



**Revised**  
**Board Meeting Booklet**  
**for**  
**December 8, 2011**

**Kentucky Infrastructure Authority**  
**1024 Capital Center Drive, Suite 340**  
**Frankfort, Kentucky 40601-3646**  
**502-573-0260**  
**502-573-0157 fax**  
**<http://kia.ky.gov>**





## REVISED AGENDA

KENTUCKY INFRASTRUCTURE AUTHORITY  
FULL BOARD MEETING  
1024 CAPITAL CENTER DRIVE, SUITE 340  
December 8, 2011 – 1:00 p.m.

### Call to Order:

Chair Tony Wilder

- Confirmation of Press Notice
- Confirmation of Quorum
- Recognition of Members/Guests

### I. BUSINESS *(Board Action Required)*

#### A. Minutes

- |  |                   |   |
|--|-------------------|---|
| 1. Consideration of Approval of the <b>Minutes of the Kentucky Infrastructure Authority Regular Board Meeting of November 10, 2011</b><br><i>(Attachment I.A.1.)</i> | Chair Tony Wilder | 9 |
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#### B. New Projects/Action Items

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|---|---|----|
| 1. Consideration of the <b>Fiscal Year End June 30, 2011 Kentucky Infrastructure Authority Audit Report</b><br><i>(Handout I.B.1)</i>   | Ms. Denise Pitts, KIA<br>Mr. Allen Norvell, CPA,<br>Director, Blue & Co., LLC |    |
| 2. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A11-21)</b> in the amount of <b>\$418,500</b> to the <b>City of Harrodsburg, Mercer County, Kentucky</b> (SX21167017)<br><i>(Attachment I.B.2.)</i>                 | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA                                  | 25 |
| 3. Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F11-17)</b> in the amount of <b>\$438,000</b> to the <b>City of Harrodsburg, Mercer County, Kentucky</b> (WX21167013)<br><i>(Attachment I.B.34.)</i>                | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA                                  | 39 |
| 4. Resolution and Order of the Board of Directors to Authorize an <b>Amendment of a Fund B loan (B08-06) increasing the amount to \$900,000</b> to the <b>City of Carrollton, Carroll County, Kentucky</b> (SX21187100)<br><i>(Attachment I.B.4.)</i>   | Ms. Sandy Williams, KIA   | 53 |
| 5. Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F11-15)</b> in the amount of <b>\$1,850,270</b> to the <b>City of Carrollton, Carroll County, Kentucky</b> (WX21041304)<br><i>(Attachment I.B.5.)</i>               | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA                              | 65 |
| 6. Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F11-16)</b> in the amount of <b>\$1,316,378</b> to the <b>Bowling Green Municipal Utilities, Warren County, Kentucky</b> (WX21227073)<br><i>(Attachment I.B.6.)</i> | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA                              | 79 |



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|---|--------------------------------|-----------|
| <p>7. Resolution and Order of the Board of Directors Authorizing and Approving the Issuance of Obligations of the Kentucky Infrastructure Authority to <b>Reimburse Capital Expenditures</b> made by Governmental Agencies Pursuant to Loans made by the Kentucky Infrastructure Authority to such Governmental Agencies<br/><i>(Attachment I.B.7.)</i></p> | <p>Ms. Sandy Williams, KIA</p> | <p>93</p> |
| <p>8. Consideration of the <b>Kentucky Infrastructure Authority Budget Request for Fiscal Years 2012-2013 and 2013-2014</b><br/><i>(Attachment I.B.8.)</i></p>  | <p>Mr. John Covington, KIA</p> | <p>99</p> |

**II. EXECUTIVE DIRECTOR’S REPORT**

Mr. John Covington, KIA

**III. STATUS REPORTS FOR FUNDS A, A2, B, B1, C, F, F2**

Mr. John Covington, KIA 101

**IV. ANNOUNCEMENTS/NOTIFICATIONS**

Mr. John Covington, KIA

*Next KIA Board Meeting:  
Tentatively set for **Thursday, January 5, 2012**  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340, Frankfort*

**V. ADJOURN**

Chair Tony Wilder



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**I.A.1.**



**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**Minutes of the Full Board**

**Meeting Date/Location: November 10, 2011 – 1:00 p.m.**  
**Kentucky Infrastructure Authority**  
**1024 Capital Center Drive, Suite 340, Frankfort**

**Members present:**

Ms. Stacia Peyton, Department for Local Government  
(proxy for Commissioner Tony Wilder, DLG)  
Mr. Hank List, Energy and Environment Cabinet  
(permanent proxy for Secretary Leonard K. Peters, EEC)  
Mr. Jerry Wuetcher, Public Service Commission  
(permanent proxy for Executive Director Jeff Derouen, PSC)  
Mr. C. Ronald Lovan, representing the American Water Works Association  
Ms. Linda C. Bridwell, representing for-profit private water companies  
Mr. Thomas P. Calkins, representing the Kentucky Municipal Utilities Association  
Mr. Damon Talley, representing the Kentucky Rural Water Association  
Mr. Jody Jenkins, Union County Judge/Executive, representing the Kentucky  
Association of Counties

**Members absent:**

Mr. Jamie Link, Finance and Administration Cabinet  
(permanent proxy for Secretary Lori H. Flanery, FAC)  
Secretary Larry Hayes, Economic Development Cabinet  
Mr. David W. Cartmell, Mayor, City of Maysville, representing the Kentucky League of Cities

**Guests:**

Mr. Ashley Willoughby, Lincoln Trail Area Development District  
Mr. Bob Smallwood, GRW Engineers  
Ms. Laura Gilkerson, GRW Engineers  
Mr. David Duttlinger, Bluegrass Area Development District  
Ms. MaDonna Hornback, City of Hodgenville  
Mayor Terry L. Cruse, City of Hodgenville  
Mr. John Horne, Horne Engineering  
Mr. Nick Strong, Jessamine South Elkhorn Water District  
Judge John Wilson, Garrard County Fiscal Court  
Mr. Roger Recktenwald, Kentucky Association of Counties  
Mr. Chris Keil, Strand and Associates  
Mr. Chris Jones, Kenvirons  
Mr. Joe Burns, Kentucky Rural Water Association  
Ms. Jennifer Kantner, Officer of Financial Management  
Mr. Shafiq Amawi, Division of Water  
Mr. Mike Young, Qk4

## **PROCEEDINGS**

Vice Chair Damon Talley called the meeting of the Kentucky Infrastructure Authority (KIA) Board to order. Vice Chair Talley asked board members and guests to introduce themselves. He noted that a quorum was present and that the press had been notified regarding the meeting.

Mr. Rusty Anderson, KIA, made maps available for viewing via the Water Resource Information System (WRIS) which showed an overview of the water and sewer projects that were to be considered at this board meeting.

### **I. BUSINESS (Board Action Required)**

#### **A. 1. APPROVAL OF MINUTES**

**For: KIA Regular Board Meeting of October 6, 2011**

*Mr. Tom Calkins moved to approve the minutes of the October 6, 2011 regular board meeting. Mr. Ron Lovan seconded, and the motion carried unanimously.*

#### **B. NEW PROJECTS/ACTION ITEMS**

##### **1. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A 2020 WATER SERVICE ACCOUNT GRANT IN THE AMOUNT OF \$52,500 TO THE GARRARD COUNTY FISCAL COURT, GARRARD COUNTY, KENTUCKY**

Ms. Debby Milton, KIA, presented the project to the Board. The Garrard County Fiscal Court requested a \$52,500 grant from the 2020 Water Service Account Fund Program for a water cost of service study project. As an act of cooperation, this study is mutually supported by the City of Danville and the City of Lancaster. Water plant improvements are needed in the City of Lancaster for compliance with the 2014 disinfection byproduct rule, for capacity needs, and to eliminate an unpermitted discharge from the existing plant. Lancaster has received a \$1.23 million grant from the Economic Development Authority (EDA) which they intend to use on a new water plant if the build local option is the most cost effective. The study will determine if Lancaster can afford to build an estimated \$12 million water plant. This project meets the criteria for the 2020 Water Service Account criteria in regard to (a) regionalization, merger or consolidation of water systems in eliminating structural and administrative duplication, and (b) the project has been reviewed and approved by the Area Water Management Council. KIA staff recommended approval of this grant with the standard grant assistance agreement conditions.

Mr. Jerry Wuetcher asked that the wording in the resolution be changed from “an independent water cost of service study” to “an independent feasibility study”, to more accurately describe what the applicant wants.

***Mr. Tom Calkins moved to approve the amended resolution with the standard conditions. Mr. Hank List seconded, and the motion carried unanimously.***

**2. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A11-18) IN THE AMOUNT OF \$1,000,000 TO THE CITY OF BURKESVILLE, CUMBERLAND COUNTY, KENTUCKY**

Mr. Shafiq Amawi, DOW, and Ms. Kasi White, KIA, presented the project to the Board. The City of Burkesville requested a Fund A loan in the amount of \$1,000,000 for the Sanitary Sewer System Overflow Remediation project. This project involves the design and construction of structures and improvements to the wastewater collection systems to contain and transport wet weather overflows in the City's sanitary sewer system. Improvements will include upgrading and expanding improvements to the City's main pumping station, construction of wet weather storage (equalization) and pumping at locations of the City's existing overflow location and construction of wastewater collection system rehabilitation improvements. The City currently experiences chronic overflow episodes from the sanitary sewer system during periods of wet weather. This project will contain or capture the wet-weather induced flows and transfer them to the treatment facility, thereby improving the environment and the health and welfare of the citizens. The project qualified for \$300,000 in Green Project Reserve (GPR) funding under the category of Green Infrastructure. The project also qualified for additional subsidization in the amount of \$300,000. The unforgiven balance of the loan is \$700,000 to be repaid in 20 years with an interest rate of 1% and an estimated annual debt service payment of \$40,104. DOW and KIA staff recommended approval of the loan with the standard conditions.

Mr. Jerry Wuetcher made a correction to the language in the resolution that addressed the replacement reserve account that is required for the loan. The resolution read that annual reserves of \$2,500 were to be set aside in a borrower held replacement reserve account. He suggested that language be added to specify the amount to be set aside would continue for 10 years (for a total amount of \$25,000) and then maintained for the life of the loan.

***Ms. Linda Bridwell moved to approve the amended resolution with the standard conditions. The Resolution will be amended to state that \$2,500 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches 25,000 and maintained for the life of the loan. Mr. Hank List seconded, and the motion carried unanimously.***

**3. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A11-19) IN THE AMOUNT OF \$2,195,635 TO THE CITY OF BLOOMFIELD, NELSON COUNTY, KENTUCKY**

Vice Chair Talley called the Board's attention to the Revised Credit Analysis for the City of Bloomfield that was added as a handout to the board packet.

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The City of Bloomfield requested a Fund A loan in the amount of \$2,195,635 for the construction of the Bloomfield Wastewater Conveyance project. The project involves the construction of two pump stations, two odor control systems, approximately ten miles of twelve inch sewer force main, and a sampling/metering station. This will permit the City to convey it's wastewater to the City of Bardstown for treatment. Due to its age and technology, Bloomfield's existing treatment plant is inadequate to provide ongoing longer term treatment. The plant will be decommissioned and converted to one of two pumping stations and an equalization facility. The first pump station will be constructed at the existing WWTP and the second one will be constructed outside the city near the intersection of Highways 62 and 55. The project was developed as part of an approved Regional Wastewater Facilities Plan that was approved by the Division of Water in August 2010. It will also provide the opportunity for the unincorporated communities of Chaplin and Fairfield to be connected to sanitary sewer. These currently unserved communities have failing on-site systems that are a detriment to local water quality and public health. The project did not qualify for Green Project Reserve (GPR) funding. The project did not qualify for additional subsidization. The term of the loan is 20 years with an interest rate of 2% and an estimated annual debt service payment of \$138,130.

Both DOW and KIA staff recommended approval of the loan with the standard conditions and the following special conditions: (1) The City shall implement a sewer rate increase (or series of rate increases) to begin by January 1, 2012 and be completed by July 1, 2013. The following is an acceptable schedule, but the City may devise an alternate schedule that will produce a similar result: 100% increase by January 1, 2012; 63% increase by July 1, 2012; and a 50% increase by July 1, 2013. (2) The sewer rate increase (or series of rate increases) shall generate an increase in sewer revenue of at least \$240,000 annually by June 30, 2014. (3) The City shall provide to KIA an update to the Bardstown treatment cost estimates (based on Bardstown's 2011 audited financial statements) by no later than March 31, 2012. (4) The City shall provide to KIA an updated sewer rate analysis by no later than March 31, 2012.

***Ms. Linda Bridwell moved to approve the amended resolution with the standard conditions and the special conditions indicated in the staff recommendations. The Resolution will be amended to state that \$5,500 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$55,000 and maintained for the life of the loan. Mr. Hank List seconded, and the motion carried unanimously.***

4. **RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A11-17) IN THE AMOUNT OF \$1,635,000 TO THE CITY OF HODGENVILLE, LARUE COUNTY, KENTUCKY**

**RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F11-13) LOAN IN THE AMOUNT OF \$774,183 TO THE CITY OF HODGENVILLE, LARUE COUNTY, KENTUCKY**

Mr. Shafiq Amawi, DOW, and Ms. Kasi White, KIA, presented both projects to the Board.

The City of Hodgenville requested a Fund A loan in the amount of \$1,635,000 for the Sewer Improvements Project. The project involves the repair and replacement of failing sewer lines within the City. Scattered sites will be addressed with a primary area of concentration along Greensburg Street and through the center of town where storm water collects and causes flooding and infiltration and inflow. The project will replace approximately 6,000 linear feet of sanitary sewer and provide adequate riparian buffering and detention along stream banks and overflow areas. The project qualified for \$200,000 of Green Project Reserve (GPR) funding under the category of Green Infrastructure. The project did not qualify for additional subsidization. The term of the loan is 20 years with an interest rate of 2% and an estimated annual debt service payment of \$102,860.

The City of Hodgenville requested a Fund F loan in the amount of \$774,183 for the High School Tank Rehabilitation Project. The project involves the rehabilitation of an existing 300,000 gallon water tower (High School tank) to conform to current requirements. The tank will be temporarily taken out of service for cleaning, rust removal, repainting (interior and exterior) and interior lining. An existing tank will also be removed from service. The project will also include the upgrade of several mains (Fairview Court and Drive, Livingood Lane, Lincoln Drive, Eagle Lane, Landmark Drive and Greensburg Street). A new booster pump will be installed in the northern tank and new valves for flow control will be installed. These actions will improve water quality and flow throughout these rapidly deteriorating areas. The project qualified for \$311,500 of GPR under the category of Water Efficiency. The project did not qualify for additional subsidization. The term of the loan is 20 years with an interest rate of 2% and an estimated annual debt service payment of \$49,092.

DOW and KIA staff recommended approval of both the Fund A and Fund F loans with the standard conditions and the following special condition: the City will pass an ordinance to implement a rate increase to water and sewer rates no later than March 2012 according to the following schedule or an alternate schedule approved by the Executive Director of KIA: a 6% increase, effective July 1, 2012; a 6% increase, effective July 1, 2013; a 3% increase, effective July 1, 2014; and a 3% increase, effective July 1, 2015.

***Ms. Linda Bridwell moved to approve the amended Fund A resolution with the standard conditions and the special conditions indicated in the staff recommendations. The Resolution will be amended to state that \$4,000 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$40,000 and maintained***

**for the life of the loan. Mr. Ron Lovan seconded, and the motion carried unanimously.**

**Ms. Linda Bridwell moved to approve the amended Fund F resolution with the standard conditions and the special conditions indicated in the staff recommendations. The Resolution will be amended to state that \$2,000 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$20,000 and maintained for the life of the loan. Mr. Tom Calkins seconded, and the motion carried unanimously.**

**Vice Chair Damon Talley noted for the record that he is not the City Attorney and has no financial involvement with the City of Hodgenville, he lives outside the city limits and did not consider there was any conflict of interest regarding this project.**

**5. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F11-11) LOAN IN THE AMOUNT OF \$1,545,000 TO THE EAST CASEY COUNTY WATER DISTRICT, CASEY COUNTY, KENTUCKY**

Mr. Shafiq Amawi, DOW, and Ms. Kasi White, KIA, presented the project to the Board. The East Casey County Water District requested a Fund F loan in the amount of \$1,545,000 for the Waterline Extensions project. The project consists of the installation of approximately 48,500 linear feet of three inch waterline, a pump station upgrade, one pneumatic pump station and tank, one water storage tank and all necessary appurtenances. The project will serve approximately 2,500 customers located throughout the County. Thirty-five new customers will be added. The project will provide water service to sparsely populated areas that currently rely on wells, springs and cisterns. These supplies are not reliable or safe due to the mineral and fecal coli form levels. The project did not qualify for Green Project Reserve (GPR) funding. The project did qualify for additional subsidization in the amount of \$540,750 (35% of the assistance amount). The unforgiven balance of the loan is \$1,004,250 for a term of 20 years with an interest rate of 1% and an estimated annual debt service payment of \$58,037. Both DOW and KIA staff recommended approval of the loan with the standard conditions.

**Ms. Linda Bridwell moved to approve the amended resolution with the standard conditions. The Resolution will be amended to state that \$3,863 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$38,630 and maintained for the life of the loan. Mr. Hank List seconded, and the motion carried unanimously, with Mr. Jerry Wuetcher abstaining. Mr. Wuetcher abstained due to the fact that this project will likely come before the Public Service Commission for approval.**

**6. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF**

**A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F11-12) LOAN IN THE AMOUNT OF \$3,025,300 TO THE JESSAMINE SOUTH-ELKHORN WATER DISTRICT, JESSAMINE COUNTY, KENTUCKY**

Mr. Shafiq Amawi, DOW, and Ms. Kasi White, KIA, presented the project to the Board. The Jessamine South-Elkhorn Water District requested a Fund F loan in the amount of \$3,025,300 for the Northwest Main Replacement & Hydraulics and the Dixon Town Replacement. This project involves the replacement and upsizing of approximately 74,000 l.f. in areas that were originally constructed in 1972 and are currently experiencing numerous line breaks and water outages. Some of the existing stub mains will be extended to create appropriate looping configurations, thus increasing flow, residual peak flow pressure and water quality. Original meter services will be replaced with new service employing integral back flow preventers. Additionally, this project will replace, upgrade and provide fire protection through approximately 7,000 l.f. to the residents in the small community of Dixon Town in northwestern Jessamine County. Frequent breaks and undersized lines have plagued this area for years. The project qualified for \$3,025,300 of Green Project Reserve (GPR) funding under the category of Water Efficiency. The project did not qualify for additional subsidization. The term of the loan is 20 years with an interest rate of 3% and an estimated annual debt service payment of \$209,817. Both DOW and KIA staff recommended approval of the loan with the standard conditions.

