Borrower shall implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
13. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates for all work relating to the subject Project.
14. The project shall comply with the reporting requirements of the Transparency Act, and shall complete the attached Transparency Act Reporting Information Form and provide to the Authority no later than 30

days after the KIA Board approval date of your loan.

15. Based on the final "as-bid" project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by the consulting engineer.
16. The project shall comply with American Iron and Steel requirements of The Consolidated Appropriations Act of 2014 (H.R. 3547), which became effective January 17, 2014, unless engineering plans and specifications were approved by the Division of Water prior to the effective date.

Any special conditions stated in Attachment A must be resolved.

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Linda Bridwell, PE
Deputy Executive Director
Kentucky Infrastructure Authority

Attachments

cc: Matthew Ray Curtis, Bluegrass Engineering, PLLC
Josh Reynolds, Allen County Water District

Chairman Jackson
August 7, 2019
Page 6

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Attach the completed "Transparency Act Reporting Information Form". Also included are the "Legal Counsel Certification Letter" sample and the "Statement of Approval of Projections of Revenue and Expenses" for you to complete.

We have attached an SRF loan checklist to use as a guide.

Wayne Jackson 8-16-2019
Accepted Date

SRF LOAN CONDITIONS CHECKLIST

Congratulations on receiving a conditional commitment of funding from the State Revolving Fund (SRF) Program. Borrowers will now be assigned a Compliance Analyst to help guide them through the rest of the loan process based on which Area Development District (ADD) they are located. Please submit all documents to one of the following contacts:

- Julie Bickers (Julie.Bickers@ky.gov, 502-892-3455): Purchase, Pennyryle, Green River, Barren River, Lake Cumberland.
- Debbie Landrum (Debbie.Landrum@ky.gov, 502-892-3454): Lincoln Trail, KIPDA, Northern KY, Bluegrass.
- Sarah Parsley (Sarah.Parsley@ky.gov, 502-892-3177): Buffalo Trace, Gateway, FIVCO, Big Sandy, KY River, Cumberland Valley

After all of the conditions of the Conditional Commitment Letter have been fulfilled, KIA will initiate the Assistance Agreement with the borrower. The Assistance Agreement must be fully executed before any funds may be disbursed. The following is a list of items needed to process your loan (forms can be found here <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>):

Before bid opening, submit the following items to the designated Compliance Analyst/DOW Contact:

Submit To: KIA	<input type="checkbox"/>	Conditional Commitment Letter (this letter is sent to the borrower via email shortly following KIA board approval and is to be signed by the authorizing official);
KIA	<input type="checkbox"/>	Authorization for Electronic Deposit/Debit of Borrower Disbursements/ Payment (these forms are attached to the loan commitment letter sent after KIA board approval and are to be signed by the authorizing official and forwarded directly to US Bank)
KIA	<input type="checkbox"/>	Transparency Form (this form is attached to the loan commitment letter sent after KIA board approval)
DOW	<input type="checkbox"/>	Fiscal Sustainability Plan Certification and Cost and Effectiveness Certification (required prior to plans approval)
DOW	<input type="checkbox"/>	Environmental review (Kentucky Division of Water will review and is required prior to plans approval. KIA will need copy of approval letter)
DOW	<input type="checkbox"/>	Plans and specifications (Kentucky Division of Water will review and KIA will need copy of approval letter)
KIA	<input type="checkbox"/>	Proof of compliance with any special condition identified in the Conditional Commitment Letter (e.g. adopted ordinance)

After the project has opened bids, please submit the following items to the designated Compliance Analyst/DOW Contact. It is imperative that the remaining standard conditions are fulfilled by the deadlines set forth in the Conditional Commitment Letter.

Submit To: DOW	<input type="checkbox"/>	Authority to Award (ATA) Package , the Kentucky Division of Water will review and forward approval to KIA.
DOW	<input type="checkbox"/>	Davis-Bacon prevailing wage rates , the Kentucky Division of Water will review and forward approval to KIA.
KIA	<input type="checkbox"/>	Procurement and Wage Certification (KIA sends to borrower after bid opening.)
KIA	<input type="checkbox"/>	Certification of obtainable revenue projections (KIA sends to borrower after bid opening.)
DOW	<input type="checkbox"/>	Certification of clear site (DOW will forward to KIA.)
	<input type="checkbox"/>	Plans and specifications approval from the Kentucky Division of Water (DOW will send approval to KIA.)
KIA	<input type="checkbox"/>	Public Service Commission (PSC) approval , (CPCN and Authorization to Incur Debt) if applicable.

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY**

LOAN NUMBER: _____

Borrower Information:

Name: _____

Address: _____

City: _____ State: KY Zip: _____

Federal I.D. #: _____ Telephone: _____

Contact Name: _____

Email: _____

Financial Institution Information:

Bank Name: _____

Branch: _____ Telephone: _____

City: _____ State: KY Zip: _____

Transit / ABA No: _____

Account Name: _____

Account Number: _____

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature: _____ Date: _____

Name Printed: _____ Job Title: _____

**Send to: U.S. Bank
Attention: Corporate Trust Administration
One Financial Square
Mail Code: CN-KY-0850
Louisville, KY 40202**

KIA Loan # _____

ACH DEBIT AUTHORIZATION FORM

**AUTHORIZATION AGREEMENT FOR PRE-ARRANGED PAYMENTS
(DEBITS)**

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department ("U.S. Bank") to initiate debit entries to the Checking ☐ Savings ☐ (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank
Attention: Corporate Trust Administration
One Financial Square
Mail Code: CN-KY-0850
Louisville, KY 40202

**TRANSPARENCY ACT REPORTING INFORMATION FORM
CLEAN WATER STATE REVOLVING FUND
AND
DRINKING WATER STATE REVOLVING FUND**

This form is required for projects funded in whole or in part from the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund. This form is to be completed and returned with the signed Conditional Commitment Letter from the Kentucky Infrastructure Authority.