***Mr. Tom Calkins moved to approve the amended resolution with the standard conditions. The Resolution will be amended to state that \$7,600 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$76,000 and maintained for the life of the loan. Mr. Hank List seconded, and the motion carried unanimously, with Ms. Linda Bridwell and Mr. Jerry Wuetcher and abstaining. Ms. Linda Bridwell abstained because Kentucky American Water Company is a wholesale provider for the District. Mr. Wuetcher abstained due to the fact that this project will likely come before the Public Service Commission for approval.***

**7. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F11-14) LOAN IN THE AMOUNT OF \$4,000,000 TO THE CITY OF NICHOLASVILLE, JESSAMINE COUNTY, KENTUCKY**

***Mr. Tom Calkins, Director of Public Utilities/Chief Financial Officer for the City of Nicholasville, recused himself at this time and noted for the record that he would not be participating in the discussion or voting on this action before the Board.***

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The City of Nicholasville requested a Fund F loan in the amount of \$4,000,000 for the Water System Improvements project. The project involves the installation of approximately 18,350 l.f. of ten inch ductile iron pipe (DIP) and

13,350 of eight inch DIP along with a 200,000 gallon elevated storage tank and booster pump station. These items are necessary to improve the City's existing distribution system in Eastern Jessamine and Fayette Counties. Rapid growth over the last several years has rendered certain portions of the system incapable of providing the demanded flows during maximum day conditions. The project will improve the static head and quantity of flow for approximately 1,100 existing customers in the service area and provide for future capacity requirements. Approximately 19,800 l.f. of DIP transmission main from the WTP to the City's distribution system will also be constructed. This will permit the City to increase pumping capacity from 7 million gallons per day (gpd) to 15 million gpd. The project is part of a 1990 master plan of improvements for the transmission / distribution system. The project did not qualify for Green Project Reserve (GPR) funding. The project did not qualify for additional subsidization. The term of the loan is 20 years with an interest rate of 2% and an estimated annual debt service payment of \$253,645. Both DOW and KIA Staff recommended approval of the loan with the standard conditions.

Vice Chair Talley noted that the Resolution in the Board Book on the bottom of page 108 would be corrected to read "24" Transmission Project" instead of "20" Backbone project".

***Mr. Ron Lovan moved to approve the amended resolution with the standard conditions. The Resolution will be amended to state that \$10,000 from annual revenues must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$100,000 and maintained for the life of the loan. Judge Jody Jenkins seconded, and the motion carried unanimously, with Mr. Tom Calkins having recused himself and Ms. Linda Bridwell abstaining. Ms. Bridwell abstained because Kentucky American Water Company is a wholesale provider for the City.***

**8. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AND APPROVING THE ISSUANCE OF OBLIGATIONS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY TO REIMBURSE CAPITAL EXPENDITURES MADE BY GOVERNMENTAL AGENCIES PURSUANT TO LOANS MADE BY THE KENTUCKY INFRASTRUCTURE AUTHORITY TO SUCH GOVERNMENTAL AGENCIES**

This is a routine resolution allowing KIA to reimburse expenses that are paid out of the Authority's funds with bond proceeds. The projects listed below are covered under this resolution:

<b>APPLICANT</b>	<b>FUND</b>	<b>AMOUNT</b>
City of Bloomfield	A	\$ 2,195,635
City of Burkesville	A	\$ 1,000,000
City of Hodgenville	A	\$ 1,635,000
City of Hodgenville	F	\$ 774,183
East Casey County Water District	F	\$ 1,545,000
Jessamine South-Elkhorn Water District	F	\$ 3,025,300

City of Nicholasville	F	\$ 4,000,000
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***Ms. Linda Bridwell moved to approve the resolution. Mr. Tom Calkins seconded, and the motion carried unanimously.***

## **II. EXECUTIVE DIRECTOR’S REPORT**

Mr. John Covington, KIA, reported on the following items to the Board:

- A. Mr. Covington informed the Board about the ARRA project site visits from the EPA contractor, Tetra Tech. Sandy Williams and Kasi White also attended the site visits. Ms. Williams reported to the Board the reason for the site visits were to review the project documentation related to the stimulus funded loans. Compliance with Davis Bacon and Buy American requirements were reviewed and the project description that was initially submitted was then compared to the actual construction of the project. Fifteen projects were chosen from the 62 projects funded. The only issues that came from the on site visits were the following: the timing of the labor interviews related to the Davis Bacon requirements; and the Buy American documentation, specifically, with North American Pipe Company. The letters from North American Pipe Company stated that all pipe provided was made in America. EPA wanted the documentation to tie the specific batch number to the project, list the project name, and list the specific city and state where the pipe was made. The contractors recommended that the borrowers obtain the more detailed letters from their suppliers and put into their files. The information found from these on-site visits were to be used by EPA to help our borrowers make sure their records were in compliance on the chance that their files might be audited by another government agency.
- B. Mr. Covington presented a 2011 Innovation Award received by KIA from the National Association of Development Organizations for the Kentucky Water Resource Information System.
- C. Mr. Covington presented an Exemplary System Award received by KIA from the Kentucky Association of Mapping Professionals for the Kentucky Water Resource Information System “for Outstanding GIS or Mapping Program in the State of Kentucky”.
- D. KIA Staff is preparing the budget submittal to the legislature.
- E. The next scheduled meeting is on the second Thursday of the month, December 8, 2011, as opposed to the first Thursday. In January, the meetings will revert back to the normal schedule, the first Thursday of each month.

## **III. STATUS REPORT FOR FUNDS A, A2, B, B1, C, F, F2**

## **IV. ANNOUNCEMENTS/NOTIFICATIONS**

- Next scheduled KIA board meeting:  
Tentatively scheduled for  
Thursday, December 8, 2011  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky

***There being no further business Ms. Linda Bridwell moved to adjourn. Mr. Hank List seconded and the motion carried unanimously. The November 10, 2011, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.***

Submitted by:

*Sandy Williams*  
Sandy Williams, Secretary  
Kentucky Infrastructure Authority

12-2-11  
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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A11-21) OF \$418,500 TO THE CITY OF HARRODSBURG, MERCER COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the City of Harrodsburg, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund A loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$418,500 of project expense including capitalized interest for the construction period, to the City of Harrodsburg for the Sewer Rehabilitation Project. Such amounts are subject to adjustment by further action of the

Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of 10% will be deducted from the approved loan amount. The unforgiven principal balance of \$376,650 shall be repaid.

Section 4. The unforgiven principal shall be repayable over 20 years at an interest rate of 1.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid, unforgiven principal balance will be charged. From annual revenues, \$1,000 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$10,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 8th day of December, 2011.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

December 5, 2011

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: CWL12012; Fund A  
Harrodsburg WWTP--3145  
Activity ID: FGL20120003  
*HUC11: 05140102010*  
*Watershed Name: Salt River, Harrodsburg*  
Project Name: Sewer Rehabilitation  
Binding Commitment

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Harrodsburg is entitled to receive priority for funding for their Sewer Rehabilitation project and is eligible to receive \$418,500 from the Clean Water State Revolving Fund. The following information is provided:

1. Project specific environmental information is expected to be submitted to DOW in January 2012.
2. Plans and specifications are expected to be submitted to DOW in January 2012.
3. Construction bids are expected to be opened in March 2012.

The KIA conditional commitment letter should include the following general conditions to satisfy federal requirements:

1. The project must have undergone a complete environmental review resulting in a Categorical Exclusion Determination (CED), a Finding of No Significant Impact (FONSI), or an Environmental Impact Statement (EIS) with a Record of Decision issued by the Department for Environmental Protection before bidding the project.
2. The borrower must receive DOW approval of the Plans and Specifications with regard to SRF funding before bidding the project.

Mr. John Covington  
December 5, 2011  
Page 2

3. The Authority to Award (bid) package must be submitted to DOW for approval before the contract can be awarded. DOW must perform the Disadvantaged Business Enterprise (DBE) reviews and conduct a preconstruction and project management conference.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must complete and submit any missing or incomplete parts of the Application to KIA upon request.
6. The Loan Agreement must be executed within six (6) months from bid opening.
7. The city must agree to expend all loan funds within six months of the date of initiation of operation.

Upon compliance with the general conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

The SRF application review has been completed by staff of the KIA. If you have any questions or concerns regarding missing items or additional submission requirements, please contact Kasi White at (502) 573-0260. Should you have any questions concerning this letter, do not hesitate to contact Joel Murphy, Project Manager, at (502) 564-8158, extension 4592.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG:jjm

c: Mayor Eddie Long, City of Harrodsburg  
Laura Gilkerson, GRW Engineers

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Kasi White
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	December 8, 2011
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number:	<b>A11-21</b>
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>SX21167017</b>
		HUC Code:	05140102010
<b>BORROWER:</b>	<b>CITY OF HARRODSBURG</b>		
	<b>MERCER COUNTY</b>		
<b>BRIEF DESCRIPTION:</b>	<p>This project includes heavy cleaning of the interceptor sewer, inspection of and replacement and repair of approximately 7100 LF of collector lines and manholes on Greenville and College Streets, Cherokee Heights and other areas. The City experiences overflows in the downtown system due to pipe size restrictions and wet weather flows. This rehab will eliminate the overflows, improve hydraulics and increase capacities.</p>		
<b>PROJECT FINANCING:</b>		<b>PROJECT BUDGET</b>	
Fund A Loan	\$ 418,500	Engineering Fees	61,000
		Construction	325,000
		Contingency	32,500
<b>TOTAL</b>	<b>\$ 418,500</b>	<b>TOTAL</b>	<b>\$ 418,500</b>
<b>REPAYMENT</b>		Est. Annual	
	Rate	1.0%	Payment
	Term	20 years	1st Payment
			\$ 21,579
			6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	GRW Engineers, Inc.	
	Bond Counsel	Peck, Shaffer, & Williams	
<b>PROJECT SCHEDULE</b>			
	Bid Opening:	March, 2012	
	Construction Start:	April, 2012	
	Construction Stop:	November, 2012	
<b>DEBT PER CUSTOMER</b>	Existing:	\$ 2,920	(based on total water customers which is greater
	Proposed:	\$ 3,758	than the number of sewer customers)
<b>OTHER DEBT</b>	See Attached		
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached		
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>
	Current	2,790	\$22.86 (for 4,000 gallons)
	Additional	0	\$22.86 (for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.		
<b>CASHFLOW</b>	<b>Cash Available for</b>	<b>Income after Debt</b>	
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service Coverage Ratio</b>
Audited 2008	743,969	695,361	48,608 1.1
Audited 2009	469,037	769,821	(300,784) 0.6
Audited 2010	1,344,080	778,034	566,046 1.7
Prelim 2011	1,242,706	1,401,263	(158,557) 0.9
Projected 2012	1,432,820	817,858	614,962 1.8
Projected 2013	1,398,145	999,169	398,976 1.4
Projected 2014	1,317,453	1,081,301	236,152 1.2
Projected 2015	1,266,997	1,176,359	90,638 1.1

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 CITY OF HARRODSBURG, MERCER COUNTY  
 PROJECT REVIEW  
 SX21167017**

**I. PROJECT DESCRIPTION**

The City of Harrodsburg is requesting \$418,500 in Clean Water SRF funds for the sewer rehabilitation project. This project includes heavy cleaning of the interceptor sewer, inspection of and replacement and repair of approximately 7100 LF of collector lines and manholes on Greenville and College Streets, Cherokee Heights and other areas. The City experiences overflows in the downtown system due to pipe size restrictions and wet weather flows. This rehab will eliminate the overflows, improve hydraulics and increase capacities.

**II. PROJECT BUDGET**

	<u>Total</u>
Engineering Fees	61,000
Construction	325,000
Contingency	32,500
<b>Total</b>	<b>\$ 418,500</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 418,500	100%
<b>Total</b>	<b>\$ 418,500</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 418,500
Less: Principal Forgiveness (10%)	\$ 41,850
Amortized Loan Amount	\$ 376,650
Interest Rate	1.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 20,825
Administrative Fee (0.20%)	\$ 753
<b>Total Estimated Annual Debt Service</b>	<b>\$ 21,579</b>

**V. PROJECT SCHEDULE**

Bid Opening	March, 2012
Construction Start	April, 2012
Construction Stop	November, 2012

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	2,546
Commercial	222
Industrial	<u>22</u>
Total	2,790

**B) Rates**

The monthly charge for wastewater utility service based on the 20% increase placed into effective October 2011 is:

	<u>Current</u>
First 250 cubic feet (per 100 cf)	10.56
Next 750 cubic feet (per 100 cf)	4.32
Next 3,000 cubic feet (per 100 cf)	4.08
Next 6,000 cubic feet (per 100 cf)	4.08
Next 25,000 cubic feet (per 100 cf)	4.08
Next 25,000 cubic feet (per 100 cf)	3.84
All Over 60,000 cubic feet (per 100 cf)	<u>3.60</u>
Residential Bill for 4,000 gallons	\$22.86
Affordability Index	0.87%

**VII. DEMOGRAPHICS**

In 2010, the City had a population of 8,148 with a Median Household Income (MHI) of \$31,685. The median household income for the Commonwealth is \$41,197. Based on median household income falling below 80% of that of the Commonwealth, the project will qualify for a 1% interest rate.

### **VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for \$418,500. The breakdown of the GPR to the respective “green” categories is listed below:
  - a. Green Infrastructure - \$0
  - b. Water Efficiency - \$0
  - c. Energy Efficiency - \$418,500
  - d. Environmentally Innovative - \$0
  
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$41,850.

### **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information was obtained from City’s audited financial statements for the years ended June 30, 2008 through 2010. Unaudited amounts for 2011 were provided by the City. The analysis includes combined results for the City’s water and sewer operations.

#### **HISTORICAL**

Water revenues increased 26% from 2008 to 2011 from \$1.5 million to \$1.9 million. A 40% rate increase that was effective April 30, 2010 contributed substantially all of the increase during 2011. Sewer revenues declined 3% during the same time period from approximately \$1.25 million to \$1.21 million. Operating expenses have ranged from \$1.9 million to \$2.2 million with 2011 expenses being about 11% lower than 2008. The decreases are primarily due to reductions in contractual services and maintenance expenses.

The balance sheet reflected a debt to equity ratio of 0.6 for years 2008 through 2010 and 0.8 in 2011. Unrestricted operating cash equals approximately four months of operating expenses. The utility is in compliance with all debt covenants associated with the maintenance of restricted funds.

#### **PROJECTIONS**

Projections are based on the following assumptions:

- a) Water revenues will increase 7% in 2012 for the carryover effect of the prior rate increase and will be relatively flat for volume.
- b) Sewer revenues will increase 17% in 2012 and 3% in 2013 (rate increase) and will be relatively flat for volume.
- c) Operating expenses will increase by 5% per year.
- d) Repayment terms of the RD loan for the water treatment expansion will be 40 years

with a 3.25% interest rate and a loan balance not to exceed \$7.7 million. The estimated annual debt service is \$345,360 and annual depreciation reserve funding of \$35,640 will be required for a period of ten years.

- e) Annual replacement reserves of \$1,000 and \$1,100 for loans A11-21 and F11-17 respectively will be required.
- f) Debt service of \$16,453 related to the anticipated KIA loan (F11-17) is included in the analysis bringing total annual debt service to just over \$1MM in 2014.

Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund A loan. The debt coverage ratio will be approximately 1.2 in 2014 which is anticipated to be the first full year of P&I repayment on both proposed KIA loans.

**REPLACEMENT RESERVE**

The annual replacement cost is \$1,000. This amount should be added to the replacement account each December 1 until the balance reaches \$10,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	<b>Outstanding</b>	<b>Maturity</b>
2008 Capital Lease	1,521,907	2023
KIA (A02-06)	2,149,972	2023
Note Payable	223,653	2016
2004 Bonds	1,464,000	2021
2006 Bonds	1,055,000	2044
2006 Bonds	2,358,000	2045
RD (i/a/o \$7.7M for WTP)	2,163,689	TBD
<b>Total</b>	<b>10,936,221</b>	

**XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS**

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
WWTP Improvements	EPA STAG	1,300,000	Grant
WTP Upgrade	CDBG	1,000,000	Grant
WTP Upgrade	RD	3,300,000	Grant

## **XII. CONTACTS**

### **Applicant**

Name City of Harrodsburg  
Address 208 South Main Street  
Harrodsburg, KY 40330  
County Mercer  
Contact Eddie Long  
Phone (859) 734-2383  
Email 2longbranch@roadrunner.com

### **Applicant Contact**

Name GRW Engineers, Inc.  
Address 801 Corporate Drive  
Lexington, KY 40503  
Contact Laura Gilkerson  
Phone (859) 223-3999  
Email lgilkerson@grwinc.com

### **Engineer**

Name Bob Smallwood  
Firm GRW Engineers, Inc.  
Address 801 Corporate Drive  
Lexington, KY 40503  
Phone (859) 223-3999  
Email bsmallwood@grwinc.com

## **XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF HARRODSBURG  
BALANCE SHEETS (JUNE YEAR END)**

ASSETS	Audited 2008	Audited 2009	Audited 2010	Preliminary 2011	Upon Completion 2013
<b>Current Assets</b>					
Cash	719,660	152,061	87,577	629,098	516,611
Certificates of Deposit	375,677	185,861	363,122	367,865	400,000
Accounts Receivable	357,709	299,522	323,698	340,743	377,500
Grants Receivable	224,424	74,354	77,993	0	0
Prepaid	156,063	160,519	180,745	138,603	145,000
Due from Other Funds	0	0	12,918	0	0
<b>Total Current Assets</b>	<b>1,833,533</b>	<b>872,317</b>	<b>1,046,053</b>	<b>1,476,309</b>	<b>1,439,111</b>
<b>Restricted Assets</b>					
Bond Sinking Fund	421,264	313,779	314,512	314,150	325,000
Depreciation Fund	45,856	67,132	89,169	110,045	150,000
Repairs and Maintenance Fund	321,346	399,158	479,971	586,864	722,864
<b>Total Restricted Assets</b>	<b>788,466</b>	<b>780,069</b>	<b>883,652</b>	<b>1,011,059</b>	<b>1,197,864</b>
<b>Utility Plant</b>					
Land, System, Building and Equipment	44,669,776	45,526,743	45,571,633	45,471,927	59,428,133
Construction in Progress	0	0	0	2,320,779	0
<b>Total</b>	<b>44,669,776</b>	<b>45,526,743</b>	<b>45,571,633</b>	<b>47,792,706</b>	<b>59,428,133</b>
<b>Less Accumulated Depreciation ( )</b>	<b>(19,208,964)</b>	<b>(20,574,240)</b>	<b>(21,780,879)</b>	<b>(22,894,629)</b>	<b>(26,127,797)</b>
<b>Net Fixed Assets</b>	<b>25,460,812</b>	<b>24,952,503</b>	<b>23,790,754</b>	<b>24,898,077</b>	<b>33,300,336</b>
<b>Other Assets</b>					
Bond Issue Costs	80,689	74,911	69,133	75,378	75,378
<b>Total Other Assets</b>	<b>80,689</b>	<b>74,911</b>	<b>69,133</b>	<b>75,378</b>	<b>75,378</b>
<b>Total Assets</b>	<b>28,163,500</b>	<b>26,679,800</b>	<b>25,789,592</b>	<b>27,460,823</b>	<b>36,012,689</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable and Accrued Liabilities	100,500	90,392	109,753	75,657	100,000
Accounts Payable - Construction	213,411	163,525	5,200	396,845	0
Payroll Liabilities	37,361	37,666	34,104	37,908	42,500
Due to Other Funds	10,663	167,712	0	19,138	0
Customer Deposits	223,301	231,126	242,541	245,948	250,000
Leases and Loans Payable	109,427	118,471	511,855	2,340,729	140,000
<b>Total Current Liabilities</b>	<b>694,663</b>	<b>808,892</b>	<b>903,453</b>	<b>3,116,225</b>	<b>532,500</b>
<b>Liabilities Payable - Restricted Assets</b>					
Accrued Interest Payable	47,259	45,004	42,945	58,160	50,000
Loan Payable	157,523	159,100	160,695	162,306	165,632
Bonds Payable	173,500	177,500	183,000	187,500	200,000
<b>Total Liabilities Payable - Restricted Assets</b>	<b>378,282</b>	<b>381,604</b>	<b>386,640</b>	<b>407,966</b>	<b>415,632</b>
<b>Long Term Liabilities</b>					
Bonds, Leases, and Loans Payable	9,695,495	9,240,439	8,769,047	8,425,686	5,208,295
Proposed KIA Loan A11-21	0	0	0	0	376,650
Proposed KIA Loan F11-17	0	0	0	0	284,700
RD Loan (WT Plant Upgrade)	0	0	0	0	7,700,000
<b>Total Long Term Liabilities</b>	<b>9,695,495</b>	<b>9,240,439</b>	<b>8,769,047</b>	<b>8,245,686</b>	<b>13,569,645</b>
<b>Total Liabilities</b>	<b>10,768,440</b>	<b>10,430,935</b>	<b>10,059,140</b>	<b>11,769,877</b>	<b>14,517,777</b>
<b>Retained Earnings:</b>					
Invested in Capital Assets Net of Related Debt	15,324,867	15,256,993	14,166,157	13,961,856	19,225,059
Restricted	788,466	780,069	883,652	1,011,059	1,197,864
Unrestricted	1,281,727	211,803	680,643	718,031	1,071,989
<b>Total Retained Earnings</b>	<b>17,395,060</b>	<b>16,248,865</b>	<b>15,730,452</b>	<b>15,690,946</b>	<b>21,494,912</b>
<b>Total Liabilities and Equities</b>	<b>28,163,500</b>	<b>26,679,800</b>	<b>25,789,592</b>	<b>27,460,823</b>	<b>36,012,689</b>
<b>Balance Sheet Analysis</b>					
Current Ratio	2.6	1.1	1.2	0.5	2.7
Debt to Equity	0.6	0.6	0.6	0.8	0.7
Working Capital	1,138,870	63,425	142,600	(1,639,916)	906,611
Percent of Total Assets in Working Capital	4.0%	0.2%	0.6%	-6.0%	2.5%
Days Sales in Accounts Receivable	46.0	41.1	41.4	39.2	39.2

<b>EXHIBIT 1</b>											
<b>CITY OF HARRODSBURG</b>											
<b>CASH FLOW ANALYSIS (JUNE YEAR END)</b>											
	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Prelim</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
	<b>2008</b>	<b>Change</b>	<b>2009</b>	<b>Change</b>	<b>2010</b>	<b>Change</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Operating Revenues</b>											
Water Revenues	1,482,849	-3%	1,434,448	3%	1,484,586	26%	1,863,865	1,957,058	1,966,843	1,976,677	1,986,560
Sewer Revenues	1,251,294	-9%	1,135,364	11%	1,263,346	-4%	1,212,516	1,414,602	1,461,755	1,469,064	1,476,409
Other	101,883	-9%	93,173	11%	103,792	-4%	99,130	90,000	90,000	90,000	90,000
<b>Total Revenues</b>	<b>2,836,026</b>	<b>-6%</b>	<b>2,662,985</b>	<b>7%</b>	<b>2,851,724</b>	<b>11%</b>	<b>3,175,511</b>	<b>3,461,660</b>	<b>3,518,598</b>	<b>3,535,741</b>	<b>3,552,969</b>
<b>Operating Expenses</b>											
Water Expenses	1,270,581	10%	1,391,892	-15%	1,177,955	8%	1,273,415	1,337,086	1,397,255	1,460,131	1,525,837
Sewer Expenses	902,829	-7%	841,600	-12%	736,528	-10%	665,480	698,754	730,198	763,057	797,395
Depreciation, Amort, Bad Debt	1,283,433	7%	1,371,348	0%	1,376,101	1%	1,384,842	1,454,084	1,779,084	1,800,497	1,836,507
Replacement Reserve	68,000		68,000		68,000		68,000	68,000	68,000	70,100	37,740
<b>Total Expenses</b>	<b>3,524,843</b>	<b>4%</b>	<b>3,672,840</b>	<b>-9%</b>	<b>3,358,584</b>	<b>1%</b>	<b>3,391,737</b>	<b>3,557,924</b>	<b>3,974,537</b>	<b>4,093,785</b>	<b>4,197,479</b>
<b>Net Operating Income</b>	<b>(688,817)</b>	<b>47%</b>	<b>(1,009,855)</b>	<b>-50%</b>	<b>(506,860)</b>	<b>-57%</b>	<b>(216,226)</b>	<b>(96,264)</b>	<b>(455,939)</b>	<b>(558,044)</b>	<b>(644,510)</b>
<b>Non-Operating Income and Expenses</b>											
Interest Income	66,074	-56%	28,844	-18%	23,656	-46%	12,876	15,000	15,000	15,000	15,000
Other	83,279		78,700		451,183		61,214	60,000	60,000	60,000	60,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>149,353</b>	<b>-28%</b>	<b>107,544</b>	<b>342%</b>	<b>474,839</b>	<b>-84%</b>	<b>74,090</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>
<b>Add Non-Cash Expenses</b>											
Depreciation, Amort, Bad Debt	1,283,433	7%	1,371,348	0%	1,376,101	1%	1,384,842	1,454,084	1,779,084	1,800,497	1,836,507
<b>Cash Available for Debt Service</b>	<b>743,969</b>	<b>-37%</b>	<b>469,037</b>	<b>187%</b>	<b>1,344,080</b>	<b>-8%</b>	<b>1,242,706</b>	<b>1,432,820</b>	<b>1,398,145</b>	<b>1,317,453</b>	<b>1,266,997</b>
<b>Debt Service</b> (enter as positive #'s)											
Existing Principal	366,967		440,435		455,071		1,136,897	526,856	516,281	528,820	544,642
Existing Interest	328,394		329,386		322,963		264,366	217,857	279,221	264,199	248,325
Proposed KIA Loan A11-21								2,825	14,556	21,579	21,579
Proposed KIA Loan F11-17									1,424	16,453	16,453
RD Loan (7.7MM)								70,320	187,688	250,250	345,360
<b>Total Debt Service</b>	<b>695,361</b>		<b>769,821</b>		<b>778,034</b>		<b>1,401,263</b>	<b>817,858</b>	<b>999,169</b>	<b>1,081,301</b>	<b>1,176,359</b>
<b>Income After Debt Service</b>	<b>48,608</b>		<b>(300,784)</b>		<b>566,046</b>		<b>(158,557)</b>	<b>614,962</b>	<b>398,976</b>	<b>236,152</b>	<b>90,638</b>
<b>Debt Coverage Ratio</b>	<b>1.1</b>		<b>0.6</b>		<b>1.7</b>		<b>0.9</b>	<b>1.8</b>	<b>1.4</b>	<b>1.2</b>	<b>1.1</b>

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**I.B.3.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F11-17) OF \$438,000 TO THE CITY OF HARRODSBURG, MERCER COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Drinking Water Revolving Loan Program (Fund F) with the City of Harrodsburg, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund F loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$438,000 of project expense including capitalized interest for the construction period, to the City of Harrodsburg for the Water Main Improvements project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance

of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of 35% will be deducted from the approved loan amount. The unforgiven principal balance of \$284,700 shall be repaid.

Section 4. The loan shall be repayable over 20 years at an interest rate of 1.0%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$1,100 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$11,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 8th day of December, 2011.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

December 2, 2011

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: DWL12010  
Harrodsburg Municipal Water  
Department--3146  
Activity ID: FGL20110003  
Watershed Name: Salt River, Harrodsburg  
Watershed Code (HUC11): 05140102010

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Harrodsburg is entitled to receive priority for funding for the water main improvements. and is eligible to receive \$438,000.00 from the Drinking Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on March 15, 2012.
2. Construction bids are expected to be opened on June 1, 2012.
3. Project specific environmental information is expected to be submitted to DOW on March 1, 2012.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the DBE reviews, conduct a pre-construction and project management conference.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.

4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Buddy Griffin, Project Administrator, at (502) 564-8158, extension 4971.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG:bg

Enclosures

C: Honorable Eddie Long, Mayor  
Laura Gilkerson, GRW Engineers, Inc.  
Ryan Carr, GRW Engineers, Inc.

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Kasi White	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	December 8, 2011	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number:	<b>F11-17</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>WX21167013</b>	
BORROWER:	<b>CITY OF HARRODSBURG</b>			
	<b>MERCER COUNTY</b>			
BRIEF DESCRIPTION:	<p>This project involves the upgrade of approximately 6,400 LF and 911 LF in extensions of water lines to provide adequate connection (looping) of the system, to improve service to customers, and to eliminate old deteriorating lines. Areas to be upgraded include, but are not limited to, Mooreland Avenue, Bellows Mill Road, and Cornishville Road. This will eliminate leaks, line breaks and improve pressure to customers.</p>			
PROJECT FINANCING:		PROJECT BUDGET		
Fund F Loan	\$ 438,000	Engineering Fees	70,000	
		Construction	335,000	
		Contingency	33,000	
TOTAL	\$ 438,000	TOTAL	\$ 438,000	
REPAYMENT		Est. Annual		
	Rate	1.0%	Payment	\$ 16,453
	Term	20 years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	GRW Engineers, Inc.		
	Bond Counsel	Peck, Shaffer, & Williams		
PROJECT SCHEDULE				
	Bid Opening:	June, 2012		
	Construction Start:	July, 2012		
	Construction Stop:	April, 2013		
DEBT PER CUSTOMER	Existing:	\$ 2,920		
	Proposed:	\$ 3,758		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	3,745	\$ 18.26	(for 4,000 gallons)
	Additional	0	\$ 18.26	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	<b>Cash Available for</b>	<b>Income after Debt</b>		
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2008	743,969	695,361	48,608	1.1
Audited 2009	469,037	769,821	(300,784)	0.6
Audited 2010	1,344,080	778,034	566,046	1.7
Prelim 2011	1,242,706	1,401,263	(158,557)	0.9
Projected 2012	1,432,820	817,858	614,962	1.8
Projected 2013	1,398,145	999,169	398,976	1.4
Projected 2014	1,317,453	1,081,301	236,152	1.2
Projected 2015	1,266,997	1,176,359	90,638	1.1

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND "F")  
 CITY OF HARRODSBURG, MERCER COUNTY  
 PROJECT REVIEW  
 WX21167013**

**I. PROJECT DESCRIPTION**

The City of Harrodsburg is requesting a Fund F loan in the amounts of \$438,000 for the Water Main Improvements project. This project involves the upgrade of approximately 6,400 LF of replaced and rehabilitated lines and 911 LF of extension of water lines to provide adequate connection (looping) of the system, to improve service to customers, and to eliminate old deteriorating lines. Areas to be upgraded include, but are not limited to, Mooreland Avenue, Bellows Mill Road, and Cornishville Road. This will eliminate leaks, line breaks and improve pressure to customers.

The City supplies water to the North Mercer Water District and the Lake Village Water District, which are both regulated by the PSC. They also sell water to the City of Burgin.

**II. PROJECT BUDGET**

	Total
Engineering Fees	70,000
Construction	335,000
Contingency	33,000
<b>Total</b>	<b>\$ 438,000</b>

**III. PROJECT FUNDING**

	Amount	%
Fund F Loan	\$ 438,000	100%
<b>Total</b>	<b>\$ 438,000</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 438,000
Less: Principal Forgiveness (35%)	\$ 153,300
Amortized Loan Amount	\$ 284,700
Interest Rate	1.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 15,741
Administrative Fee (0.25%)	\$ 712
<b>Total Estimated Annual Debt Service</b>	<b>\$ 16,453</b>

**V. PROJECT SCHEDULE**

Bid Opening	June, 2012
Construction Start	July, 2012
Construction Stop	April, 2013

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	3,453
Commercial	278
Industrial	14
Total	<u>3,745</u>

**B) Rates**

Since a 40% increase effective in April 2010, the monthly charge for water utility service is:

	<u>Current</u>
First 250 cubic feet (per 100 cf)	8.78
Next 750 cubic feet (per 100 cf)	3.33
Next 3,000 cubic feet (per 100 cf)	2.90
Next 6,000 cubic feet (per 100 cf)	2.46
Next 25,000 cubic feet (per 100 cf)	2.10
Next 25,000 cubic feet (per 100 cf)	1.75
Next 50,000 cubic feet (per 100 cf)	1.40
Residential Bill for 4,000 gallons	<u>\$18.26</u>
Affordability Index	0.69%

**VII. DEMOGRAPHICS**

In 2010, the City had a population of 8,148 with a Median Household Income (MHI) of \$31,685. The median household income for the Commonwealth is \$41,197. Based on median household income falling below 80% of that of the Commonwealth, the project will qualify for a 1% interest rate.

**VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$153,300.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information was obtained from City's audited financial statements for the years ended June 30, 2008 through 2010. Unaudited amounts for 2011 were provided by the City. The analysis includes combined results for the City's water and sewer operations.

### **HISTORICAL**

Water revenues increased 26% from 2008 to 2011 from \$1.5 million to \$1.9 million. A 40% rate increase that was effective April 30, 2010 contributed substantially all of the increase during 2011. Sewer revenues declined 3% during the same time period from approximately \$1.25 million to \$1.21 million. Operating expenses have ranged from \$1.9 million to \$2.2 million with 2011 expenses being about 11% lower than 2008. The decreases are primarily due to reductions in contractual services and maintenance expenses.

The balance sheet reflected a debt to equity ratio of 0.6 for years 2008 through 2010 and 0.8 in 2011. Unrestricted operating cash equals approximately four months of operating expenses. The utility is in compliance with all debt covenants associated with the maintenance of restricted funds.

### **PROJECTIONS**

Projections are based on the following assumptions:

- a) Water revenues will increase 7% in 2012 for the carryover effect of the prior rate increase and will be relatively flat for volume.
- b) Sewer revenues will increase 17% in 2012 and 3% in 2013 (rate increase) and will be relatively flat for volume.
- c) Operating expenses will increase by 5% per year.
- d) Repayment terms of the RD loan for the water treatment expansion will be 40 years with a 3.25% interest rate and a loan balance not to exceed \$7.7 million. The estimated annual debt service is \$345,360 and annual depreciation reserve funding of \$35,640 will be required for a period of ten years.
- e) Annual replacement reserves of \$1,000 and \$1,100 for loans A11-21 and F11-17 respectively will be required.
- f) Debt service of \$21,579 related to the anticipated KIA loan (A11-21) is included in the analysis bringing total annual debt service to just over \$1MM in 2014.

Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan. The debt coverage ratio will be approximately 1.2 in 2014 which is anticipated to be the first full year of P&I repayment on both proposed KIA loans.

### **REPLACEMENT RESERVE**

The annual replacement cost is \$1,100. This amount should be added to the replacement account each December 1 until the balance reaches \$11,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	<b>Outstanding</b>	<b>Maturity</b>
2008 Capital Lease	\$ 1,521,907	2023
KIA (A02-06)	2,149,972	2023
Note Payable	223,653	2016
2004 Bonds	1,464,000	2021
2006 Bonds	1,055,000	2044
2006 Bonds	2,358,000	2045
RD (i/a/o \$7.7M for WTP)	2,163,689	TBD
<b>Total</b>	<b>\$ 10,936,221</b>	

**XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS**

<b>Project Title</b>	<b>Funding Source</b>	<b>Amount</b>	<b>Type</b>
WWTP Improvements	EPA STAG	1,300,000	Grant
WTP Upgrade	CDBG	1,000,000	Grant
WTP Upgrade	RD	3,300,000	Grant

**XII. CONTACTS**

**Applicant**

Name City of Harrodsburg  
 Address 208 South Main Street  
 Harrodsburg, KY 40330  
 County Mercer  
 Contact Eddie Long  
 Phone (859) 734-2383  
 Email 2longbranch@roadrunner.com

**Applicant Contact**

Name GRW Engineers, Inc.  
 Address 801 Corporate Drive  
 Lexington, KY 40503  
 Contact Laura Gilkerson  
 Phone (859) 223-3999  
 Email lgilkerson@grwinc.com

**Engineer**

Name Ryan Carr  
 Firm GRW Engineers, Inc.  
 Address 801 Corporate Drive  
 Lexington, KY 40503  
 Phone (859) 223-3999  
 Email rcarr@grwinc.com

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF HARRODSBURG  
BALANCE SHEETS (JUNE YEAR END)**

ASSETS	Audited 2008	Audited 2009	Audited 2010	Preliminary 2011	Upon Completion 2013
<b>Current Assets</b>					
Cash	719,660	152,061	87,577	629,098	516,611
Certificates of Deposit	375,677	185,861	363,122	367,865	400,000
Accounts Receivable	357,709	299,522	323,698	340,743	377,500
Grants Receivable	224,424	74,354	77,993	0	0
Prepaid	156,063	160,519	180,745	138,603	145,000
Due from Other Funds	0	0	12,918	0	0
<b>Total Current Assets</b>	<b>1,833,533</b>	<b>872,317</b>	<b>1,046,053</b>	<b>1,476,309</b>	<b>1,439,111</b>
<b>Restricted Assets</b>					
Bond Sinking Fund	421,264	313,779	314,512	314,150	325,000
Depreciation Fund	45,856	67,132	89,169	110,045	150,000
Repairs and Maintenance Fund	321,346	399,158	479,971	586,864	722,864
<b>Total Restricted Assets</b>	<b>788,466</b>	<b>780,069</b>	<b>883,652</b>	<b>1,011,059</b>	<b>1,197,864</b>
<b>Utility Plant</b>					
Land, System, Building and Equipment	44,669,776	45,526,743	45,571,633	45,471,927	59,428,133
Construction in Progress	0	0	0	2,320,779	0
<b>Total</b>	<b>44,669,776</b>	<b>45,526,743</b>	<b>45,571,633</b>	<b>47,792,706</b>	<b>59,428,133</b>
<b>Less Accumulated Depreciation ( )</b>	<b>(19,208,964)</b>	<b>(20,574,240)</b>	<b>(21,780,879)</b>	<b>(22,894,629)</b>	<b>(26,127,797)</b>
<b>Net Fixed Assets</b>	<b>25,460,812</b>	<b>24,952,503</b>	<b>23,790,754</b>	<b>24,898,077</b>	<b>33,300,336</b>
<b>Other Assets</b>					
Bond Issue Costs	80,689	74,911	69,133	75,378	75,378
<b>Total Other Assets</b>	<b>80,689</b>	<b>74,911</b>	<b>69,133</b>	<b>75,378</b>	<b>75,378</b>
<b>Total Assets</b>	<b>28,163,500</b>	<b>26,679,800</b>	<b>25,789,592</b>	<b>27,460,823</b>	<b>36,012,689</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable and Accrued Liabilities	100,500	90,392	109,753	75,657	100,000
Accounts Payable - Construction	213,411	163,525	5,200	396,845	0
Payroll Liabilities	37,361	37,666	34,104	37,908	42,500
Due to Other Funds	10,663	167,712	0	19,138	0
Customer Deposits	223,301	231,126	242,541	245,948	250,000
Leases and Loans Payable	109,427	118,471	511,855	2,340,729	140,000
<b>Total Current Liabilities</b>	<b>694,663</b>	<b>808,892</b>	<b>903,453</b>	<b>3,116,225</b>	<b>532,500</b>
<b>Liabilities Payable - Restricted Assets</b>					
Accrued Interest Payable	47,259	45,004	42,945	58,160	50,000
Loan Payable	157,523	159,100	160,695	162,306	165,632
Bonds Payable	173,500	177,500	183,000	187,500	200,000
<b>Total Liabilities Payable - Restricted Assets</b>	<b>378,282</b>	<b>381,604</b>	<b>386,640</b>	<b>407,966</b>	<b>415,632</b>
<b>Long Term Liabilities</b>					
Bonds, Leases, and Loans Payable	9,695,495	9,240,439	8,769,047	8,425,686	5,208,295
Proposed KIA Loan A11-21	0	0	0	0	376,650
Proposed KIA Loan F11-17	0	0	0	0	284,700
RD Loan (WT Plant Upgrade)	0	0	0	0	7,700,000
<b>Total Long Term Liabilities</b>	<b>9,695,495</b>	<b>9,240,439</b>	<b>8,769,047</b>	<b>8,245,686</b>	<b>13,569,645</b>
<b>Total Liabilities</b>	<b>10,768,440</b>	<b>10,430,935</b>	<b>10,059,140</b>	<b>11,769,877</b>	<b>14,517,777</b>
<b>Retained Earnings:</b>					
Invested in Capital Assets Net of Related Debt	15,324,867	15,256,993	14,166,157	13,961,856	19,225,059
Restricted	788,466	780,069	883,652	1,011,059	1,197,864
Unrestricted	1,281,727	211,803	680,643	718,031	1,071,989
<b>Total Retained Earnings</b>	<b>17,395,060</b>	<b>16,248,865</b>	<b>15,730,452</b>	<b>15,690,946</b>	<b>21,494,912</b>
<b>Total Liabilities and Equities</b>	<b>28,163,500</b>	<b>26,679,800</b>	<b>25,789,592</b>	<b>27,460,823</b>	<b>36,012,689</b>
<b>Balance Sheet Analysis</b>					
Current Ratio	2.6	1.1	1.2	0.5	2.7
Debt to Equity	0.6	0.6	0.6	0.8	0.7
Working Capital	1,138,870	63,425	142,600	(1,639,916)	906,611
Percent of Total Assets in Working Capital	4.0%	0.2%	0.6%	-6.0%	2.5%
Days Sales in Accounts Receivable	46.0	41.1	41.4	39.2	39.2