Borrower Information:

Name:	
Data Universal Numbering system (DUNS) No.*:	
KIA Loan Number:	
Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Borrower Utility Service Area:	

*If the DUNS No. provided above is registered under a different name than the recipient of funding, please provide the registration name below:

DUNS Name	
-----------	--

*If the recipient has not yet obtained a DUNS Number, please do so no later than 30 days after the KIA Board approval date of your loan request and provide notification to KIA of the number once issued. For instructions on DUNS registration, please contact jeff.abshire@ky.gov.

Physical Location of Project (Primary Place of Performance)

Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Project Location	

Reliance upon Federal Assistance (please answer the below questions Yes or No):

Did recipient receive 80% or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Did recipient receive \$25 million or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Does the public have access to compensation of senior executives of the recipient through periodic reports filed under Section 13A or 15D of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986?	

DUNS Registration Information: <http://fedgov.dnb.com/webform> OR 1-866-705-5711

Registration can be completed over the phone or via the web. Phone registration requests take approximately 10 minutes and are free. Internet requests are fulfilled within 24 hours.

SAMPLE LETTER

[Letterhead of Counsel for Water Utility]

[Date]

Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601

RE: SRF Loan#
 City of xxxxx

Ladies and Gentlemen:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the XXXXXXXXXXXX, hereinafter referred to as the "Water Utility ". I am familiar with the organization and existence of the Water Utility and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the water project (the "Project") with respect to which the funding commitment by and between the Kentucky Infrastructure Authority ("Authority") and the Water Utility.

I have reviewed the commitment letter by and between the Authority and the Water Utility and the documentation regarding wage rates and procurement with respect to the Project.

Based upon my review I am of the opinion that:

The Water Utility has prepared construction specifications in accordance with all applicable federal wage rate laws and that the procurement procedures including those for construction, land, equipment and professional services that are a part of the project are in compliance with all applicable federal, state and local procurement laws.

Respectfully,

**STATEMENT OF APPROVAL
OF PROJECTIONS OF REVENUE AND EXPENSES**

Borrower Name: _____

Loan No.: _____

I hereby certify that the revenue projections in the attached descriptions are still obtainable and that projections of operating expenses have not materially changed based on the "as-bid" budget submitted for the Project.

Signed: _____

Borrower

Date

ATTACHMENT A

**Allen County Water District
F19-025**

EXECUTIVE SUMMARY		Reviewer	Meili Sun		
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	August 6, 2019		
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F19-025		
REVOLVING LOAN FUND		WRIS Number	WX21003021		
BORROWER		ALLEN COUNTY WATER DISTRICT ALLEN COUNTY			
BRIEF DESCRIPTION					
The new 500,000 gallon elevated tank will replace the existing Lambert Road ground storage tank to address the short fill cycles and the lack of adequate storage capacity in this part of the Allen County Water District ("the District") distribution system. In addition to the new elevated tank, approximately 9,000 LF of 8-inch PVC water line will be run along Bowling Green Road to transport water pumped via the Halfway Booster Station to the Walker Chapel Pressure Zone. The Halfway Booster Station will have some internal piping switched out for installation of a new master meter to aid in the District's water loss program.					
PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
Fund F Loan	\$2,450,000	Legal Expenses			3,760
		Eng - Design / Const	7.6%	6.9%	150,000
		Eng - Insp	4.5%	4.1%	89,000
		Eng - Other			32,056
		Construction			1,978,400
		Contingency			196,784
TOTAL	\$2,450,000	TOTAL			\$2,450,000
REPAYMENT	Rate	2.00%	Est. Annual Payment		\$155,357
	Term	20 Years	1st Payment	6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering, PLLC			
	Bond Counsel	Dinsmore & Shohl, LLP			
PROJECT SCHEDULE	Bid Opening	Aug-19			
	Construction Start	Oct-19			
	Construction Stop	Aug-20			
DEBT PER CUSTOMER	Existing	\$846			
	Proposed	\$1,229			
OTHER DEBT		See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>		
	Current	5,520	\$42.03 (for 4,000 gallons)		
	Additional	0	\$42.03 (for 4,000 gallons)		
REGIONAL COORDINATION This project is consistent with regional planning recommendations.					
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service		Coverage Ratio
Audited 2016	668,932	343,740	325,192		1.9
Audited 2017	700,338	342,090	358,248		2.0
Audited 2018	269,244	343,740	(74,496)		0.8
Projected 2019	482,864	339,548	143,316		1.4
Projected 2020	455,757	340,989	114,768		1.3
Projected 2021	583,030	413,063	169,968		1.4
Projected 2022	554,827	490,963	63,864		1.1
Projected 2023	526,060	461,546	64,514		1.1

Reviewer: Meili Sun
Date: August 6, 2019
Loan Number: F19-025

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
ALLEN COUNTY WATER DISTRICT, ALLEN COUNTY
PROJECT REVIEW
WX21003021**

I. PROJECT DESCRIPTION

The Allen County Water District ("District") is requesting a Fund F loan in the amount of \$2,450,000 to fund the US 231 Elevated Water Tank project. The purpose of this project is to increase storage and improve water quality for the existing customers in a high growth area of Allen County.

This project will replace the existing Lambert Road ground storage with a 500,000 gallon elevated tank to address the short fill cycles and the lack of adequate storage in this part of the ACWD distribution system. The existing Lambert Road storage tank will be removed from operation and ultimately be decommissioned. In addition to the new elevated tank, approximately 9,000 LF of 8 inch PVC water line will be run along Bowling Green Road to transport water pumped via the Halfway Booster Station to the Walker Chapel Pressure Zone. The Halfway Booster Station will have some internal piping switched out for installation of a new master meter to aid in the District's water loss program.

The District is a Kentucky Public Service Commission regulated utility, purchasing 100% of its water supply from the City of Glasgow and the City of Scottsville to serve approximately 5,500 retail customers within Allen County and providing wholesale water to the City of Scottsville.