<b>EXHIBIT 1</b>											
<b>CITY OF HARRODSBURG</b>											
<b>CASH FLOW ANALYSIS (JUNE YEAR END)</b>											
	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Prelim</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
	<b>2008</b>	<b>Change</b>	<b>2009</b>	<b>Change</b>	<b>2010</b>	<b>Change</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Operating Revenues</b>											
Water Revenues	1,482,849	-3%	1,434,448	3%	1,484,586	26%	1,863,865	1,957,058	1,966,843	1,976,677	1,986,560
Sewer Revenues	1,251,294	-9%	1,135,364	11%	1,263,346	-4%	1,212,516	1,414,602	1,461,755	1,469,064	1,476,409
Other	101,883	-9%	93,173	11%	103,792	-4%	99,130	90,000	90,000	90,000	90,000
<b>Total Revenues</b>	<b>2,836,026</b>	<b>-6%</b>	<b>2,662,985</b>	<b>7%</b>	<b>2,851,724</b>	<b>11%</b>	<b>3,175,511</b>	<b>3,461,660</b>	<b>3,518,598</b>	<b>3,535,741</b>	<b>3,552,969</b>
<b>Operating Expenses</b>											
Water Expenses	1,270,581	10%	1,391,892	-15%	1,177,955	8%	1,273,415	1,337,086	1,397,255	1,460,131	1,525,837
Sewer Expenses	902,829	-7%	841,600	-12%	736,528	-10%	665,480	698,754	730,198	763,057	797,395
Depreciation, Amort, Bad Debt	1,283,433	7%	1,371,348	0%	1,376,101	1%	1,384,842	1,454,084	1,779,084	1,800,497	1,836,507
Replacement Reserve	68,000		68,000		68,000		68,000	68,000	68,000	70,100	37,740
<b>Total Expenses</b>	<b>3,524,843</b>	<b>4%</b>	<b>3,672,840</b>	<b>-9%</b>	<b>3,358,584</b>	<b>1%</b>	<b>3,391,737</b>	<b>3,557,924</b>	<b>3,974,537</b>	<b>4,093,785</b>	<b>4,197,479</b>
<b>Net Operating Income</b>	<b>(688,817)</b>	<b>47%</b>	<b>(1,009,855)</b>	<b>-50%</b>	<b>(506,860)</b>	<b>-57%</b>	<b>(216,226)</b>	<b>(96,264)</b>	<b>(455,939)</b>	<b>(558,044)</b>	<b>(644,510)</b>
<b>Non-Operating Income and Expenses</b>											
Interest Income	66,074	-56%	28,844	-18%	23,656	-46%	12,876	15,000	15,000	15,000	15,000
Other	83,279		78,700		451,183		61,214	60,000	60,000	60,000	60,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>149,353</b>	<b>-28%</b>	<b>107,544</b>	<b>342%</b>	<b>474,839</b>	<b>-84%</b>	<b>74,090</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>
<b>Add Non-Cash Expenses</b>											
Depreciation, Amort, Bad Debt	1,283,433	7%	1,371,348	0%	1,376,101	1%	1,384,842	1,454,084	1,779,084	1,800,497	1,836,507
<b>Cash Available for Debt Service</b>	<b>743,969</b>	<b>-37%</b>	<b>469,037</b>	<b>187%</b>	<b>1,344,080</b>	<b>-8%</b>	<b>1,242,706</b>	<b>1,432,820</b>	<b>1,398,145</b>	<b>1,317,453</b>	<b>1,266,997</b>
<b>Debt Service</b> (enter as positive #'s)											
Existing Principal	366,967		440,435		455,071		1,136,897	526,856	516,281	528,820	544,642
Existing Interest	328,394		329,386		322,963		264,366	217,857	279,221	264,199	248,325
Proposed KIA Loan A11-21								2,825	14,556	21,579	21,579
Proposed KIA Loan F11-17									1,424	16,453	16,453
RD Loan (7.7MM)								70,320	187,688	250,250	345,360
<b>Total Debt Service</b>	<b>695,361</b>		<b>769,821</b>		<b>778,034</b>		<b>1,401,263</b>	<b>817,858</b>	<b>999,169</b>	<b>1,081,301</b>	<b>1,176,359</b>
<b>Income After Debt Service</b>	<b>48,608</b>		<b>(300,784)</b>		<b>566,046</b>		<b>(158,557)</b>	<b>614,962</b>	<b>398,976</b>	<b>236,152</b>	<b>90,638</b>
<b>Debt Coverage Ratio</b>	<b>1.1</b>		<b>0.6</b>		<b>1.7</b>		<b>0.9</b>	<b>1.8</b>	<b>1.4</b>	<b>1.2</b>	<b>1.1</b>



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**I.B.4.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B08-06) INCREASING THE AMOUNT OF \$900,000 TO THE CITY OF CARROLLTON, CARROLL COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority previously approved an Infrastructure Revolving Fund Loan (B08-06) to the City of Carrollton on August 7, 2008 in the amount of \$750,000 and the City of Carrollton has requested to increase loan B08-06 by \$150,000; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Infrastructure Revolving Loan Program with the City of Carrollton, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority intends to utilize money in the Infrastructure Revolving Fund to make the loan to the governmental agency for the aforementioned purposes; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Infrastructure Revolving Fund loans.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$900,000 of project expense, to the City of Carrollton for the Eagle Creek Sewer Expansion project. Such amounts are

subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 1.07% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 8th day of December, 2011.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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LEGAL COUNSEL TO THE KENTUCKY  
INFRASTRUCTURE AUTHORITY

**EXECUTIVE SUMMARY  
KENTUCKY INFRASTRUCTURE AUTHORITY  
FUND B, INFRASTRUCTURE  
REVOLVING LOAN FUND**

Reviewer: Sandy Williams  
Date: December 8, 2011  
KIA Loan Number: **B08-06**  
WRIS Number: **SX21187100**

**BORROWER:** CITY OF CARROLLTON  
CARROLL COUNTY

**BRIEF DESCRIPTION:**

The City of Carrollton is requesting a \$150,000 increase to their Fund B loan that was originally approved for \$750,000. During sanitary sewer construction a sewer main was installed through a road embankment that provides the only access for a majority of the homes in the community. The area in the vicinity of the sewer line is failing structurally and threatening the integrity of the sewer system and the roadway. Preliminary engineering analysis has indicated that the most cost effective solution to protecting the sewer system is removal of the fill material placed in the embankment during construction of the system, replacing a culvert, and recompacting the fill in the roadway in the vicinity of the sewer main. The original project description is below.

PROJECT FINANCING:		PROJECT BUDGET	
Fund B Loan	\$ 900,000	Administrative Expenses	\$ 77,000
Bluegrass Pride	200,000	Legal Expenses	20,020
HB 608 (350N-2008) CPBOC:1/19/10	400,000	Land, Easements	10,000
CDBG	1,000,000	Engineering Fees	277,855
HB608 (102N-2008) CPBOC:9/15/09	350,000	Construction	2,269,883
Local Funds	99,731	Contingency	294,973
<b>TOTAL</b>	<b>\$ 2,949,731</b>	<b>TOTAL</b>	<b>\$ 2,949,731</b>

REPAYMENT		Est. Annual	
Rate	1.1%	Payment	\$ 51,906
Term	20 years	1st Payment	6 Mo. after first draw

PROFESSIONAL SERVICES	
Engineer	Heritage Engineering
Bond Counsel	Peck, Shaffer, & Williams

PROJECT SCHEDULE	
Bid Opening:	September 25, 2009
Construction Start:	November 20, 2009
Construction Stop:	May 30, 2012

DEBT PER CUSTOMER	
Existing:	\$ 2,271
Proposed:	\$ 2,092

**OTHER DEBT** See Attached

**OTHER STATE-FUNDED PROJECTS LAST 5 YRS** See Attached

RESIDENTIAL RATES		Users	Avg. Bill
Current	2,818	\$ 28.07	(for 4,000 gallons)
Additional	320	\$ 28.07	(for 4,000 gallons)

**REGIONAL COORDINATION** This project is consistent with regional planning recommendations.

CASHFLOW	Cash Available for		Income after Debt	
	Debt Service	Debt Service	Service	Coverage Ratio
Audited 2008	1,894,829	725,587	1,169,242	2.6
Audited 2009	2,387,384	727,247	1,660,137	3.3
Audited 2010	1,883,885	1,635,468	248,417	1.2
Prelim 2011	1,848,106	679,547	1,168,559	2.7
Projected 2012	1,772,652	643,282	1,129,370	2.8
Projected 2013	1,691,333	644,280	1,047,053	2.6
Projected 2014	1,608,079	664,967	943,112	2.4
Projected 2015	1,511,471	572,136	939,335	2.6
Projected 2016	1,410,032	505,644	904,388	2.8
Projected 2017	1,303,521	506,517	797,004	2.6

**KENTUCKY INFRASTRUCTURE AUTHORITY  
REVOLVING LOAN FUND (FUND "B")  
CITY OF CARROLLTON, CARROLL COUNTY  
PROJECT REVIEW  
SX21187100**

**I. PROJECT DESCRIPTION**

The City of Carrollton is requesting a \$150,000 increase to their Fund B loan for a revised amount of \$900,000. The loan was originally approved for \$750,000. During sanitary sewer construction a sewer main was installed through a road embankment that provides the only access for a majority of the homes in the community. The area in the vicinity of the sewer line is failing structurally and threatening the integrity of the sewer system and the roadway. Preliminary engineering analysis has indicated that the most cost effective solution to protecting the sewer system is removal of the fill material placed in the embankment during construction of the system, replacing a culvert, and recompacting the fill in the roadway in the vicinity of the sewer main. The original project description is below.

The City of Carrollton is requesting a Fund B loan of \$750,000 to fund the Eagle Creek sewer expansion that will provide public service to 320 homes along Eagle Creek in Owen County. Failing septic systems and straight pipes plague these homes. The project will also eliminate a package treatment plant that serves 20 existing homes.

DOW has issued 47 citations to the affected area that will be corrected after the project is complete.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 77,000
Legal Expenses	20,020
Land, Easements	10,000
Engineering Fees	277,855
Construction	2,269,883
Contingency	294,973
<b>TOTAL</b>	<b>\$ 2,949,731</b>

### III. PROJECT FUNDING

	Amount	%
Fund B Loan	\$ 900,000	31%
Bluegrass Pride	200,000	7%
HB 608 (Owen Co)	400,000	14%
CDBG	1,000,000	34%
Funding Source 4	350,000	12%
Funding Source 5	99,731	3%
<b>Total</b>	<b>\$ 2,949,731</b>	<b>100%</b>

### IV. KIA DEBT SERVICE

Construction Loan	\$ 900,000
Interest Rate	1.07%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 50,106
Administrative Fee (0.20%)	\$ 1,800
<b>Total Estimated Annual Debt Service</b>	<b>\$ 51,906</b>

### V. PROJECT SCHEDULE

Bid Opening:	September 25, 2009
Construction Start:	November 20, 2009
Construction Stop:	May 31, 2012

### VI. RATE STRUCTURE

#### A) Customers

Customers	Current	Proposed	Total
Residential	2,429	320	2,749
Commercial	387	0	387
Industrial	2	0	2
<b>Total</b>	<b>2,818</b>	<b>320</b>	<b>3,138</b>

## B) Wastewater Rates

Effective Date (7/1/07)	Within City Limits	Outside City Limits	Prestonsville Extension	Regional (5/8"-3/4")	Regional (1" - 2")	Regional (Over 2")	2000 US 42 Extension
Monthly Charge (1st 1,000 gallons)	\$8.54	\$9.82	\$9.82	\$8.95	\$18.25	\$22.55	\$9.82
Volume Charge per 1,000 gallons (> 1,000 gallons)	\$4.65	\$5.16	\$5.16	\$8.95	\$18.25	\$22.55	\$5.16
Debt Service Fee*			\$13.62	\$23.30	\$23.30	\$23.30	\$10.65
Residential Bill for 4,000 gallons	\$22.49	\$25.30	\$38.92	\$59.10	\$96.30	\$113.50	\$35.95
<b>*Regional Debt Service Fee only applies to customers utilizing pump stations located near I71 / Sparta interchange</b>							
Effective Date (7/1/06)	Within City Limits	Outside City Limits	Prestonsville Extension	Regional (5/8"-3/4")	Regional (1" - 2")	Regional (Over 2")	2000 US 42 Extension
Monthly Charge (1st 1,000 gallons)	\$7.15	\$8.57	\$8.57	\$6.90	\$16.30	\$20.50	\$8.57
Volume Charge per 1,000 gallons (> 1,000 gallons)	\$2.87	\$3.43	\$3.43	\$6.90	\$16.30	\$20.50	\$3.43
Debt Service Fee*			\$13.62	\$23.30	\$23.30	\$23.30	\$10.65
Residential Bill for 4,000 gallons	\$15.76	\$18.86	\$32.48	\$50.90	\$88.50	\$105.30	\$29.51
Rate increase	43%	34%	34%	30%	12%	10%	34%

## VII. DEMOGRAPHICS

In 2000, the City's population was 3,846 with a median household income of \$29,818. The MHI for the Commonwealth is \$33,672. Based on the City's MHI falling below that of the Commonwealth, the city qualifies for the 1.07% interest rate.

## VIII. FINANCIAL ANALYSIS (See Exhibit 1)

The analysis for the original loan, which was approved on August 7, 2008, was based on years 2004 through 2008. The analysis for the proposed increase is based on the most current information.

Financial information was obtained from audited financial statements for the years ended June 30, 2008 through 2011. Amounts for 2011 are estimated. The Carrollton Utilities fund includes activities for water, wastewater and gas services. The focus of the discussion below is water and wastewater services.

### HISTORICAL

Combined water and wastewater revenues decreased 2% from \$2.5 million in 2008 to \$2.45 million in 2011 while combined expenses increased 7.5% from \$1.55 million to \$1.67 million. Cash flow available for debt service was approximately \$1.9 million in 2008, 2010, and 2011 and was approximately \$2.4 million in 2009. Gas operations contributed from 48% to 67% of cash flow in each year (\$1.077 million in 2010).

The debt coverage ratio was ranged from a low of 1.2 to a high of 3.3 for 2008 through 2011. In 2010 the ratio declined to 1.2 due to the early payoff of 2005 revenue bonds amounting to \$1,050,000. Debt to equity has improved from 0.7 in 2008 to 0.4.

**PROJECTED**

- a) Revenues for 2011 reflect water and sewer rate increases of 2% and 3%, respectively. These increases went into effect July 1, 2010. Revenues are flat thereafter.
- b) Water and sewer expenses will increase by 5% each year.
- c) Gas and contract services will be flat to 2010 reflecting no change in the amount of contributed cash flow from 2010 amounts.
- d) KIA Fund F Loan F11-15 will be approved.
- e) The utility has requested a 30 year repayment term for the proposed loan.

Based on the above assumptions, the utility will meet the required cash flow through the projected years. The debt coverage ratio is projected to range from 2.4 to 2.8 from 2013 through 2017.

**REPLACEMENT RESERVE**

The annual replacement reserve is \$2,250. This amount should be added to the replacement account each December 1 until the balance reaches \$22,500 and maintained for the life of the loan.

**IX. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
Kentucky Infrastructure Authority (B99-03)	\$ 87,312	Jun-32
Kentucky Infrastructure Authority (A01-03)	1,677,866	Dec-22
Kentucky Infrastructure Authority (A05-01)	3,631,234	Dec-26
Kentucky Infrastructure Authority (B08-06, \$750K)	722,250	Dec-22
Kentucky League of Cities Funding Trust	648,398	Oct-14
Kentucky League of Cities Funding Trust	190,357	Feb-12
Sewer Revenue Bonds 1998A	109,500	Jan-38
Sewer Revenue Bonds 1998B	62,800	Jan-38
<b>Total</b>	<b>\$ 7,129,717</b>	

**X. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS**

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
WWTP	EDA (2003)	\$ 1,500,000	Grant
Happy Hollow	KIA (2005)	\$ 500,000	Grant
WWTP	CDBG (2004)	\$ 1,925,000	Grant
WWTP	RD Grant / Loan (2005)	\$ 2,000,000	Grant
WWTP	EPA (2005)	\$ 700,750	Grant
WWTP	KIA (2005)	\$ 500,000	Grant
Happy Hollow	KIA (2005)	\$ 500,000	Grant

Happy Hollow	KIA (2007)	\$	250,000	Grant
Exit 55	KIA (2007)	\$	1,250,000	Grant

**XI. CONTACTS**

<b>Applicant</b>	
Name	City of Carrollton
Address	P.O. Box 269 Carrollton, KY 41008
County	Carroll
Contact	Chas Robbins
Phone	(502) 732-1216
Email	crobbins@carrolltonutilities.com

<b>Applicant Contact</b>	
Name	City of Carrollton
Address	P.O. Box 269 Carrollton, KY 41008
Contact	Chas Robbins
Phone	(502) 732-1216
Email	crobbins@carrolltonutilities.com

<b>Engineer</b>	
Name	Bob Woosley
Firm	Heritage Engineering
Address	642 South Fourth St., Suite 100 Louisville, KY 40202
Phone	(502) 562-1412

**XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF CARROLLTON  
BALANCE SHEETS (JUNE YEAR END)**

ASSETS	Audited 2008	Audited 2009	Audited 2010	Preliminary 2011	Upon Completion 2012	Upon Completion 2013
<b>Current Assets</b>						
Cash	3,236,719	4,818,303	4,538,959	5,707,518	6,836,888	7,883,941
Accounts Receivable	9,566,999	3,018,880	3,577,441	3,582,100	3,582,100	3,582,100
Other Receivables	152,057	1,210,334	1,986,730	1,986,730	1,986,730	1,986,730
Due from Other Funds	7,034	0	0	0	0	0
Prepaid	4,406	99,454	36,713	35,000	35,000	35,000
<b>Total Current Assets</b>	<b>12,967,215</b>	<b>9,146,971</b>	<b>10,139,843</b>	<b>11,311,348</b>	<b>12,440,718</b>	<b>13,487,771</b>
<b>Restricted Assets</b>						
Cash	921,244	1,127,961	727,703	765,939	796,175	833,291
Construction Grants Receivable	915,305	0	1,609,241	0	0	0
<b>Total Restricted Assets</b>	<b>1,836,549</b>	<b>1,127,961</b>	<b>2,336,944</b>	<b>765,939</b>	<b>796,175</b>	<b>833,291</b>
<b>Utility Plant</b>						
Land, System, Building and Equipment	42,437,176	46,270,686	47,644,389	53,393,539	54,343,539	55,184,259
Construction in Process	3,423,676	155,737	3,389,909	0	0	0
<b>Total</b>	<b>45,860,852</b>	<b>46,426,423</b>	<b>51,034,298</b>	<b>53,393,539</b>	<b>54,343,539</b>	<b>55,184,259</b>
Less Accumulated Depreciation ( )	(16,273,061)	(17,463,318)	(18,967,359)	(20,365,398)	(21,830,037)	(23,374,676)
<b>Net Fixed Assets</b>	<b>29,587,791</b>	<b>28,963,105</b>	<b>32,066,939</b>	<b>33,028,141</b>	<b>32,513,502</b>	<b>31,809,583</b>
<b>Other Assets</b>						
Unamortized Debt Costs, Net	14,394	12,179	9,964	7,749	5,534	3,319
<b>Total Other Assets</b>	<b>14,394</b>	<b>12,179</b>	<b>9,964</b>	<b>7,749</b>	<b>5,534</b>	<b>3,319</b>
<b>Total Assets</b>	<b>44,405,949</b>	<b>39,250,216</b>	<b>44,553,690</b>	<b>45,113,177</b>	<b>45,755,929</b>	<b>46,133,964</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts Payable	9,585,925	4,219,218	4,328,847	4,400,000	4,500,000	4,600,000
Due to Other Funds	45,304	32,959	1,078,391	1,100,000	1,100,000	1,100,000
Accrued Expenses	13,508	59,951	55,882	60,000	60,000	60,000
Capital Lease Obligations	229,981	239,455	249,404	220,091	148,386	154,550
<b>Total Current Liabilities</b>	<b>9,874,718</b>	<b>4,551,583</b>	<b>5,712,524</b>	<b>5,780,091</b>	<b>5,808,386</b>	<b>5,914,550</b>
<b>Liabilities Payable - Restricted Assets</b>						
Construction Accounts Payable	178,560	0	583,865	250,000	150,000	100,000
Construction Retainage Payable	81,657	0	271,968	200,000	150,000	75,000
Accrued Interest Payable	29,450	28,626	10,435	12,000	12,500	12,500
Revenue Bonds Payable	13,000	13,000	3,100	3,200	3,400	3,500
Notes Payable	304,595	309,704	327,650	331,928	336,267	340,669
Customer Deposits	122,546	107,688	108,524	110,000	110,000	110,000
<b>Total Liabilities Payable - Restricted Assets</b>	<b>729,808</b>	<b>459,018</b>	<b>1,305,542</b>	<b>907,128</b>	<b>762,167</b>	<b>641,669</b>
<b>Long Term Liabilities</b>						
Accrued Compensated Absences	11,087	10,195	13,737	15,000	15,000	15,000
Revenue Bonds Payable	1,063,000	1,050,000	169,200	166,000	162,600	159,100
Capital Lease Obligations	1,078,211	838,756	589,351	369,260	220,874	66,324
Notes Payable	5,437,820	5,148,975	5,068,762	4,736,834	4,400,567	4,059,898
Deferred Loss - Early Debt Retirement	(19,567)	(14,107)	(8,646)	(3,186)	0	0
KIA (B08-06)	0	0	0	722,255	900,000	900,000
KIA (F11-15)	0	0	0	0	750,000	1,066,176
<b>Total Long Term Liabilities</b>	<b>7,570,551</b>	<b>7,033,819</b>	<b>5,832,404</b>	<b>6,006,163</b>	<b>6,449,041</b>	<b>6,266,498</b>
<b>Total Liabilities</b>	<b>18,175,077</b>	<b>12,044,420</b>	<b>12,850,470</b>	<b>12,693,382</b>	<b>13,019,594</b>	<b>12,822,717</b>
<b>Retained Earnings:</b>						
Invested in Capital Assets Net of Related Debt	21,234,928	21,389,501	24,822,249	26,754,014	26,941,408	26,850,542
Restricted for Capital Projects	1,182,199	468,698	1,680,304	215,939	246,175	283,291
Restricted for Debt Service	502,354	522,949	537,681	550,000	550,000	550,000
Unrestricted	3,311,391	4,824,648	4,662,986	4,899,842	4,998,752	5,627,414
<b>Total Retained Earnings</b>	<b>26,230,872</b>	<b>27,205,796</b>	<b>31,703,220</b>	<b>32,419,795</b>	<b>32,736,335</b>	<b>33,311,247</b>
<b>Total Liabilities and Equities</b>	<b>44,405,949</b>	<b>39,250,216</b>	<b>44,553,690</b>	<b>45,113,177</b>	<b>45,755,929</b>	<b>46,133,964</b>
<b>Balance Sheet Analysis</b>						
Current Ratio	1.3	2.0	1.8	2.0	2.1	2.3
Debt to Equity	0.7	0.4	0.4	0.4	0.4	0.4
Days Sales in Accounts Receivable	39.9	17.9	27.4	27.4	27.4	27.4

**EXHIBIT 1  
CITY OF CARROLLTON  
CASH FLOW ANALYSIS (JUNE YEAR END)**

	<b>Audited 2008</b>	<b>% Change</b>	<b>Audited 2009</b>	<b>% Change</b>	<b>Audited 2010</b>	<b>% Change</b>	<b>Prelim 2011</b>	<b>Projected 2012</b>	<b>Projected 2013</b>	<b>Projected 2014</b>	<b>Projected 2015</b>	<b>Projected 2016</b>	<b>Projected 2017</b>
<b>Operating Revenues</b>													
Gas	84,767,180	-30%	59,153,871	-24%	45,179,631	0%	45,179,631	45,179,631	45,179,631	45,179,631	45,179,631	45,179,631	45,179,631
Water	752,304	4%	778,737	16%	899,739	2%	917,734	917,734	917,734	917,734	917,734	917,734	917,734
Sewer	1,745,073	-11%	1,546,454	-4%	1,482,636	3%	1,527,115	1,527,115	1,527,115	1,527,115	1,527,115	1,527,115	1,527,115
Contractual Services	163,460	2%	166,487	5%	174,811	0%	174,811	174,811	174,811	174,811	174,811	174,811	174,811
<b>Total Revenues</b>	<b>87,428,017</b>	<b>-29%</b>	<b>61,645,549</b>	<b>-23%</b>	<b>47,736,817</b>	<b>0%</b>	<b>47,799,291</b>	<b>47,799,291</b>	<b>47,799,291</b>	<b>47,799,291</b>	<b>47,799,291</b>	<b>47,799,291</b>	<b>47,799,291</b>
<b>Operating Expenses</b>													
Gas	83,885,069	-31%	57,576,666	-23%	44,102,819	0%	44,102,819	44,102,819	44,102,819	44,102,819	44,102,819	44,102,819	44,102,819
Water	609,932	5%	638,740	14%	729,349	5%	765,816	804,107	844,312	886,528	930,854	977,397	1,026,267
Sewer	941,609	-2%	918,634	-6%	860,251	5%	903,264	948,427	995,848	1,045,640	1,097,922	1,152,818	1,210,459
Contractual Services	154,330		150,329		161,050		161,050	161,050	161,050	161,050	161,050	161,050	161,050
Depreciation	1,207,798	3%	1,246,487	7%	1,331,339	5%	1,398,039	1,464,639	1,544,639	1,544,639	1,544,639	1,544,639	1,544,639
Replacement Reserve	38,236		38,236		38,236		38,236	30,236	37,116	37,116	37,116	37,116	37,116
<b>Total Expenses</b>	<b>86,836,974</b>	<b>-30%</b>	<b>60,569,092</b>	<b>-22%</b>	<b>47,223,044</b>	<b>0%</b>	<b>47,369,224</b>	<b>47,511,278</b>	<b>47,685,784</b>	<b>47,777,792</b>	<b>47,874,400</b>	<b>47,975,839</b>	<b>48,082,350</b>
<b>Net Operating Income</b>	<b>591,043</b>	<b>82%</b>	<b>1,076,457</b>	<b>-52%</b>	<b>513,773</b>	<b>-16%</b>	<b>430,067</b>	<b>288,013</b>	<b>113,507</b>	<b>21,499</b>	<b>(75,109)</b>	<b>(176,548)</b>	<b>(283,059)</b>
<b>Non-Operating Income and Expenses</b>													
Interest Income	95,988		64,440		32,613		20,000	20,000	20,000	20,000	20,000	20,000	20,000
West Carroll Water District Payments	0		0		0		0	0	13,187	21,941	21,941	21,941	21,941
Other	0		0		6,160		0	0	0	0	0	0	0
<b>Total Non-Operating Income &amp; Expenses</b>	<b>95,988</b>	<b>-33%</b>	<b>64,440</b>	<b>-40%</b>	<b>38,773</b>	<b>-48%</b>	<b>20,000</b>	<b>20,000</b>	<b>33,187</b>	<b>41,941</b>	<b>41,941</b>	<b>41,941</b>	<b>41,941</b>
<b>Add Non-Cash Expenses</b>													
Depreciation	1,207,798	3%	1,246,487	7%	1,331,339	5%	1,398,039	1,464,639	1,544,639	1,544,639	1,544,639	1,544,639	1,544,639
<b>Cash Available for Debt Service</b>	<b>1,894,829</b>	<b>26%</b>	<b>2,387,384</b>	<b>-21%</b>	<b>1,883,885</b>	<b>-2%</b>	<b>1,848,106</b>	<b>1,772,652</b>	<b>1,691,333</b>	<b>1,608,079</b>	<b>1,511,471</b>	<b>1,410,032</b>	<b>1,303,521</b>
<b>Debt Service</b> (enter as positive #'s)													
Existing Principal	533,286		548,661		1,453,588		580,154	555,219	488,053	498,719	415,155	353,451	358,230
Existing Interest	192,301		178,586		181,880		99,393	86,563	76,066	66,333	57,066	52,278	48,372
KIA (B08-06, \$750,000)	0		0		0		0	1,500	41,755	41,755	41,755	41,755	41,755
Proposed KIA Loan	0		0		0		0	0	29,754	49,509	49,509	49,509	49,509
Pending B08-06 (\$150,000 Increase)							0	0	8,651	8,651	8,651	8,651	8,651
<b>Total Debt Service</b>	<b>725,587</b>		<b>727,247</b>		<b>1,635,468</b>		<b>679,547</b>	<b>643,282</b>	<b>644,280</b>	<b>664,967</b>	<b>572,136</b>	<b>505,644</b>	<b>506,517</b>
<b>Income After Debt Service</b>	<b>1,169,242</b>		<b>1,660,137</b>		<b>248,417</b>		<b>1,168,559</b>	<b>1,129,370</b>	<b>1,047,053</b>	<b>943,112</b>	<b>939,335</b>	<b>904,388</b>	<b>797,004</b>
<b>Debt Coverage Ratio</b>	<b>2.6</b>		<b>3.3</b>		<b>1.2</b>		<b>2.7</b>	<b>2.8</b>	<b>2.6</b>	<b>2.4</b>	<b>2.6</b>	<b>2.8</b>	<b>2.6</b>

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**I.B.5.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F11-15) OF \$1,850,270 TO THE CITY OF CARROLLTON, CARROLL COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Drinking Water Revolving Loan Program (Fund F) with the City of Carrollton, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund F loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$1,850,270 of project expense including capitalized interest for the construction period, to the City of Carrollton for the Countywide Underserved project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of

bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of 35% will be deducted from the approved loan amount. The unforgiven principal balance of \$1,202,676 shall be repaid.

Section 4. The loan shall be repayable over 30 years at an interest rate of 1.0%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$4,630 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$46,300 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 8th day of December, 2011.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

200 FAIR OAKS LANE, 4TH FLOOR

FRANKFORT, KENTUCKY 40601

[www.kentucky.gov](http://www.kentucky.gov)

December 5, 2011

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: DWL-12085  
Carroll Co Water District 1--694  
Activity ID: FGL20120007  
*HUC 11 No. 05090203260 – Ohio River,  
near Ghent*  
Fund F

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Carrollton is entitled to receive priority for funding for the Countywide Underserved Project, and is eligible to receive \$1,850,270 from the Drinking Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on February 3, 2012.
2. Construction bids are expected to be opened on April 12, 2012.
3. Project specific environmental information is expected to be submitted to DOW on February 12, 2012.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the MBE/WBE reviews, conduct a pre-construction and project management conference and approve executed contract documents.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated

project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.

5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Bill Averell, Project Administrator, at (502) 564-8158, extension 4980.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG: ba

Enclosures

C: Bill Osborne, General Manager, Carrollton Utilities  
Charles Robbins, Finance Officer, Carrollton Utilities  
Terry Roach, P. E., Carrollton Utilities

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Sandy Williams	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	December 8, 2011	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number:	<b>F11-15</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>WX21041304</b>	
<b>BORROWER:</b>	<b>CITY OF CARROLLTON</b>			
	<b>CARROLL COUNTY</b>			
<b>BRIEF DESCRIPTION:</b>	<p>This regional solution to Carroll County's source water, water treatment, and distribution needs involves various construction components that that will benefit Carrollton Utilities (CU), the Carroll County Water District #1 (CCWD) and the West Carroll Water District (WCWD) affecting over 5650 customers. The project phases constructed with KIA SRF funds include the following: CU will be replacing aging infrastructure at the water treatment plant as well as making source water and distribution improvements including a lime dewatering system, a new mixed media filtration unit, a SCADA system to control and monitor the system, and a finished water transmission supply line to General Butler State Park. WCWD will be installing 2 new booster pump stations and a parallel line to boost pressure to underserved customers and augment filling of the 100,000 gallon tank. Also included are several small extensions to serve all of the known unserved customers (18) in the district. The project will ensure a more reliable supply of drinking water for all three systems and will reduce hours of plant operation by 30%.</p> <p>Phases of the total project that are outside the scope of the KIA SRF funding but are an integral part of the larger regional project include: CU has purchased and installed a lime slaker and low lift pumps and is in process of obtaining a recarbonation unit. Additionally, CU is working to site, design, and construct a new groundwater projection well and raw water line. CCWD will install two (2) emergency generators. One will be a permanent installation at the Carroll County WTP allowing for operation of the plant during emergencies and the second will be mobile in order to operate booster pump stations during power outages. These projects are fully funded by other funding sources both local and federal.</p>			
<b>PROJECT FINANCING:</b>	<b>PROJECT BUDGET</b>			
Fund F Loan	\$	1,850,270	Administrative Expenses	\$ 26,000
			Engineering Fees	222,070
			Construction	1,456,545
			Contingency	145,655
<b>TOTAL</b>	<b>\$</b>	<b>1,850,270</b>	<b>TOTAL</b>	<b>\$ 1,850,270</b>
<b>REPAYMENT</b>	Rate		Est. Annual	
		1.0%	Payment	\$ 49,509
	Term		1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	Carrollton Utilities		
	Bond Counsel	Peck, Shaffer, & Williams		
<b>PROJECT SCHEDULE</b>	Bid Opening:		September 2012	
	Construction Start:		October 2012	
	Construction Stop:		June 2013	
<b>DEBT PER CUSTOMER</b>	Existing:	\$	3,977	
	Proposed:	\$	4,034	
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>			<u>Users</u>	<u>Avg. Bill</u>
	Current	1,609	\$	22.49 (for 4,000 gallons)
	Additional	18	\$	22.49 (for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	<b>Cash Available for</b>		<b>Income after Debt</b>	
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2008	1,894,829	725,587	1,169,242	2.6
Audited 2009	2,387,384	727,247	1,660,137	3.3
Audited 2010	1,883,885	1,635,468	248,417	1.2
Prelim 2011	1,848,106	679,547	1,168,559	2.7
Projected 2012	1,772,652	643,282	1,129,370	2.8
Projected 2013	1,691,333	644,280	1,047,053	2.6
Projected 2014	1,608,079	664,967	943,112	2.4
Projected 2015	1,511,471	572,136	939,335	2.6
Projected 2016	1,410,032	505,644	904,388	2.8
Projected 2017	1,303,521	506,517	797,004	2.6

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER STATE REVOLVING FUND (FUND "F")  
CITY OF CARROLLTON, CARROLL COUNTY  
PROJECT REVIEW  
WX21041304**

**I. PROJECT DESCRIPTION**

Carrollton Utilities is requesting a Fund F loan in the amount of \$1,850,270 for completion of the unfunded portions of the Countywide Underserved Project. This regional solution to Carroll County's source water, water treatment, and distribution needs involves various construction components that that will benefit Carrollton Utilities (CU), the Carroll County Water District #1 (CCWD) and the West Carroll Water District (WCWD) affecting over 5650 customers. CU, by and through the City of Carrollton, will have the debt associated with this phase of the project which will be constructed in both CU's system and WCWD's system. CU and WCWD have entered into an Interlocal Agreement defining the portion of the debt that will be the financial responsibility of each party. As defined in the agreement, each entity will be responsible for the respective maintenance on their system's construction items.

The Countywide Underserved Project phases constructed with KIA SRF funds include the following: CU will be replacing aging infrastructure at the water treatment plant as well as making source water and distribution improvements including a lime dewatering system, a new mixed media filtration unit, a SCADA system to control and monitor the system, and a finished water transmission supply line to General Butler State Park. WCWD will be installing 2 new booster pump stations and a parallel line to boost pressure to underserved customers and augment filling of the 100,000 gallon tank. Also included are several small extensions to serve all of the known unserved customers (18) in the district. These water main extensions will provide service to:

- Painter's Ridge Road – Approximately 7000 LF of 3" line with 2 new customers and provides a secondary hydraulic loop of the system.
- Miller's Branch Road – Approximately 2500 LF of 3" line with 3 new customers.
- Hardy Creek Road – Approximately 2300 LF of 3" line with 3 new customers.
- R. D. Kendall Road – Approximately 3300 LF of 3" line with 3 new customers.
- Nora (Smith) Lane – Approximately 2500 LF of 3" line with 2 new customers and several undeveloped lots in the subdivision.
- Mound Hill – Approximately 500 LF of 2" line with 1 new customer and relocation of 1 existing service.
- Turkey Run Road – Approximately 10,400 LF of 2" and 3" line serving 4 new customers.