II. PROJECT BUDGET

	Total
Legal Expenses	\$ 3,760
Engineering Fees – Design	105,000
Engineering Fees – Construction	45,000
Engineering Fees – Inspection	89,000
Engineering Fees – Other	32,056
Construction	1,978,400
Contingency	196,784
Total	\$ 2,450,000

III. PROJECT FUNDING

	Amount	%
KIA Fund F Loan	\$ 2,450,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 2,450,000
Principal Forgiveness	0
Amortized Loan Amount	\$ 2,450,000
Interest Rate	2.00%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 149,232
Administrative Fee (0.25%)	6,125
Annual Debt Service	\$ 155,357

V. PROJECT SCHEDULE

Bid Opening	August 2019
Construction Start	October 2019
Construction Stop	August 2020

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	5,239
Commercial	281
Industrial	
Total	5,520

B) Rates

	Current	Prior
Date of Last Rate Increase	10/05/11	07/01/09
Minimum 2,000 Gallons	\$19.29	\$17.47
Next 3,000 Gallons	7.58	6.86
Next 5,000 Gallons	6.42	5.81
Cost for 4,000 gallons	\$42.03	\$38.05
Increase %	10.5%	
Affordability Index (Rate/MHI)	1.2%	1.1%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2012-2016, the Utility's service area population was 13,508 with a Median Household Income (MHI) of \$43,202. The median household income for the Commonwealth is \$44,811. The project will qualify for a 2.00% interest rate with its median household income above 80% but below 100% of the state MHI.

Year	Population		County Unemployment	
	County	% Change	Date	Rate
1980	14,128		June 2005	6.8%
1990	14,628	3.5%	June 2010	12.3%
2000	17,800	21.7%	June 2015	5.2%
2010	19,956	12.1%	June 2018	4.2%
Current	20,421	2.3%		
Cumulative %		44.5%		

VIII. 2018 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended January 1, 2016 through December 31, 2018. In 2018, the District spent approximately \$245,000 in repair and maintenance work for the Highway 98 tank. As this is a non-recurring expense, the amount has been deducted from the operating expenses to provide a more realistic projection. The non-cash impact of GASB 68 – Accounting and Financial Reporting for Pensions has been removed from the operating expenses. GASB 75 – Other Postemployment Benefits is not applicable to the District's financial reporting. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Water revenues decreased 4.4% from \$2.61 million in 2016 to \$2.50 million in 2018 due to an exceptionally wet year and the District's efforts to conserve water consumption. Operating expenses increased 13.3% from \$2.08 million to \$2.36 million during the same period as a result of increased Transmission and Distribution costs for the Highway 98 tank repair and maintenance. The debt coverage ratio was 1.9, 2.0 and 0.8 for 2016, 2017, and 2018 respectively.

The balance sheet reflects a current ratio of 7.3, debt to equity ratio of 0.4, 35.2 days sales in accounts receivable, and 1.0 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) The metered water sales will go up 7% in 2021 as required by the special condition assigned to this loan.
- 2) Expenses will increase 2% each year for inflation.
- 3) Debt service coverage is 1.4 in 2021 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$122,000 total) of the final amount borrowed to be funded annually (\$6,100 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Water Revenue Bonds Series 2006	\$ 1,407,000	2046
Water Revenue Bonds Series 2012	749,000	2052
KY Rural Water Finance Corp Loan	100,000	2022
KY Rural Water Finance Corp Loan	2,415,000	2038
Total	\$ 4,671,000	

XI. CONTACTS

Legal Applicant	
Name	Allen County Water District
Address	PO Box 58 Scottsville, KY 42164
County	Allen
Authorized Official	Wayne Jackson, Chairman
Phone	(270) 622-3040
Email	wjackson@nctc.com

Project Contact - Applicant

Name	Josh Reynolds
Organization	Allen County Water District
Address	PO Box 58 Scottsville, KY 42164
Phone	(270) 622-3040
Email	joshreynoldsacwd@outlook.com

Project Administrator / Consulting Engineer

Name	Matthew Ray Curtis
Organization	Bluegrass Engineering, PLLC
Address	222 East Main Street, Suite 1 Georgetown, KY 40324
Phone	(502) 370-6551
Email	mcurtis@bluegrassengineering.net

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions and one special condition:

1. The District shall pass a resolution by September 1, 2019 to increase water rates. The new rates shall reflect a 7% increase or \$160,000 additional revenues, effective January 1, 2021.

ALLEN COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited 2016	Audited 2017	Audited 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023
Balance Sheet								
Assets								
Current Assets	4,978,056	4,444,278	3,755,404	3,784,067	3,807,021	3,841,014	3,853,787	3,866,690
Other Assets	13,490,707	13,823,464	14,024,929	13,622,500	15,647,232	15,210,974	14,689,833	14,169,213
Total	18,468,763	18,267,742	17,780,333	17,406,567	19,454,253	19,051,989	18,543,621	18,035,903
Liabilities & Equity								
Current Liabilities	439,307	430,932	511,724	520,201	584,451	653,701	631,701	644,801
Long Term Liabilities	5,193,875	5,009,046	4,923,566	4,674,352	6,890,602	6,589,102	6,311,102	6,021,602
Total Liabilities	5,633,182	5,439,978	5,435,290	5,194,553	7,475,053	7,242,803	6,942,803	6,666,403
Net Assets	12,835,581	12,827,764	12,345,043	12,212,014	11,979,200	11,809,186	11,600,818	11,369,500
Cash Flow								
Revenues	2,613,861	2,518,345	2,496,876	2,496,876	2,496,876	2,657,899	2,657,899	2,657,899
Operating Expenses	2,079,954	1,912,877	2,358,288	2,144,668	2,171,775	2,205,525	2,233,728	2,262,495
Other Income	135,025	94,870	130,656	130,656	130,656	130,656	130,656	130,656
Cash Flow Before Debt Service	668,932	700,338	269,244	482,864	455,757	583,030	554,827	526,060
Debt Service								
Existing Debt Service	343,740	342,090	343,740	339,548	340,989	335,384	335,606	306,189
Proposed KIA Loan	0	0	0	0	0	77,679	155,357	155,357
Total Debt Service	343,740	342,090	343,740	339,548	340,989	413,063	490,963	461,546
Cash Flow After Debt Service	325,192	358,248	(74,496)	143,316	114,768	169,968	63,864	64,514
Ratios								
Current Ratio	11.3	10.3	7.3	7.3	6.5	5.9	6.1	6.0
Debt to Equity	0.4	0.4	0.4	0.4	0.6	0.6	0.6	0.6
Days Sales in Accounts Receivable	47.1	37.0	35.2	35.2	35.2	33.0	33.0	33.0
Months Operating Expenses in Unrestricted Cash	2.1	4.0	1.0	1.3	1.4	1.6	1.6	1.7
Debt Coverage Ratio	1.9	2.0	0.8	1.4	1.3	1.4	1.1	1.1



PLLC

**Certified Bid Tabulation for
Allen County Water District
US 231 Elevated Water Tank
Contract 01 - Water Lines
Project # 17023
Wednesday September 11, 2019 at 1:30 PM**

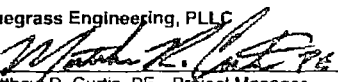
Basis of Bid				Southern Contractor of KY LLC London, Kentucky		Cumberland Pipeline, LLC Russell Springs, Kentucky		Stotts Construction Co., Inc. Columbia, Kentucky		United Pipeline, Inc. Tompkinsville, Kentucky	
Item #	Description	Quantity	Unit	Unit Price	Price	Unit Price	Price	Unit Price	Price	Unit Price	Price
1	Connect to Existing Waterline	4	EA	\$ 2,125.00	\$ 8,500.00	\$ 2,115.00	\$ 8,460.00	\$ 3,000.00	\$ 12,000.00	\$ 4,100.00	\$ 16,400.00
2	New 8-inch PVC SDR-17 Waterline	10,000	LF	\$ 18.24	\$ 182,400.00	\$ 26.00	\$ 260,000.00	\$ 26.00	\$ 260,000.00	\$ 24.00	\$ 240,000.00
3	New 8-inch D.I.M.J. Gate Valve & Box	12	EA	\$ 2,500.00	\$ 30,000.00	\$ 1,461.00	\$ 17,532.00	\$ 1,600.00	\$ 19,200.00	\$ 2,000.00	\$ 24,000.00
4	New Flushing Hydrant Assembly, Type 1	2	EA	\$ 8,000.00	\$ 16,000.00	\$ 4,821.00	\$ 9,642.00	\$ 4,500.00	\$ 9,000.00	\$ 6,500.00	\$ 13,000.00
5	Steel Casing, Bore & Jack	120	LF	\$ 209.00	\$ 25,080.00	\$ 191.00	\$ 22,920.00	\$ 180.00	\$ 21,600.00	\$ 250.00	\$ 30,000.00
6	Halfway Booster Station Improvements	1	LS	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ 15,000.00	\$ 19,500.00	\$ 19,500.00	\$ 19,400.00	\$ 19,400.00
Total - Base Bid Calculated Amount				\$ 281,980.00		\$ 333,554.00		\$ 341,300.00		\$ 342,800.00	

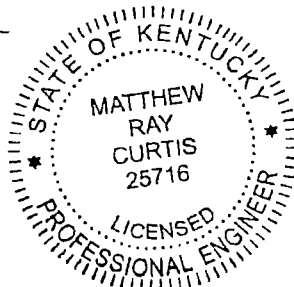
Basis of Bid				Infinity Pipeline, Inc. Bowling Green, Kentucky		Twin States Utilities & Excavation, Inc. Mount Hermon, Kentucky		Charles DeWeese Construction, Inc. Franklin, Kentucky		Cleary Construction, Inc. Tompkinsville, Kentucky	
Item #	Description	Quantity	Unit	Unit Price	Price	Unit Price	Price	Unit Price	Price	Unit Price	Price
1	Connect to Existing Waterline	4	EA	\$ 6,225.00	\$ 24,900.00	\$ 2,900.00	\$ 11,600.00	\$ 2,147.06	\$ 8,588.24	\$ 5,300.00	\$ 21,200.00
2	New 8-inch PVC SDR-17 Waterline	10,000	LF	\$ 23.60	\$ 236,000.00	\$ 32.00	\$ 320,000.00	\$ 35.58	\$ 355,800.00	\$ 37.00	\$ 370,000.00
3	New 8-inch D.I.M.J. Gate Valve & Box	12	EA	\$ 1,630.00	\$ 19,560.00	\$ 2,300.00	\$ 27,600.00	\$ 2,109.66	\$ 25,315.92	\$ 2,000.00	\$ 24,000.00
4	New Flushing Hydrant Assembly, Type 1	2	EA	\$ 5,215.00	\$ 10,430.00	\$ 5,000.00	\$ 10,000.00	\$ 5,233.59	\$ 10,467.18	\$ 6,100.00	\$ 12,200.00
5	Steel Casing, Bore & Jack	120	LF	\$ 335.00	\$ 40,200.00	\$ 330.00	\$ 39,600.00	\$ 263.31	\$ 31,597.20	\$ 300.00	\$ 36,000.00
6	Halfway Booster Station Improvements	1	LS	\$ 17,400.00	\$ 17,400.00	\$ 27,000.00	\$ 27,000.00	\$ 18,475.31	\$ 18,475.31	\$ 35,000.00	\$ 35,000.00
Total - Base Bid Calculated Amount				\$ 348,490.00		\$ 435,800.00		\$ 450,243.85		\$ 498,400.00	

Note: (RED) Denotes Math Correction

The above is a true and complete tabulation of the bids received at ACWD Office, 330 New Gallatin Road, at 1:30 pm central time, Wednesday, September 11, 2019.

Bluegrass Engineering, PLLC

By: 
Matthew R. Curtis, PE - Project Manager
I certify that this is true and accurate tabulation of the bids.