Phases of the total project that are outside the scope of the KIA SRF funding but are an integral part of the larger regional project include: CU has purchased and installed a lime slaker and low lift pumps and is in process of obtaining a recarbonation unit.

Additionally, CU is working to site, design, and construct a new groundwater projection well and raw water line. CCWD will install two (2) emergency generators. One will be a permanent installation at the Carroll County WTP allowing for operation of the plant during emergencies and the second will be mobile in order to operate booster pump stations during power outages. These projects are fully funded by other funding sources both local and federal.

The Countywide Underserved Project will ensure a more reliable supply of drinking water for all three systems and will reduce hours of plant operation by 30%.

The three utilities serve approximately 5,650 customers in Carroll, Gallatin, Trimble and Henry counties. The CCWD and WCWD are subject to PSC jurisdiction. Carrollton Utilities sells between 55 and 65 million gallons of treated water to the WCWD.

## II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 26,000
Engineering Fees	222,070
Construction	1,456,545
Contingency	145,655
<b>Total</b>	<b>\$ 1,850,270</b>

## III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 1,850,270	100%
<b>Total</b>	<b>\$ 1,850,270</b>	<b>100%</b>

## IV. KIA DEBT SERVICE

Construction Loan	\$ 1,850,270
Less: Principal Forgiveness (35%)	\$ 647,595
Amortized Loan Amount	\$ 1,202,676
Interest Rate	1.0%
Loan Term (Years)	30
Estimated Annual Debt Service	\$ 46,502
Administrative Fee (0.25%)	3,007
<b>Total Estimated Annual Debt Service</b>	<b>\$ 49,509</b>

## V. PROJECT SCHEDULE

Bid Opening	September 2012
Construction Start	October 2012
Construction Stop	June 2013

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers – Carrollton Utilities**

Customers	Current	Proposed	Total
Residential	1,341	18	1,359
Commercial	262	0	262
Industrial	6	0	6
<b>Total</b>	<b>1,609</b>	<b>18</b>	<b>1,627</b>

**B) Rates**

The monthly charge for water utility service is:

	In Town		Out of Town		General Butler Extension	
	Current	Prior	Current	Prior	Current	Prior
Date of Last Rate Increase	7/1/2011		7/1/2011		7/1/2011	
Minimum (1,000 gallons)	\$10.93	\$10.72	\$13.83	\$13.43	\$14.80	\$14.40
Next 4,000 Gallons	3.98	3.90	5.03	4.88	6.00	5.85
Next 20,000 Gallons	3.57	3.50	4.53	4.40	5.50	5.37
Next 35,000 Gallons	3.18	3.12	4.02	3.90	4.99	4.87
Next 40,000 Gallons	2.77	2.72	3.50	3.40	4.47	4.37
Over 100,000 Gallons	2.61	2.56	3.29	3.19	4.26	4.16
Cost for 4,000 gallons	\$22.87	\$22.42	\$28.92	\$28.07	\$32.80	\$31.95
Increase %	2.0%		3.0%		2.7%	
Affordability Index (Rate/MHI)	0.8%		1.1%		1.2%	

**VII. DEMOGRAPHICS**

In 2010, the City had a population of 3,874 with a Median Household Income (MHI) of \$32,900. The median household income for the Commonwealth is \$41,197. Based on median household income falling below 80% of that of the Commonwealth, the project will qualify for a 1% interest rate.

**VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve – Initially, this project was not analyzed for components that qualified for Green Project Reserve (GPR) funding. However, the utility will perform an analysis of the trucking cost savings, reduced hours of plant operation and the beneficial re-use of waste lime to determine if portions of the project could be green compliant.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$647,595.

**IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information was obtained from audited financial statements for the years ended June 30, 2008 through 2011. Amounts for 2011 are estimated. The Carrollton Utilities fund includes activities for water, wastewater and gas services. The focus of the discussion below is water and wastewater services.

**HISTORICAL**

Combined water and wastewater revenues decreased 2% from \$2.5 million in 2008 to \$2.45 million in 2011 while combined expenses increased 7.5% from \$1.55 million to \$1.67 million. Cash flow available for debt service was approximately \$1.9 million in 2008, 2010, and 2011 and was approximately \$2.4 million in 2009. Gas operations contributed from 48% to 67% of cash flow in each year (\$1.077 million in 2010).

The debt coverage ratio has ranged from a low of 1.2 to a high of 3.3 for 2008 through 2011. In 2010 the ratio declined to 1.2 due to the early payoff of 2005 revenue bonds amounting to \$1,050,000. Debt to equity has improved from 0.7 in 2008 to 0.4.

**PROJECTED**

- a) Revenues for 2011 reflect water and sewer rate increases of 2% and 3%, respectively, effective July 1, 2010. Revenues are flat thereafter.
- b) Water and sewer expenses will increase by 5% each year.
- c) Gas and contract services will be flat to 2010 reflecting no change in the amount of contributed cash flow from 2010 amounts.
- d) The increase for KIA Fund B Loan B08-06 will be approved.
- e) The utility has requested a 30 year repayment term for the proposed loan.

**REPLACEMENT RESERVE**

The annual replacement cost is \$4,630. This amount should be added to the replacement account each December 1 until the balance reaches \$46,300 and maintained for the life of the loan.

Based on the above assumptions, the utility will meet the required cash flow through the projected years. The debt coverage ratio is projected to range from 2.4 to 2.8 from 2013 through 2017.

**X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
Kentucky Infrastructure Authority (B99-03)	\$ 87,312	Jun-32
Kentucky Infrastructure Authority (A01-03)	1,677,866	Dec-22
Kentucky Infrastructure Authority (A05-01)	3,631,234	Dec-26
Kentucky Infrastructure Authority (B08-06)	722,250	Dec-22
Kentucky League of Cities Funding Trust	648,398	Oct-14
Kentucky League of Cities Funding Trust	190,357	Feb-12
Sewer Revenue Bonds 1998A	109,500	Jan-38
Sewer Revenue Bonds 1998B	62,800	Jan-38
<b>Total</b>	<b>\$ 7,129,717</b>	

**XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS**

<b>Project Title</b>	<b>Funding Source</b>	<b>Amount</b>	<b>Type</b>
Happy Hollow Project	HB380	500,000	Grant
Happy Hollow Project	HB267	250,000	Grant
Eagle Creek Wastewater Project	HB608	400,000	Grant
Eagle Creek Wastewater Project	KIA	750,000	Grant
CARED Project	KIA	3,433,000	Grant

**XII. CONTACTS**

<b>Applicant</b>	
Name	City of Carrollton
Address	P.O. Box 269 Carrollton, KY 41008
County	Carroll
Contact	Chas Robbins
Phone	(502) 732-1216
Email	crobbins@carrolltonutilities.com

<b>Applicant Contact</b>	
Name	City of Carrollton
Address	P.O. Box 269 Carrollton, KY 41008
Contact	Chas Robbins
Phone	(502) 732-1216
Email	crobbins@carrolltonutilities.com

<b>Engineer</b>	
Name	Terry Roach, P.E.
Firm	Carrollton Utilities
Address	225 Sixth Street, P.O. Box 269 Carrollton, KY 41008
Phone	(502) 732-1217
Email	troach@carrolltonutilities.com

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF CARROLLTON  
BALANCE SHEETS (JUNE YEAR END)**

ASSETS	Audited 2008	Audited 2009	Audited 2010	Preliminary 2011	Upon Completion 2012	Upon Completion 2013
<b>Current Assets</b>						
Cash	3,236,719	4,818,303	4,538,959	5,707,518	6,836,888	7,883,941
Accounts Receivable	9,566,999	3,018,880	3,577,441	3,582,100	3,582,100	3,582,100
Other Receivables	152,057	1,210,334	1,986,730	1,986,730	1,986,730	1,986,730
Due from Other Funds	7,034	0	0	0	0	0
Prepaid	4,406	99,454	36,713	35,000	35,000	35,000
<b>Total Current Assets</b>	<b>12,967,215</b>	<b>9,146,971</b>	<b>10,139,843</b>	<b>11,311,348</b>	<b>12,440,718</b>	<b>13,487,771</b>
<b>Restricted Assets</b>						
Cash	921,244	1,127,961	727,703	765,939	796,175	833,291
Construction Grants Receivable	915,305	0	1,609,241	0	0	0
<b>Total Restricted Assets</b>	<b>1,836,549</b>	<b>1,127,961</b>	<b>2,336,944</b>	<b>765,939</b>	<b>796,175</b>	<b>833,291</b>
<b>Utility Plant</b>						
Land, System, Building and Equipment	42,437,176	46,270,686	47,644,389	53,393,539	54,343,539	55,184,259
Construction in Process	3,423,676	155,737	3,389,909	0	0	0
<b>Total</b>	<b>45,860,852</b>	<b>46,426,423</b>	<b>51,034,298</b>	<b>53,393,539</b>	<b>54,343,539</b>	<b>55,184,259</b>
Less Accumulated Depreciation ( )	(16,273,061)	(17,463,318)	(18,967,359)	(20,365,398)	(21,830,037)	(23,374,676)
<b>Net Fixed Assets</b>	<b>29,587,791</b>	<b>28,963,105</b>	<b>32,066,939</b>	<b>33,028,141</b>	<b>32,513,502</b>	<b>31,809,583</b>
<b>Other Assets</b>						
Unamortized Debt Costs, Net	14,394	12,179	9,964	7,749	5,534	3,319
<b>Total Other Assets</b>	<b>14,394</b>	<b>12,179</b>	<b>9,964</b>	<b>7,749</b>	<b>5,534</b>	<b>3,319</b>
<b>Total Assets</b>	<b>44,405,949</b>	<b>39,250,216</b>	<b>44,553,690</b>	<b>45,113,177</b>	<b>45,755,929</b>	<b>46,133,964</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts Payable	9,585,925	4,219,218	4,328,847	4,400,000	4,500,000	4,600,000
Due to Other Funds	45,304	32,959	1,078,391	1,100,000	1,100,000	1,100,000
Accrued Expenses	13,508	59,951	55,882	60,000	60,000	60,000
Capital Lease Obligations	229,981	239,455	249,404	220,091	148,386	154,550
<b>Total Current Liabilities</b>	<b>9,874,718</b>	<b>4,551,583</b>	<b>5,712,524</b>	<b>5,780,091</b>	<b>5,808,386</b>	<b>5,914,550</b>
<b>Liabilities Payable - Restricted Assets</b>						
Construction Accounts Payable	178,560	0	583,865	250,000	150,000	100,000
Construction Retainage Payable	81,657	0	271,968	200,000	150,000	75,000
Accrued Interest Payable	29,450	28,626	10,435	12,000	12,500	12,500
Revenue Bonds Payable	13,000	13,000	3,100	3,200	3,400	3,500
Notes Payable	304,595	309,704	327,650	331,928	336,267	340,669
Customer Deposits	122,546	107,688	108,524	110,000	110,000	110,000
<b>Total Liabilities Payable - Restricted Assets</b>	<b>729,808</b>	<b>459,018</b>	<b>1,305,542</b>	<b>907,128</b>	<b>762,167</b>	<b>641,669</b>
<b>Long Term Liabilities</b>						
Accrued Compensated Absences	11,087	10,195	13,737	15,000	15,000	15,000
Revenue Bonds Payable	1,063,000	1,050,000	169,200	166,000	162,600	159,100
Capital Lease Obligations	1,078,211	838,756	589,351	369,260	220,874	66,324
Notes Payable	5,437,820	5,148,975	5,068,762	4,736,834	4,400,567	4,059,898
Deferred Loss - Early Debt Retirement	(19,567)	(14,107)	(8,646)	(3,186)	0	0
KIA (B08-06)	0	0	0	722,255	900,000	900,000
KIA (F11-15)	0	0	0	0	750,000	1,066,176
<b>Total Long Term Liabilities</b>	<b>7,570,551</b>	<b>7,033,819</b>	<b>5,832,404</b>	<b>6,006,163</b>	<b>6,449,041</b>	<b>6,266,498</b>
<b>Total Liabilities</b>	<b>18,175,077</b>	<b>12,044,420</b>	<b>12,850,470</b>	<b>12,693,382</b>	<b>13,019,594</b>	<b>12,822,717</b>
<b>Retained Earnings:</b>						
Invested in Capital Assets Net of Related Debt	21,234,928	21,389,501	24,822,249	26,754,014	26,941,408	26,850,542
Restricted for Capital Projects	1,182,199	468,698	1,680,304	215,939	246,175	283,291
Restricted for Debt Service	502,354	522,949	537,681	550,000	550,000	550,000
Unrestricted	3,311,391	4,824,648	4,662,986	4,899,842	4,998,752	5,627,414
<b>Total Retained Earnings</b>	<b>26,230,872</b>	<b>27,205,796</b>	<b>31,703,220</b>	<b>32,419,795</b>	<b>32,736,335</b>	<b>33,311,247</b>
<b>Total Liabilities and Equities</b>	<b>44,405,949</b>	<b>39,250,216</b>	<b>44,553,690</b>	<b>45,113,177</b>	<b>45,755,929</b>	<b>46,133,964</b>
<b>Balance Sheet Analysis</b>						
Current Ratio	1.3	2.0	1.8	2.0	2.1	2.3
Debt to Equity	0.7	0.4	0.4	0.4	0.4	0.4
Days Sales in Accounts Receivable	39.9	17.9	27.4	27.4	27.4	27.4

<b>EXHIBIT 1</b>													
<b>CITY OF CARROLLTON</b>													
<b>CASH FLOW ANALYSIS (JUNE YEAR END)</b>													
	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Prelim</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
	<b>2008</b>	<b>Change</b>	<b>2009</b>	<b>Change</b>	<b>2010</b>	<b>Change</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Operating Revenues</b>													
Gas	84,767,180	-30%	59,153,871	-24%	45,179,631	0%	45,179,631	45,179,631	45,179,631	45,179,631	45,179,631	45,179,631	45,179,631
Water	752,304	4%	778,737	16%	899,739	2%	917,734	917,734	917,734	917,734	917,734	917,734	917,734
Sewer	1,745,073	-11%	1,546,454	-4%	1,482,636	3%	1,527,115	1,527,115	1,527,115	1,527,115	1,527,115	1,527,115	1,527,115
Contractual Services	163,460	2%	166,487	5%	174,811	0%	174,811	174,811	174,811	174,811	174,811	174,811	174,811
<b>Total Revenues</b>	<b>87,428,017</b>	<b>-29%</b>	<b>61,645,549</b>	<b>-23%</b>	<b>47,736,817</b>	<b>0%</b>	<b>47,799,291</b>						
<b>Operating Expenses</b>													
Gas	83,885,069	-31%	57,576,666	-23%	44,102,819	0%	44,102,819	44,102,819	44,102,819	44,102,819	44,102,819	44,102,819	44,102,819
Water	609,932	5%	638,740	14%	729,349	5%	765,816	804,107	844,312	886,528	930,854	977,397	1,026,267
Sewer	941,609	-2%	918,634	-6%	860,251	5%	903,264	948,427	995,848	1,045,640	1,097,922	1,152,818	1,210,459
Contractual Services	154,330		150,329		161,050		161,050	161,050	161,050	161,050	161,050	161,050	161,050
Depreciation	1,207,798	3%	1,246,487	7%	1,331,339	5%	1,398,039	1,464,639	1,544,639	1,544,639	1,544,639	1,544,639	1,544,639
Replacement Reserve	38,236		38,236		38,236		38,236	30,236	37,116	37,116	37,116	37,116	37,116
<b>Total Expenses</b>	<b>86,836,974</b>	<b>-30%</b>	<b>60,569,092</b>	<b>-22%</b>	<b>47,223,044</b>	<b>0%</b>	<b>47,369,224</b>	<b>47,511,278</b>	<b>47,685,784</b>	<b>47,777,792</b>	<b>47,874,400</b>	<b>47,975,839</b>	<b>48,082,350</b>
<b>Net Operating Income</b>	<b>591,043</b>	<b>82%</b>	<b>1,076,457</b>	<b>-52%</b>	<b>513,773</b>	<b>-16%</b>	<b>430,067</b>	<b>288,013</b>	<b>113,507</b>	<b>21,499</b>	<b>(75,109)</b>	<b>(176,548)</b>	<b>(283,059)</b>
<b>Non-Operating Income and Expenses</b>													
Interest Income	95,988		64,440		32,613		20,000	20,000	20,000	20,000	20,000	20,000	20,000
West Carroll Water District Payments	0		0		0		0	0	13,187	21,941	21,941	21,941	21,941
Other	0		0		6,160		0	0	0	0	0	0	0
<b>Total Non-Operating Income &amp; Expenses</b>	<b>95,988</b>	<b>-33%</b>	<b>64,440</b>	<b>-40%</b>	<b>38,773</b>	<b>-48%</b>	<b>20,000</b>	<b>20,000</b>	<b>33,187</b>	<b>41,941</b>	<b>41,941</b>	<b>41,941</b>	<b>41,941</b>
<b>Add Non-Cash Expenses</b>													
Depreciation	1,207,798	3%	1,246,487	7%	1,331,339	5%	1,398,039	1,464,639	1,544,639	1,544,639	1,544,639	1,544,639	1,544,639
<b>Cash Available for Debt Service</b>	<b>1,894,829</b>	<b>26%</b>	<b>2,387,384</b>	<b>-21%</b>	<b>1,883,885</b>	<b>-2%</b>	<b>1,848,106</b>	<b>1,772,652</b>	<b>1,691,333</b>	<b>1,608,079</b>	<b>1,511,471</b>	<b>1,410,032</b>	<b>1,303,521</b>
<b>Debt Service</b> (enter as positive #'s)													
Existing Principal	533,286		548,661		1,453,588		580,154	555,219	488,053	498,719	415,155	353,451	358,230
Existing Interest	192,301		178,586		181,880		99,393	86,563	76,066	66,333	57,066	52,278	48,372
KIA (B08-06, \$750,000)	0		0		0		0	1,500	41,755	41,755	41,755	41,755	41,755
Proposed KIA Loan	0		0		0		0	0	29,754	49,509	49,509	49,509	49,509
Pending B08-06 (\$150,000 Increase)							0	0	8,651	8,651	8,651	8,651	8,651
<b>Total Debt Service</b>	<b>725,587</b>		<b>727,247</b>		<b>1,635,468</b>		<b>679,547</b>	<b>643,282</b>	<b>644,280</b>	<b>664,967</b>	<b>572,136</b>	<b>505,644</b>	<b>506,517</b>
<b>Income After Debt Service</b>	<b>1,169,242</b>		<b>1,660,137</b>		<b>248,417</b>		<b>1,168,559</b>	<b>1,129,370</b>	<b>1,047,053</b>	<b>943,112</b>	<b>939,335</b>	<b>904,388</b>	<b>797,004</b>
<b>Debt Coverage Ratio</b>	<b>2.6</b>		<b>3.3</b>		<b>1.2</b>		<b>2.7</b>	<b>2.8</b>	<b>2.6</b>	<b>2.4</b>	<b>2.6</b>	<b>2.8</b>	<b>2.6</b>

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**I.B.6.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F11-16) OF \$1,316,378 TO THE BOWLING GREEN MUNICIPAL UTILITIES, WARREN COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Drinking Water Revolving Loan Program (Fund F) with the Bowling Green Municipal Utilities, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund F loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$1,316,378 of project expense including capitalized interest for the construction period, to the Bowling Green Municipal Utilities for the Small Waterline Replacement project. Such amounts are subject to adjustment by

further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$3,300 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$33,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 8th day of December 2011.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

December 5, 2011

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: DWL#12012 Fund F  
Bowling Green Municipal Utilities--4100  
Activity ID: FGL20110011  
Watershed Name: Barren River Lake  
Watershed Code (HUC11): 05110002190

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Bowling Green Municipal Utilities is entitled to receive priority for funding for the BGMU small waterline replacement. and is eligible to receive \$1,316,378 from the Drinking Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on February 2, 2012.
2. Construction bids are expected to be opened on April 20, 2012.
3. Project specific environmental information is expected to be submitted to DOW on April 1, 2012.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the DBE reviews, conduct a pre-construction and project management conference.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.

4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Buddy Griffin, Project Administrator, at (502) 564-8158, extension 4971.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG:bg

Enclosures

C: Michael R. Gardner, P.E., BGMU  
Rodney Sullivan, BGMU

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Sandy Williams	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	December 8, 2011	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number:	<b>F11-16</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>WX21127073</b>	
<b>BORROWER:</b>	<b>CITY OF BOWLING GREEN FBO BOWLING GREEN MUNICIPAL UTILITIES</b>			
	<b>WARREN COUNTY COUNTY</b>			
<b>BRIEF DESCRIPTION:</b>	<p>This project involves replacement of approximately 10,344 linear feet of small diameter water lines that have greatly reduced inner diameters and are susceptible to breaks and water loss with eight inch PVC lines. This will reduce water loss and the chemicals and power cost that would have been required to treat the additional water.</p>			
<b>PROJECT FINANCING:</b>		<b>PROJECT BUDGET</b>		
Fund F Loan	\$ 1,316,378	Construction	1,253,693	
		Contingency	62,685	
<b>TOTAL</b>	<b>\$ 1,316,378</b>	<b>TOTAL</b>	<b>\$ 1,316,378</b>	
<b>REPAYMENT</b>			Est. Annual	
	Rate	2.0%	Payment	\$ 83,473
	Term	20 years	1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	BGMU		
	Bond Counsel	Peck, Shaffer, & Williams		
<b>PROJECT SCHEDULE</b>				
	Bid Opening:	April 20, 2012		
	Construction Start:	May 15, 2012		
	Construction Stop:	October 1, 2012		
<b>DEBT PER CUSTOMER</b>	Existing:	\$ 869		
	Proposed:	\$ 1,895		
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>	
	Current	19,622	\$ 15.17	(for 4,000 gallons)
	Additional	0	\$ 15.17	(for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	<b>Cash Available for</b>	<b>Income after Debt</b>		
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2008	3,299,385	1,861,736	1,437,649	1.8
Audited 2009	1,920,307	2,224,715	(304,408)	0.9
Audited 2010	3,131,921	2,209,637	922,284	1.4
Audited 2011	4,937,009	2,207,616	2,729,393	2.2
Projected 2012	5,740,203	3,737,871	2,002,331	1.5
Projected 2013	7,551,532	5,332,529	2,219,003	1.4
Projected 2014	7,718,232	4,782,322	2,935,910	1.6
Projected 2015	7,881,632	4,686,643	3,194,989	1.7
Projected 2016	7,393,291	4,688,301	2,704,990	1.6
Projected 2017	6,871,884	4,773,508	2,098,376	1.4

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND "F")  
 BOWLING GREEN MUNICIPAL UTILITIES, WARREN COUNTY  
 PROJECT REVIEW  
 WX21227073**

**I. PROJECT DESCRIPTION**

The City of Bowling Green for the benefit of Bowling Green Municipal Utilities (BGMU) is requesting a \$1,316,378 Fund F loan for the Small Waterline Replacement project. This project involves replacement of approximately 10,344 linear feet of small diameter water lines that have greatly reduced inner diameters and are susceptible to breaks and water loss with eight inch PVC lines. This will reduce water loss and the chemicals and power cost that would have been required to treat the additional water.

Water rates for sales to the Warren County Water District (WCWD) are regulated by the Public Service Commission.

**II. PROJECT BUDGET**

	Total
Construction	1,253,693
Contingency	62,685
<b>Total</b>	<b>\$ 1,316,378</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 1,316,378	100%
<b>Total</b>	<b>\$1,316,378</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 1,316,378
Interest Rate	2.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 80,182
Administrative Fee (0.25%)	\$ 3,291
<b>Total Estimated Annual Debt Service</b>	<b>\$ 83,473</b>

**V. PROJECT SCHEDULE**

Bid Opening	April 20, 2012
Construction Start	May 15, 2012
Construction Stop	October 1, 2012

**VI. RATE STRUCTURE**

**A) Customers**

The city currently provides water service to 18,196 customers. No additional customers are anticipated as a result of the project.

**B) Water Rates**

Date of Last Rate Increase	Inside City Rates			
	7/1/2009	7/1/2010	7/1/2011	7/1/2012
Base Rate	2.89	2.99	3.09	3.20
First 2,000 cubic feet (per 100 cf)	1.85	2.05	2.26	2.54
Next 23,000 cubic feet (per 100 cf)	1.72	1.91	2.10	2.36
Next 25,000 cubic feet (per 100 cf)	1.11	1.33	1.58	2.03
Over 50,000 cubic feet (per 100 cf)	0.93	1.19	1.58	2.03
Residential Bill for 4,000 gallons	\$12.78	\$13.95	\$15.17	\$16.78
Percent Increase		9.1%	8.8%	10.6%
Affordability Index	0.44%	0.49%	0.53%	0.58%

Date of Last Rate Increase	Outside City Rates			
	7/1/2009	7/1/2010	7/1/2011	7/1/2012
Base Rate	4.05	4.19	4.33	4.48
First 2,000 cubic feet (per 100 cf)	2.59	2.87	3.16	3.56
Next 23,000 cubic feet (per 100 cf)	2.41	2.67	2.94	3.30
Next 25,000 cubic feet (per 100 cf)	1.55	1.86	2.21	2.84
Over 50,000 cubic feet (per 100 cf)	1.30	1.67	2.21	2.84
Residential Bill for 4,000 gallons	\$17.90	\$19.54	\$21.23	\$23.52
Percent Increase		9.1%	8.7%	10.8%
Affordability Index	0.62%	0.68%	0.74%	0.82%

**VII. DEMOGRAPHICS**

In 2010, the City’s population was 58,067 with a Median Household Income (MHI) of \$34,471. The median household income for the Commonwealth is \$41,197. The loan will qualify for a 2% interest rate based on the MHI.

## **VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for \$912,037. The breakdown of the GPR to the respective "green" categories is listed below:
  - a. Green Infrastructure - \$0
  - b. Water Efficiency - \$912,037
  - c. Energy Efficiency - \$0
  - d. Environmentally Innovative - \$0
  
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for the Bowling Green Municipal Utilities (BGMU) was obtained from the audited financial statements of BGMU for the years ended June 30, 2008 through 2011.

### **HISTORICAL**

Revenues increased 32% from \$12,439,351 in 2008 to \$16,456,869 in 2011. Rate increases accounted for substantially all of the revenue growth in 2010 and 2011 as customer growth for the period from 2008 through 2011 has only been about 1.6%. Rates had not changed since 1992. Sales to the WCWD were approximately 15% of total revenues in 2011. Water rates for sales to the WCWD are regulated by the Public Service Commission.

Operating expenses increased 20% from \$9,625,710 to \$11,583,742 during the same period. Significant increases in 2009 were due to changing system condition such as main-line breaks due to freezing temperatures and pump repairs and to increases in salary costs from inflation and merit increases.

The debt coverage ratio has remained above 1.4 in all years except 2009 when it fell to 0.9. The utility has adequate capacity to manage the additional debt. Unrestricted cash balances represent approximately three months of operating expenses. Additionally, the utility maintains restricted cash balances for debt sinking funds, depreciation and maintenance and replacement reserves.

### **PROJECTED**

Projections are based on the following assumptions:

- a) Revenue includes rate increases based on the following chart. These rate increases have been approved by the city council and will take effect on the dates listed below.

7/1/2011      7/1/2012

Sewer Rate Increases	0.5%	3.3%
Water Rate Increases	8.8%	10.6%
Combined Average	4.6%	7%

- b) Revenue from customer growth will increase from .5% to 1.0% per year for years 2012 through 2017.
- c) Expenses will increase 5% per year.
- d) A replacement reserve of \$3,300 annually will be required for this project.

Based on the above assumptions, the utility will meet the required cash flow through the projected years. The debt coverage ratio is projected to range from 1.4 to 1.7 from 2013 through 2017.

**REPLACEMENT RESERVE**

Based on the information provided in the application the annual replacement cost is \$3,300. This amount should be added to the replacement account each December 1 until the balance reaches \$33,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
KIA Loan A90-05	\$ 935,331	2013
KIA Loan A90-07	460,849	2013
KIA Loan A06-08	4,424,286	2029
KIA Loan A08-03 (\$54,235,960)	34,184,971	2032
KIA Loan F00-01	2,025,478	2022
KIA Loan F02-08	3,442,933	2028
KIA Loan A2 09-21	63,340	2030
Revenue Bonds	7,500,000	2032
<b>Total</b>	<b>\$53,037,188</b>	

**XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS**

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Pascoe Pump Station & Force Main	HB 608	\$450,000	Grant
Lift Station #3 & #4 Upgrades	HB 608	\$200,000	Grant
Bowling Green Water Improvement	HB 608	\$650,000	Grant
WTP Improvement/Emergency Power	HB 380	\$1,600,000	Grant
Alternative Water Study	HB 608	\$150,000	Grant

**XII. CONTACTS**

<b>Applicant</b>	
Name	City of Bowling Green fbo Bowling Green Municipal Utilities
Address	1001 College Street Bowling Green, Kentucky 42101
County	Warren County
Contact	Joe Denning
Phone	(270) 782-1048
Email	Joe.Denning@bgky.org

<b>Applicant Contact</b>	
Name	BGMU
Address	801 Center Street, P.O. Box 10300 Bowling Green, Kentucky 42102
Contact	Michael Gardner, P.E.
Phone	(270) 782-4388
Email	mgardner@bgmu.com

<b>Engineer</b>	
Name	Michael Gardner, P.E.
Firm	BGMU
Address	801 Center Street, P.O. Box 10300 Bowling Green, Kentucky 42102
Phone	(270) 782-4388
Email	mgardner@bgmu.com

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF BOWLING GREEN FBO BOWLING GREEN MUNICIPAL UTILITIES  
BALANCE SHEETS (JUNE YEAR END)**

<b>ASSETS</b>	<b>Audited 2008</b>	<b>Audited 2009</b>	<b>Audited 2010</b>	<b>Audited 2011</b>	<b>Projected 2012</b>	<b>Upon Completion 2013</b>
<b>Current Assets</b>						
Cash and Cash Equivalents	2,585,791	1,822,261	2,532,576	2,540,924	3,250,000	3,250,000
Receivables	891,301	1,318,204	905,099	741,605	811,000	920,000
Inventories	162,954	180,067	164,218	170,797	170,800	165,000
Prepaid Expenses	434,014	436,261	135,669	133,412	133,400	135,000
<b>Total Current Assets</b>	<b>4,074,060</b>	<b>3,756,793</b>	<b>3,737,562</b>	<b>3,586,738</b>	<b>4,365,200</b>	<b>4,470,000</b>
<b>Restricted Assets</b>						
Investments and Restricted Funds	3,381,561	3,432,202	2,068,709	2,528,895	2,847,795	3,166,695
<b>Total Restricted Assets</b>	<b>3,381,561</b>	<b>3,432,202</b>	<b>2,068,709</b>	<b>2,528,895</b>	<b>2,847,795</b>	<b>3,166,695</b>
<b>Utility Plant</b>						
Utility Systems	126,836,797	128,588,967	132,539,113	134,473,487	171,880,697	173,197,075
Construction in Progress	1,492,348	5,908,871	15,203,221	39,644,135	2,500,000	2,500,000
<b>Total</b>	<b>128,329,145</b>	<b>134,497,838</b>	<b>147,742,334</b>	<b>174,117,622</b>	<b>174,380,697</b>	<b>175,697,075</b>
Less Accumulated Depreciation ( )	(48,494,995)	(51,374,922)	(54,666,561)	(58,038,274)	(62,036,654)	(66,831,754)
<b>Net Fixed Assets</b>	<b>79,834,150</b>	<b>83,122,916</b>	<b>93,075,773</b>	<b>116,079,348</b>	<b>112,344,043</b>	<b>108,865,321</b>
<b>Other Assets</b>						
Due from Related Party	5,600,000	5,825,000	6,050,000	6,050,000	6,050,000	6,050,000
Deferred Assets	88,667	57,642	45,860	36,294	26,728	17,162
Deferred Debt Issuance Costs	178,017	166,725	155,433	144,142	132,851	121,560
<b>Total Other Assets</b>	<b>5,866,684</b>	<b>6,049,367</b>	<b>6,251,293</b>	<b>6,230,436</b>	<b>6,209,579</b>	<b>6,188,722</b>
<b>Total Assets</b>	<b>93,156,455</b>	<b>96,361,278</b>	<b>105,133,337</b>	<b>128,425,417</b>	<b>125,766,617</b>	<b>122,690,738</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Current Maturities of Long Term Debt	1,426,723	1,491,477	1,539,274	1,595,905	4,126,598	3,611,889
Accounts Payable	917,844	1,861,450	3,003,875	3,803,052	2,000,000	2,000,000
Accrued Liabilities	299,348	315,235	338,699	334,686	350,000	365,000
Other Liabilities	87,556	99,634	125,126	133,205	125,000	125,000
<b>Total Current Liabilities</b>	<b>2,731,471</b>	<b>3,767,796</b>	<b>5,006,974</b>	<b>5,866,848</b>	<b>6,601,598</b>	<b>6,101,889</b>
<b>Long Term Liabilities</b>						
Long Term Debt & Capital Leases, Less Current P	21,471,788	23,732,822	31,217,948	51,475,869	67,400,260	63,788,371
Accrued Compensated Absenses	113,186	106,568	116,818	126,083	125,000	130,000
<b>Total Long Term Liabilities</b>	<b>21,584,974</b>	<b>23,839,390</b>	<b>31,334,766</b>	<b>51,601,952</b>	<b>67,525,260</b>	<b>63,918,371</b>
<b>Total Liabilities</b>	<b>24,316,445</b>	<b>27,607,186</b>	<b>36,341,740</b>	<b>57,468,800</b>	<b>74,126,858</b>	<b>70,020,260</b>
<b>Retained Earnings:</b>						
Invested in Capital Assets, Net	56,982,637	57,941,705	60,357,728	63,042,524	40,817,185	41,465,061
Restricted for Capital Activity & Debt Service	3,381,561	3,432,202	2,068,709	2,528,895	2,847,795	3,166,695
Unrestricted	8,475,812	7,380,185	6,365,160	5,385,198	7,974,779	8,038,722
<b>Total Retained Earnings</b>	<b>68,840,010</b>	<b>68,754,092</b>	<b>68,791,597</b>	<b>70,956,617</b>	<b>51,639,759</b>	<b>52,670,478</b>
<b>Total Liabilities and Equities</b>	<b>93,156,455</b>	<b>96,361,278</b>	<b>105,133,337</b>	<b>128,425,417</b>	<b>125,766,617</b>	<b>122,690,738</b>
<b>Balance Sheet Analysis</b>						
Current Ratio	1.5	1.0	0.7	0.6	0.7	0.7
Debt to Equity	0.4	0.4	0.5	0.8	1.4	1.3
Days Sales in Accounts Receivable	26.2	40.2	24.0	16.4	16.5	16.5

EXHIBIT 1

CITY OF BOWLING GREEN FBO BOWLING GREEN MUNICIPAL UTILITIES  
CASH FLOW ANALYSIS (JUNE YEAR END)

	Audited 2008	% Change	Audited 2009	% Change	Audited 2010	% Change	Audited 2011	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Operating Revenues</b>													
Metered and Unmetered Sales	11,784,845	-4%	11,337,251	15%	13,078,521	20%	15,738,867	17,259,500	19,648,900	20,446,400	21,272,200	21,484,922	21,699,771
Surcharges	80,537	-13%	69,686	46%	102,051	-17%	84,711	84,700	84,700	84,700	84,700	85,547	86,402
Miscellaneous Service Revenue	172,215	-8%	158,170	5%	166,550	-4%	160,490	160,500	160,500	160,500	160,500	160,500	160,500
Penalties	103,331	6%	109,974	12%	122,899	25%	153,931	168,800	192,200	200,000	208,100	210,200	212,300
Other Revenue	298,423	-3%	290,217	7%	309,610	3%	318,870	318,900	318,900	318,900	318,900	318,900	318,900
<b>Total Revenues</b>	<b>12,439,351</b>	<b>-4%</b>	<b>11,965,298</b>	<b>15%</b>	<b>13,779,631</b>	<b>19%</b>	<b>16,456,869</b>	<b>17,992,400</b>	<b>20,405,200</b>	<b>21,210,500</b>	<b>22,044,400</b>	<b>22,260,069</b>	<b>22,477,873</b>
<b>Operating Expenses</b>													
Operating Expenses	9,625,710	7%	10,334,135	6%	10,931,051	6%	11,583,742	12,162,929	12,771,100	13,409,700	14,080,200	14,784,210	15,523,421
Depreciation	2,955,907	7%	3,170,010	2%	3,223,580	5%	3,383,936	3,998,380	4,795,100	4,817,100	4,817,100	4,817,100	4,817,100
Replacement Reserve	10,000		35,000		35,000		35,000	170,500	163,800	163,800	163,800	163,800	163,800
<b>Total Expenses</b>	<b>12,591,617</b>	<b>8%</b>	<b>13,539,145</b>	<b>5%</b>	<b>14,189,631</b>	<b>6%</b>	<b>15,002,678</b>	<b>16,331,809</b>	<b>17,730,000</b>	<b>18,390,600</b>	<b>19,061,100</b>	<b>19,765,110</b>	<b>20,504,321</b>
<b>Net Operating Income</b>	<b>(152,266)</b>	<b>934%</b>	<b>(1,573,847)</b>	<b>-74%</b>	<b>(410,000)</b>	<b>-455%</b>	<b>1,454,191</b>	<b>1,660,591</b>	<b>2,675,200</b>	<b>2,819,900</b>	<b>2,983,300</b>	<b>2,494,959</b>	<b>1,973,552</b>
<b>Non-Operating Income and Expenses</b>													
Investment Income	495,744		324,144		305,956		81,232	81,232	81,232	81,232	81,232	81,232	81,232
Other	0		0		12,385		17,650	0	0	0	0	0	0
<b>Total Non-Operating Income &amp; Expenses</b>	<b>495,744</b>	<b>-35%</b>	<b>324,144</b>	<b>-2%</b>	<b>318,341</b>	<b>-69%</b>	<b>98,882</b>	<b>81,232</b>	<b>81,232</b>	<b>81,232</b>	<b>81,232</b>	<b>81,232</b>	<b>81,232</b>
<b>Add Non-Cash Expenses</b>													
Depreciation	2,955,907	7%	3,170,010	2%	3,223,580	5%	3,383,936	3,998,380	4,795,100	4,817,100	4,817,100	4,817,100	4,817,100
<b>Cash Available for Debt Service</b>	<b>3,299,385</b>	<b>-42%</b>	<b>1,920,307</b>	<b>63%</b>	<b>3,131,921</b>	<b>58%</b>	<b>4,937,009</b>	<b>5,740,203</b>	<b>7,551,532</b>	<b>7,718,232</b>	<b>7,881,632</b>	<b>7,393,291</b>	<b>6,871,884</b>
<b>Debt Service</b> (enter as positive #'s)													
Existing Debt - Principal	1,096,961		1,444,919		1,491,038		1,540,206	1,595,905	1,651,741	1,112,222	1,050,107	1,084,481	1,200,000
Existing Debt - Interest	764,775		779,796		718,599		667,410	588,349	531,817	479,392	445,828	413,112	382,800
KIA A08-03 (including increases)	0		0					1,553,617	3,107,235	3,107,235	3,107,235	3,107,235	3,107,235
Proposed Loan									41,737	83,473	83,473	83,473	83,473
<b>Total Debt Service</b>	<b>1,861,736</b>		<b>2,224,715</b>		<b>2,209,637</b>		<b>2,207,616</b>	<b>3,737,871</b>	<b>5,332,529</b>	<b>4,782,322</b>	<b>4,686,643</b>	<b>4,688,301</b>	<b>4,773,508</b>
<b>Income After Debt Service</b>	<b>1,437,649</b>		<b>(304,408)</b>		<b>922,284</b>		<b>2,729,393</b>	<b>2,002,331</b>	<b>2,219,003</b>	<b>2,935,910</b>	<b>3,194,989</b>	<b>2,704,990</b>	<b>2,098,376</b>
<b>Debt Coverage Ratio</b>	<b>1.8</b>		<b>0.9</b>		<b>1.4</b>		<b>2.2</b>	<b>1.5</b>	<b>1.4</b>	<b>1.6</b>	<b>1.7</b>	<b>1.6</b>	<b>1.4</b>