**Certified Bid Tabulation for
Allen County Water District
US 231 Elevated Water Tank
Contract 02 - Elevated Tank
Project # 17023**

Wednesday September 11, 2019 at 1:30 PM

Basis of Bid				Caldwell Tanks, Inc. Louisville, Kentucky		Pheonix Fabricators & Erectors, LLC Avon, Indiana	
Item #	Description	Quantity	Unit	Unit Price	Price	Unit Price	Price
1	Elevated Water Tank	1	LS	\$ 1,285,980.00	\$ 1,285,980.00	\$ 1,349,125.00	\$ 1,349,125.00
2	Electric & Telemetry	1	LS	\$ 80,220.00	\$ 80,220.00	\$ 51,400.00	\$ 51,400.00
3	Site Work, Valve Vault & Access Road	1	LS	\$ 169,000.00	\$ 169,000.00	\$ 143,000.00	\$ 143,000.00
4	Connection to Existing Water Main	1	LS	\$ 8,800.00	\$ 8,800.00	\$ 8,250.00	\$ 8,250.00
5	12" D.I. Water Line	1	LS	\$ 29,000.00	\$ 29,000.00	\$ 55,000.00	\$ 55,000.00
6	Tank Control Valve & Vault	1	LS	\$ 72,000.00	\$ 72,000.00	\$ 65,900.00	\$ 65,900.00
7	Demolition of Existing Lamber Road Tank	1	LS	\$ 29,000.00	\$ 29,000.00	\$ 26,000.00	\$ 26,000.00
Total - Base Bid Calculated Amount				\$ 1,674,000.00		\$ 1,698,675.00	

Note: (RED) Denotes Math Correction

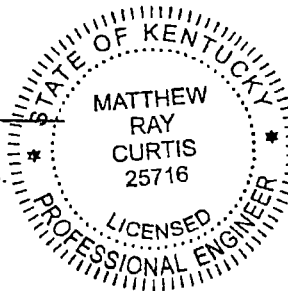
The above is a true and complete tabulation of the bids received at ACWD Office, 330 New Gallatin Road, at 1:30 pm central time, Wednesday, September 11, 2019.

Bluegrass Engineering, PLLC

By:  PE

Matthew R. Curtis, PE - Project Manager

I certify that this is true and accurate tabulation of the bids.



Contract 01 Construction	\$ 281,980.00
Contract 02 Construction	\$ 1,674,000.00
Total Construction Costs	\$ 1,955,980.00
Construction Contigencies	\$ 195,598.00
Engineering Fees	\$ 233,806.35
Total Project Costs	\$ 4,341,364.35

RESOLUTION OF THE ALLEN COUNTY WATER DISTRICT

WHEREAS, the Allen County Water District proposes to construct a new 500,000 gallon elevated tank to replace the existing Lambert Road ground storage tank and also replace portions of existing transmission line along Bowling Green Road (hereinafter “the Project”);; and

WHEREAS, the District finds that it is in the best interest of the public and the customers it serves to retire the Lambert Road ground storage tank from service because of the increasing cost of repairing and maintaining the tank and the increasing risk of tank failure as the tank approaches the end of its useful life and it is also in the best interest to replace portions of existing transmission lines that require frequent and costly repairs for leaks; and

WHEREAS, construction of a new 500,000 gallon elevated tank would address the short fill cycles and lack of adequate storage capacity in this part of the District’s distribution system to improve water quality for exiting customers in a high growth area of Allen County and

WHEREAS, the Project is eligible for funding through the Kentucky Infrastructure Authority (hereinafter “KIA”).Fund F, Federally Assisted Drinking Water revolving Loan Fund;

WHEREAS, a Project Review and Financial Analysis conducted by the KIA concluded that the District has adequate cash flow to repay the loan offered by the KIA Fund F for the Project; and

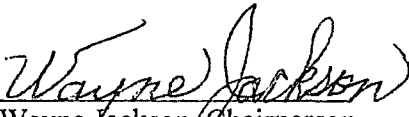
WHEREAS, the KIA Project Review recommended approval of the District’s loan application with standard conditions and one special condition that the District pass a resolution to increase its water rates that would yield a 7% increase in revenue or \$160,000 effective January 1, 2021; and

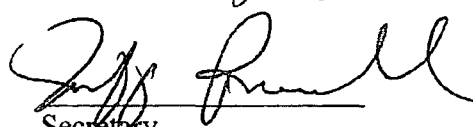
NOW THEREFORE, BE IT RESOLVED

At the regularly scheduled monthly meeting of the Board of the Allen County Water District, a motion was made by Joe Young and seconded by Darace Tabor to accept the special condition recommended by the KIA Project Review to increase water rates that would yield a 7% increase in revenue or \$160,000, said rate increase being contingent upon PSC approval, and to authorize Chairman Wayne Jackson to execute a resolution evidencing this decision of the District.

Motion carried by a vote of 5 to 0.

This the 5th day of August, 2019.


Wayne Jackson, Chairperson


Secretary

Allen County Water District
As-Bid Budget

SRF Project Cost Summary

Project Title: US 231 Elevated Water Tank

WRIS#: WX2100301

Project Budget: Estimated 08-06-2019 enter date As Bid 09-11-2019 enter date Revised enter date

Cost Classification	SRF KIA Loan	Funding Source 1	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	Local Funds	Unfunded Costs	Total
1 Administrative Expenses									
2 Legal Expenses									
3 Land, Appraisals, Easements									
4 Relocation Expenses & Payments									
5 Planning									
6 Engineering Fees – Design	\$ 101,000								\$101,000
7 Engineering Fees – Construction	\$ 26,750								\$26,750
8 Engineering Fees – Inspection	\$ 74,000								\$74,000
9 Engineering Fees – Other	\$ 32,056.35								\$32,056.35
10 Construction	\$ 1,955,980								\$1,955,980
11 Equipment									
12 Miscellaneous									
13 Contingencies	\$ 260,213.65								\$260,213.65
Total	\$ 2,450,000								\$2,450,000

Funding Sources	Amount	Date Committed
1 KIA SRF Fund F Loan (CW)	\$2,450,000	8-6-2019
2		
3		
4		
5		
Total		

Local Funding Sources	Amount	Date Committed
1		
2		
3		
Total		

Total Funding \$2,450,000

Cost Categories	Funding Source	Total Cost
Treatment (DW)		
Transmission and Distribution (DW)	KIA SRF	\$281,980
Source (DW)		
Storage (DW)		\$1,674,000
WWTP Secondary Portion (CW)		
WWTP Advanced Portion (CW)		
Inflow and Infiltration Correction (CW)		
Major Sewer Rehabilitation (CW)		
Collector Sewers (CW)		
Interceptor Sewers including Pump Station (CW)		
Combined Sewer Overflow Correction (CW)		
Purchase of Systems (DW and CW)		
Restructuring (DW and CW)		
Land Acquisition (DW and CW)		
Total Costs		\$ 1,955,980

Allen County Water District
Annual Cost of Operation

	2016 Audit	2017 Audit	2018 Audit	2019 Projection	2020 Projection	2021 Projection	2022 Projection
Operating Revenues							
Metered Water Sales	\$ 2,409,408	\$ 2,254,171	\$ 2,300,335	\$ 2,350,000	\$ 2,420,500	\$ 2,493,115	\$ 2,567,908
Forfeited Discounts	\$ 51,093	\$ 40,431	\$ 39,855	\$ 40,000	\$ 41,200	\$ 42,436	\$ 43,709
Pumping Charges for water returns to supplier	\$ 34,583	\$ 25,035	\$ 2,378	\$ 3,500	\$ 3,605	\$ 3,713	\$ 3,825
Miscellaneous Service Revenue	\$ 118,777	\$ 198,708	\$ 154,308	\$ 130,000	\$ 133,900	\$ 137,917	\$ 142,055
Total Operating Revenues	\$ 2,813,861	\$ 2,518,345	\$ 2,496,876	\$ 2,523,500	\$ 2,599,205	\$ 2,677,181	\$ 2,757,497
Operating Expenses							
Source of Supply & Pumping	\$ 785,295	#####	\$ 789,298	\$ 785,000	\$ 808,550	\$ 832,807	\$ 857,791
Transmission & Distribution	\$ 414,230	#####	\$ 659,829	\$ 458,759	\$ 472,522	\$ 486,698	\$ 501,299
Customer Accounts	\$ 186,581	#####	\$ 124,307	\$ 128,036	\$ 131,877	\$ 135,834	\$ 139,909
Administrative & General	\$ 654,727	#####	\$ 754,883	\$ 659,307	\$ 679,086	\$ 699,458	\$ 720,442
Depreciation	\$ 483,033	#####	\$ 517,082	\$ 505,368	\$ 520,530	\$ 536,145	\$ 552,230
Taxes other than Income	\$ 39,727	\$ 44,554	\$ 46,517	\$ 47,913	\$ 49,350	\$ 50,830	\$ 52,355
Total Operating Expenses	\$ 2,563,573	\$ 2,405,217	\$ 2,891,916	\$ 2,584,383	\$ 2,661,915	\$ 2,741,772	\$ 2,824,025
Total Operating Expenses (less Depreciation)	\$ 2,080,540	\$ 1,906,952	\$ 2,374,834	\$ 2,079,015	\$ 2,141,385	\$ 2,205,627	\$ 2,271,796
Non-Operating Revenue (Expenses)							
Interest Income	\$ 90,576	\$ 82,237	\$ 81,747	\$ 87,399	\$ 90,020.90	\$ 92,721.53	\$ 95,503.17
Gain on Sale of Asset	\$ (4,612)	\$ 2,253	\$ 72,942	\$ 0	\$ -	\$ -	\$ -
Interest Expense	\$ (169,972)	#####	\$ (176,769)	\$ (189,538)	\$ (195,224.34)	\$ (201,081.07)	\$ (207,113.51)
Unrealized Gain(Loss) on Temporary Investments	\$ 14,508	\$ (12,756)	\$ (39,510)	\$ (12,964)	\$ (13,352.49)	\$ (13,753.06)	\$ (14,165.65)
Non-Utility Income	\$ 49,081	\$ 12,633	\$ 48,845	\$ 37,883	\$ 39,019.55	\$ 40,190.13	\$ 41,395.84
Miscellaneous	\$ -	\$ -	\$ 264	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Revenue (Expenses)	\$ (20,439)	\$ (120,945)	\$ (12,681)	\$ (77,220)	\$ (79,536)	\$ (81,922)	\$ (84,380)
Debt Service							
Existing Debt Service	\$ 343,740	\$ 242,090	\$ 343,740	\$ 339,548	\$ 340,989	\$ 335,384	\$ 335,606
Proposed Project Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,679	\$ 155,357
Total Debt Service	\$ 343,740	\$ 242,090	\$ 343,740	\$ 339,548	\$ 340,989	\$ 413,063	\$ 490,963

ALLEN COUNTY WATER DISTRICT

STATEMENT OF NET POSITION

December 31, 2018

Assets and Deferred Outflows of Resources

Current assets:

Cash	\$ 205,859
Investments	3,287,905
Accounts receivable from customers (net)	232,372
Prepaid insurance	16,219
Prepaid expenses	4,800
Accrued interest receivable	<u>8,249</u>
Total current assets	<u>3,755,404</u>

Restricted assets:

Cash – customer's deposits	137,304
Cash – bond and interest redemption account	952,861
Cash – depreciation reserve account	468,820
Cash – bond reserve accounts	<u>11,939</u>
Total restricted assets	<u>1,570,924</u>

Capital assets not being depreciated:

Land and land rights	178,292
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Capital assets being depreciated, net of accumulated depreciation of \$8,180,972

Water supply and distribution system	<u>12,133,323</u>
Total capital assets	<u>12,311,615</u>

Other assets:

Utility deposits	<u>555</u>
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Deferred outflows of resources:

Deferred cost of pension	<u>141,835</u>
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Total assets and deferred outflows of resources	<u>\$ 17,780,333</u>
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The accompanying notes are an integral part of the financial statements.

ALLEN COUNTY WATER DISTRICT

STATEMENT OF NET POSITION (Continued)

December 31, 2018

Liabilities, Deferred Inflows of Resources, and Net Position

Current Liabilities:

Notes payable - current portion	\$ 164,000
Accounts payable, payroll taxes and other payables	72,023
Customer deposits	111,155
Accrued interest	89,546
Other accrued liabilities	<u>75,000</u>
Total current liabilities	<u>511,724</u>

Non-current liabilities:

Notes payable - net of current maturities	4,507,000
Net pension liability	<u>338,352</u>
Total non-current liabilities	<u>4,845,352</u>

Total liabilities	<u>5,357,076</u>
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Deferred inflows of resources:

Pension, other deferrals	<u>78,214</u>
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Net position:

Unrestricted	3,282,746
Invested in capital assets, net of related debt	<u>7,640,616</u>
Total unrestricted net position	<u>10,923,362</u>

Restricted:

Bond and interest redemption fund	952,861
Depreciation fund	<u>468,820</u>
Total restricted net position	<u>1,421,681</u>

Total net position	<u>12,345,043</u>
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Total liabilities, deferred inflows of resources, and net position	<u>\$ 17,780,333</u>
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The accompanying notes are an integral part of the financial statements.

ALLEN COUNTY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES
AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2018

Operating revenues	
Metered water sales	\$ 2,300,335
Forfeited discounts	39,855
Pumping charges for water returns to supplier	2,378
Miscellaneous service revenue	<u>154,308</u>
Total operating revenues	<u>2,496,876</u>
Operating expenses	
Source of supply and pumping	789,298
Transmission and distribution	659,829
Customer accounts	124,307
Administrative and general	754,883
Depreciation	517,082
Taxes other than income	<u>46,517</u>
Total operating expenses	<u>2,891,916</u>
Operating income (loss)	(<u>395,040</u>)
Non-operating revenues and (expenses)	
Interest income	81,747 ✓
Gain on sale of asset	72,942 ✓
Interest expense	(176,769) ✓
Unrealized gain (loss) on temp investments	(39,510)
Non-utility income	48,645 ✓
Miscellaneous	<u>264</u>
Net non-operating revenues and (expenses)	(<u>12,681</u>)
Decrease in net position	(<u>407,721</u>)
Net position, beginning of year	12,827,764
Prior period adjustment	(<u>75,000</u>)
Net position, beginning of year, restated	<u>12,752,764</u>
Net position, end of year	<u>\$ 12,345,043</u>

The accompanying notes are an integral part of the financial statements.

ALLEN COUNTY WATER DISTRICT

STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from customers	\$ 2,557,711
Salaries, wages and employee benefits	(854,387)
Purchased water	(789,298)
Other operating expenses	(553,233)
Net cash provided by operating activities	<u>360,793</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES:**

Sale of capital assets	72,942
Purchase of capital assets and deferred charges	(741,756)
Principal paid on revenue bonds and notes payable	(164,000)
Interest paid on revenue bonds and other debt	(179,740)
Net cash used in capital and related financing activities	<u>(1,012,554)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest on cash balances	2,354
Interest on investments	81,747
Sale of investments	<u>211,639</u>
Net cash provided by investing activities	<u>295,740</u>

Net increase in cash and cash equivalents (356,021)

Cash and cash equivalents, beginning of year 2,132,804

Cash and cash equivalents, end of year 1,776,783

LESS RESTRICTED CASH

Cash – customers deposits	(137,304)
Cash – bond and interest redemption	(952,861)
Cash – depreciation reserve	(468,820)
Cash – bond reserve	(11,939)
Total restricted cash	<u>(1,570,924)</u>

Cash and cash equivalents, per statement of net position \$ 205,859

The accompanying notes are an integral part of the financial statements.

ALLEN COUNTY WATER DISTRICT

STATEMENT OF CASH FLOWS (Continued)
For The Year Ended December 31, 2018

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES:**

Operating income (loss)	(\$ 395,040)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	517,082
Decrease in accounts receivable	12,189
Increase in prepaid insurance	1,977
Decrease in accounts payable and accounts expenses	10,769
Other non-operating revenue	<u>213,816</u>
Net cash provided by operating activities	<u>\$ 360,793</u>

SUPPLEMENTAL DISCLOSURES:

Non-Cash Investing, Capital and Financing Activities:

Unrealized loss on investments (net)	\$ 39,510
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The accompanying notes are an integral part of the financial statements.

Rubin & Hays

ATTORNEYS AT LAW

Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202-1410
Telephone (502) 569-7525 Telefax (502) 569-7555 www.rubinhays.com

CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT
NICHOLAS J. LOCOCO

October 28, 2019

Honorable Sandra K. Dunahoo
Commissioner and State Local Debt Officer
100 Airport Road, Third Floor
Frankfort, Kentucky 40601

Re: Allen County Water District
Notice of Intent to Issue Securities

Dear Commissioner Dunahoo:

Pursuant to the regulations of the Kentucky Public Service Commission, specifically 807 KAR 5:001: Section 18(1)(g), please be advised that the Allen County Water District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a loan from the Kentucky Infrastructure Authority for the purpose of financing certain improvements to the water system of the District.

We will file the appropriate documents with your office in accordance with the requirements of KRS 65.117, once the securities are issued.

Very truly yours,

Rubin & Hays

By 
W. Randall Jones

WRJ:jl
Enclosures



**Certified Bid Tabulation for
Allen County Water District
US 231 Elevated Water Tank
Contract 01 - Water Lines
Project # 17023
Wednesday September 11, 2019 at 1:30 PM**

Basis of Bid				Southern Contractor of KY LLC London, Kentucky		Cumberland Pipeline, LLC Russell Springs, Kentucky		Stotts Construction Co., Inc. Columbia, Kentucky		United Pipeline, Inc. Tompkinsville, Kentucky	
Item #	Description	Quantity	Unit	Unit Price	Price	Unit Price	Price	Unit Price	Price	Unit Price	Price
1	Connect to Existing Waterline	4	EA	\$ 2,125.00	\$ 8,500.00	\$ 2,115.00	\$ 8,460.00	\$ 3,000.00	\$ 12,000.00	\$ 4,100.00	\$ 16,400.00
2	New 8-inch PVC SDR-17 Waterline	10,000	LF	\$ 18.24	\$ 182,400.00	\$ 26.00	\$ 260,000.00	\$ 26.00	\$ 260,000.00	\$ 24.00	\$ 240,000.00
3	New 8-inch D.I.M.J. Gate Valve & Box	12	EA	\$ 2,500.00	\$ 30,000.00	\$ 1,461.00	\$ 17,532.00	\$ 1,600.00	\$ 19,200.00	\$ 2,000.00	\$ 24,000.00
4	New Flushing Hydrant Assembly, Type 1	2	EA	\$ 8,000.00	\$ 16,000.00	\$ 4,821.00	\$ 9,642.00	\$ 4,500.00	\$ 9,000.00	\$ 6,500.00	\$ 13,000.00
5	Steel Casing, Bore & Jack	120	LF	\$ 209.00	\$ 25,080.00	\$ 191.00	\$ 22,920.00	\$ 180.00	\$ 21,600.00	\$ 250.00	\$ 30,000.00
6	Halfway Booster Station Improvements	1	LS	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ 15,000.00	\$ 19,500.00	\$ 19,500.00	\$ 19,400.00	\$ 19,400.00
Total - Base Bid Calculated Amount				\$ 281,980.00		\$ 333,554.00		\$ 341,300.00		\$ 342,800.00	

Basis of Bid				Infinity Pipeline, Inc. Bowling Green, Kentucky		Twin States Utilities & Excavation, Inc. Mount Hermon, Kentucky		Charles DeWeese Construction, Inc. Franklin, Kentucky		Cleary Construction, Inc. Tompkinsville, Kentucky	
Item #	Description	Quantity	Unit	Unit Price	Price	Unit Price	Price	Unit Price	Price	Unit Price	Price
1	Connect to Existing Waterline	4	EA	\$ 6,225.00	\$ 24,900.00	\$ 2,900.00	\$ 11,600.00	\$ 2,147.06	\$ 8,588.24	\$ 5,300.00	\$ 21,200.00
2	New 8-inch PVC SDR-17 Waterline	10,000	LF	\$ 23.60	\$ 236,000.00	\$ 32.00	\$ 320,000.00	\$ 35.58	\$ 355,800.00	\$ 37.00	\$ 370,000.00
3	New 8-inch D.I.M.J. Gate Valve & Box	12	EA	\$ 1,630.00	\$ 19,560.00	\$ 2,300.00	\$ 27,600.00	\$ 2,109.66	\$ 25,315.92	\$ 2,000.00	\$ 24,000.00
4	New Flushing Hydrant Assembly, Type 1	2	EA	\$ 5,215.00	\$ 10,430.00	\$ 5,000.00	\$ 10,000.00	\$ 5,233.59	\$ 10,467.18	\$ 6,100.00	\$ 12,200.00
5	Steel Casing, Bore & Jack	120	LF	\$ 335.00	\$ 40,200.00	\$ 330.00	\$ 39,600.00	\$ 263.31	\$ 31,597.20	\$ 300.00	\$ 36,000.00
6	Halfway Booster Station Improvements	1	LS	\$ 17,400.00	\$ 17,400.00	\$ 27,000.00	\$ 27,000.00	\$ 18,475.31	\$ 18,475.31	\$ 35,000.00	\$ 35,000.00
Total - Base Bid Calculated Amount				\$ 348,490.00		\$ 435,800.00		\$ 450,243.85		\$ 498,400.00	

Note: (RED) Denotes Math Correction

The above is a true and complete tabulation of the bids received at ACWD Office, 330 New Gallatin Road, at 1:30 pm central time, Wednesday, September 11, 2019.

Bluegrass Engineering, PLLC

By Matthew R. Curtis
Matthew R. Curtis, PE - Project Manager

I certify that this is true and accurate tabulation of the bids.





Certified Bid Tabulation for
Allen County Water District
US 231 Elevated Water Tank
Contract 02 - Elevated Tank
Project # 17023
Wednesday September 11, 2019 at 1:30 PM

Basis of Bid				Caldwell Tanks, Inc. Louisville, Kentucky		Pheonix Fabricators & Erectors, LLC Avon, Indiana	
Item #	Description	Quantity	Unit	Unit Price	Price	Unit Price	Price
1	Elevated Water Tank	1	LS	\$ 1,285,980.00	\$ 1,285,980.00	\$ 1,349,125.00	\$ 1,349,125.00
2	Electric & Telemetry	1	LS	\$ 80,220.00	\$ 80,220.00	\$ 51,400.00	\$ 51,400.00
3	Site Work, Valve Vault & Access Road	1	LS	\$ 169,000.00	\$ 169,000.00	\$ 143,000.00	\$ 143,000.00
4	Connection to Existing Water Main	1	LS	\$ 8,800.00	\$ 8,800.00	\$ 8,250.00	\$ 8,250.00
5	12" D.I. Water Line	1	LS	\$ 29,000.00	\$ 29,000.00	\$ 55,000.00	\$ 55,000.00
6	Tank Control Valve & Vault	1	LS	\$ 72,000.00	\$ 72,000.00	\$ 65,900.00	\$ 65,900.00
7	Demolition of Existing Lamber Road Tank	1	LS	\$ 29,000.00	\$ 29,000.00	\$ 26,000.00	\$ 26,000.00
Total - Base Bid Calculated Amount				\$ 1,674,000.00		\$ 1,698,675.00	

Note: (RED) Denotes Math Correction

The above is a true and complete tabulation of the bids received at ACWD Office, 330 New Gallatin Road, at 1:30 pm central time, Wednesday, September 11, 2019.

Bluegrass Engineering, PLLC

By:

Matthew R. Curtis, PE
 Matthew R. Curtis, PE - Project Manager

I certify that this is true and accurate tabulation of the bids.