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**I.B.7.**



**A RESOLUTION OF THE KENTUCKY INFRASTRUCTURE AUTHORITY  
AUTHORIZING AND APPROVING THE ISSUANCE OF OBLIGATIONS OF  
THE KENTUCKY INFRASTRUCTURE AUTHORITY TO REIMBURSE  
CAPITAL EXPENDITURES MADE BY GOVERNMENTAL AGENCIES  
PURSUANT TO LOANS MADE BY THE KENTUCKY INFRASTRUCTURE  
AUTHORITY TO SUCH GOVERNMENTAL AGENCIES**

**WHEREAS**, the Board of Directors of the Kentucky Infrastructure Authority (the "Authority") has heretofore approved the undertaking of the projects described in further detail in Exhibit A (collectively, the "Project"); and

**WHEREAS**, the Authority anticipates making loans to governmental agencies pursuant to the provisions of Chapter 224A of the Kentucky Revised Statutes (the "Act") for the Project and the governmental agencies may be expected to pay and/or incur costs with respect to the Project ("Prior Capital Expenditures") on or after the date of this resolution and prior to the issuance of the obligations (the "Obligations") which will finance the Project.

**NOW, THEREFORE BE IT RESOLVED** by the Board of Directors of the Kentucky Infrastructure Authority as follows:

**Section 1.** The Board of Directors hereby approves the use of the Obligations to finance the costs of the Project in the maximum principal amount set forth in Exhibit A plus costs of issuance related thereto and amounts required to fund a debt service reserve, if any, and declares its intent that any Prior Capital Expenditures made by the governmental agencies pursuant to loans made by the Authority will be made in anticipation of the issuance of such Obligations to reimburse said Prior Capital Expenditures. This declaration is made pursuant to Treas. Reg. §1.150-2.

**Section 2.** The Executive Director and Treasurer of the Authority are hereby authorized and directed to reimburse, not later than eighteen months after the later of (i) the date of the expenditure or (ii) the date the item was placed in service, but in any event not later than three years after the original expenditure, only those Prior Capital Expenditures made with respect to assets having a reasonably expected economic life of at least one year, and in addition, eligible preliminary expenditures paid and incurred prior to commencement of the Project.

**Section 3.** The Authority finds and determines that, consistent with the Authority's budgetary and financial circumstances, it does not have funds currently available and does not expect to have funds available in the future that may be allocated on a long-term basis, other than the proceeds of the Obligations, to finance the Prior Capital Expenditures.

**Section 4.** The Authority hereby directs the Executive Director, Secretary, and Treasurer to take the following action at the time the Prior Capital Expenditures are reimbursed from proceeds of the Obligations: (i) evidence the reimbursement on the books and records maintained with respect to the Obligations, and (ii) identify either the actual prior expenditure to be reimbursed or, in the case of reimbursement of a fund or account, the fund or account from which the expenditure was paid.

**Section 5.** The books, records and proceedings of the Authority with respect to this resolution shall be made reasonably available by the Authority for its inspection by the general public at the Authority's administrative office every business day during normal business hours commencing no later than 30 days after the passage of this resolution. Said books, record and proceedings of the Authority with respect to this resolution will continue to be reasonably available to the general public until the date of issuance of the Obligations.

**Section 6.** This Resolution shall be in full force and effect from and after its adoption.

Passed and adopted this 8th of December, 2011.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

**EXHIBIT A**

<b><u>APPLICANT</u></b>	<b><u>FUND</u></b>	<b><u>AMOUNT</u></b>
City of Harrodsburg	A	\$ 418,500
City of Carrollton	B	\$ 900,000
City of Harrodsburg	F	\$ 438,000
City of Carrollton	F	\$ 1,850,270
Bowling Green Municipal Utilities	F	\$ 1,316,378
City of Hopkinsville f/b/o Hopkinsville Water Environment Authority (<10% Increase)	F	\$ 8,800,000



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## **AGENCY BUDGET REQUEST OVERVIEW REPORT**

### **Operating Budget Summary – 12-14**

The Kentucky Infrastructure Authority's (KIA) proposed operating budget requests, for personnel and contracted services costs are \$3.2 million in each of the budgeted years. Operating expenses other than personnel and contracted services are budgeted at \$291,100 for each year. Grants, Loans, Benefits total \$29.3 million for each year for disbursement of federal grant funds for KIA's federally assisted water and wastewater grants. (These Environmental Protection Agency (EPA) and state matching funds provide low interest loans to communities for the purpose of building or improving water and wastewater infrastructure.) Additional debt service is requested in the amount of \$23.3 million. Of this amount, \$655,000 is for bonds which will be issued to match the federal (EPA) grants, approximately \$10 million is for bonds which will be issued in the amount of \$100 million for the Fund B Infrastructure Revolving Fund to provide loans/grants to governmental agencies and/or investor owned, private utilities for the purpose of infrastructure financing. KIA is also requesting authorization to issue leverage bonds backed by repayments to Fund A and Fund F in order to increase funds available to loan in those programs. Requirements for municipal storm water management and recent enforcement actions by state and federal environmental regulators and subsequent consent decrees mandating correction of combined and sanitary sewer overflows have greatly increased funding needs to comply with the Clean Water Act. In addition, further funding is necessary to continue to expand the provision of community drinking water to the approximately nine percent of the state population that remains unserved and to allow for continued progress toward the goal of universal water service by the year 2020, and to allow systems with adequate capacity to remain in compliance with increasingly stringent federal requirements for drinking water. Analysis by an independent financial consulting firm indicates that the requested bond issuance authority is well within the bonding capacity of both Fund A and Fund F. Of the remaining \$12.7 million with the debt service coming from repayment of existing and/or future loans, bonds would be sold in the first year of the biennium, however, debt service would not be expected until the second year.

The sources of funds used to provide for operations includes approximately \$10.7 million from general fund for debt service on new bond issues, \$12.6 million from agency receipt of principal and interest repayments from loans in the federally assisted water and wastewater programs for debt service on leverage bonds, approximately \$2 million from agency receipts, which are available from servicing fees on loans outstanding, administrative fees on grants that have not started drawing funds and related investment income with the balance of the request coming from general funds. General fund appropriations are used for items that provide benefit to the Commonwealth as a whole, as opposed to services provided in relation to our loan programs. We are requesting an increase of \$140,000 in general fund appropriation in each year in order to increase the contracts that the Authority enters into with the fifteen Area Development Districts (ADDs). The ADDs are instrumental in assisting the Authority with upkeep of the Water Resource Information System used to facilitate in the infrastructure planning and project prioritization process for water and sewer in the Commonwealth.

### **Capital Budget Summary**

The capital budget includes authorization to issue bonds in the amount of \$7.5 million to match \$37.6 million in the federally (EPA) assisted wastewater program (Fund A) and \$5.3 million to match \$26.8 million in the federally (EPA) assisted drinking water program (Fund F). Authorization is also requested to issue Agency bonds in the amount of \$100 million for wastewater and \$25 million for drinking water. Low interest loans are made to governmental entities for purposes as set out in the intended use plan of the grant agreements. No additional general funds support is required for the debt service on Agency bonds. Additionally, we propose a bond issue of \$100 million from the Fund B Infrastructure Revolving Fund program to provide loans and limited grants to governmental agencies and or investor owned, private utilities in furtherance of implementation of SB409 (2000 General Assembly) for water and sewer development. Eligible activities include, but are not limited to, the provision of water service to households in Kentucky which do not have access to safe drinking water, the subsequent treatment of wastewater, encourage merger and consolidation of systems, and encourage the increased financial, managerial, and technical capacity of systems to provide service. The Commonwealth appropriates an amount equal to each fund's debt service to make its bond payments.



**FUNDS A, A2, B, B1, B2, C, F, F2**



**KENTUCKY INFRASTRUCTURE AUTHORITY  
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND ---- (FUND A)**

**AVAILABLE FUNDS FFY 1989:**

FEDERAL TITLE VI GRANT FUNDS	\$33,237,382
UNUSED TITLE II GRANT FUNDS	\$5,873,998
BOND PROCEEDS (20%)	\$7,822,276
ADMINISTRATION (4%)	(\$1,564,455)
NET 89 SRF FUNDS	<u>\$45,369,201</u>

**AVAILABLE FUNDS FFY 1990:**

FEDERAL TITLE VI GRANT FUNDS	\$17,798,449
BOND PROCEEDS (20%)	\$3,559,690
ADMINISTRATION (4%)	(\$711,938)
NET 90 SRF FUNDS	<u>\$20,646,201</u>

**AVAILABLE FUNDS FFY 1991:**

FEDERAL TITLE VI GRANT FUNDS	\$31,258,282
BOND PROCEEDS (20%)	\$6,251,656
ADMINISTRATION (4%)	(\$1,250,331)
NET 91 SRF FUNDS	<u>\$36,259,607</u>

**AVAILABLE FUNDS FFY 1992:**

FEDERAL TITLE VI GRANT FUNDS	\$25,429,111
BOND PROCEEDS (20%)	\$5,085,822
ADMINISTRATION (4%)	(\$1,017,164)
NET 92 SRF FUNDS	<u>\$29,497,769</u>

**AVAILABLE FUNDS FFY 1993:**

FEDERAL TITLE VI GRANT FUNDS	\$24,462,603
BOND PROCEEDS (20%)	\$4,892,521
ADMINISTRATION (4%)	(\$978,504)
NET 93 SRF FUNDS	<u>\$28,376,620</u>

**AVAILABLE FUNDS FFY 1994:**

FEDERAL TITLE VI GRANT FUNDS	\$15,178,779
BOND PROCEEDS (20%)	\$3,035,756
ADMINISTRATION (4%)	(\$607,151)
NET 94 SRF FUNDS	<u>\$17,607,384</u>

**AVAILABLE FUNDS FFY 1995:**

FEDERAL TITLE VI GRANT FUNDS	\$15,676,353
BOND PROCEEDS (20%)	\$3,135,271
ADMINISTRATION (4%)	(\$627,054)
NET 95 SRF FUNDS	<u>\$18,184,570</u>

**AVAILABLE FUNDS FFY 1996:**

FEDERAL TITLE VI GRANT FUNDS	\$25,678,432
BOND PROCEEDS (20%)	\$5,135,686
ADMINISTRATION (4%)	(\$1,027,137)
NET 96 SRF FUNDS	<u>\$29,786,981</u>

**ADDITIONAL FUNDS FFY 1997:**

FEDERAL TITLE VI GRANT FUNDS	\$7,912,200
BOND PROCEEDS (20%)	\$1,582,440
ADMINISTRATION (4%)	(\$316,488)
NET ADD'L 97 SRF FUNDS	<u>\$9,178,152</u>

**AVAILABLE FUNDS FFY 1998:**

FEDERAL TITLE VI GRANT FUNDS	\$17,138,187
BOND PROCEEDS (20%)	\$3,427,637
ADMINISTRATION (4%)	(\$685,527)
NET 98 SRF FUNDS	<u>\$19,880,297</u>

**AVAILABLE FUNDS FFY 1999:**

FEDERAL TITLE VI GRANT FUNDS	\$17,139,573
BOND PROCEEDS (20%)	\$3,427,914
ADMINISTRATION (4%)	(\$685,582)
NET 98 SRF FUNDS	<u>\$19,881,905</u>

**AVAILABLE FUNDS FFY 2000:**

FEDERAL TITLE VI GRANT FUNDS	\$17,081,460
BOND PROCEEDS (20%)	\$3,416,292
ADMINISTRATION (4%)	(\$683,258)
NET 00 SRF FUNDS	<u>\$19,814,494</u>

**AVAILABLE FUNDS FFY 2001:**

FEDERAL TITLE VI GRANT FUNDS	\$16,929,594
BOND PROCEEDS (20%)	\$3,385,919
ADMINISTRATION (4%)	(\$677,184)
NET 01 SRF FUNDS	<u>\$19,638,329</u>

**AVAILABLE FUNDS FFY 2002:**

FEDERAL TITLE VI GRANT FUNDS	\$16,967,313
BOND PROCEEDS (20%)	\$3,393,463
ADMINISTRATION (4%)	(\$678,692)
NET 02 SRF FUNDS	<u>\$19,682,084</u>

**AVAILABLE FUNDS FFY2003:**

FEDERAL TITLE VI GRANT FUNDS	\$16,857,027
BOND PROCEEDS (20%)	\$3,371,405
ADMINISTRATION (4%)	(\$674,281)
NET 03 SRF FUNDS	<u>\$19,554,151</u>

**AVAILABLE FUNDS FFY2004:**

FEDERAL TITLE VI GRANT FUNDS	\$16,867,224
BOND PROCEEDS (20%)	\$3,373,445
ADMINISTRATION (4%)	(\$674,688)
NET 04 SRF FUNDS	<u>\$19,565,981</u>

**AVAILABLE FUNDS FFY2005:**

FEDERAL TITLE VI GRANT FUNDS	\$13,714,668
BOND PROCEEDS (20%)	\$2,742,934
ADMINISTRATION (4%)	(\$548,586)
NET 05 SRF FUNDS	<u>\$15,909,016</u>

**AVAILABLE FUNDS FFY2006:**

FEDERAL TITLE VI GRANT FUNDS	\$11,145,123
BOND PROCEEDS (20%)	\$2,229,025
ADMINISTRATION (4%)	(\$445,804)
NET 06 SRF FUNDS	<u>\$12,928,344</u>

**AVAILABLE FUNDS FFY2007:**

FEDERAL TITLE VI GRANT FUNDS	\$13,621,905
BOND PROCEEDS (20%)	\$2,724,381
ADMINISTRATION (4%)	(\$544,876)
NET 07 SRF FUNDS	<u>\$15,801,410</u>

**AVAILABLE FUNDS FFY2008:**

FEDERAL TITLE VI GRANT FUNDS	\$8,648,100
BOND PROCEEDS (20%)	\$1,729,620
ADMINISTRATION (4%)	(\$345,924)
NET 08 SRF FUNDS	<u>\$10,031,796</u>

**AVAILABLE FUNDS FFY2009:**

FEDERAL TITLE VI GRANT FUNDS	\$8,648,100
BOND PROCEEDS (20%)	\$1,729,620
ADMINISTRATION (4%)	(\$345,924)
NET 09 SRF FUNDS	<u>\$10,031,796</u>

**AVAILABLE FUNDS FFY2010:**

FEDERAL TITLE VI GRANT FUNDS	\$25,932,000
BOND PROCEEDS (20%)	\$5,186,400
ADMINISTRATION (4%)	(\$1,037,280)
NET 09 SRF FUNDS	<u>\$30,081,120</u>

**AVAILABLE FUNDS FFY2011:**

FEDERAL TITLE VI GRANT FUNDS	\$18,794,000
BOND PROCEEDS (20%)	\$3,758,800
ADMINISTRATION (4%)	(\$751,760)
NET 09 SRF FUNDS	<u>\$21,801,040</u>

**NET FY 1989-2011 SRF FUNDS** **\$489,508,248**

**CURRENT REVOLVING/SURPLUS FUND BALANCE** **\$274,364,611**

**2010 A - Leverage - Balance** **\$0**  
**Balance Available for Loan** **\$14,518,949**

	TOTAL PROJECT AMOUNT	KIA LOAN AMOUNT		DATE APPROVED	
<b>PROJECTS APPROVED IN SFY 1989:</b>					
1	PIKEVILLE, CITY OF (1)	\$3,047,285	\$3,199,217 (c)	05-03-89	(AMD. 11-19-90 & 9-16-91)
2	MANCHESTER, CITY OF	\$4,451,803	\$2,209,119 (c)	5-03-89	
3	JENKINS, CITY OF	\$2,724,307	\$1,654,780 (c)	5-03-89	
	<b>TOTALS</b>	<b>\$10,223,395</b>	<b>\$7,063,116</b>		
<b>PROJECTS APPROVED IN SFY 1990:</b>					
4	MT. WASHINGTON, CITY OF	\$1,957,322	\$908,187 (c)	8-07-89	
5	MAYFIELD, CITY OF	\$4,067,194	\$3,425,343 (c)	8-07-89	(AMD. 8-16-90)
6	DANVILLE, CITY OF	\$634,900	\$418,055 (c)	8-07-89; 70/7/04	Assumed from Perryville
7	JACKSON, CITY OF (1)	\$3,241,350	\$1,606,068 (c)	9-27-89	(AMD. 11-12-92)
8	SOUTH SHORE, CITY OF	\$2,982,085	\$2,031,315 (c)	12-13-89	(AMD. 6-20-91)
	<b>TOTALS</b>	<b>\$12,882,851</b>	<b>\$8,388,968</b>		
<b>PROJECTS APPROVED IN SFY 1991:</b>					
9	LEWISBURG, CITY OF	\$751,974	\$667,388 (c)	8-16-90	
10	PROVIDENCE, CITY OF (1)	\$3,803,625	\$2,828,680 (c)	8-16-90	
11	PROVIDENCE, CITY OF (2)	\$820,069	\$820,069 (c)	8-16-90	
12	CAMPTON, CITY OF	\$669,615	\$367,641 (c)	8-16-90	(AMD. 11-19-90)
13	BOWLING GREEN, CITY OF (1)	\$9,459,163	\$6,570,011 (c)	11-19-90	
14	BOWLING GREEN, CITY OF (2)	\$2,616,756	\$2,616,756 (c)	11-19-90	
15	ELIZABETHTOWN, CITY OF	\$9,851,000	\$9,226,158 (c)	1-31-91	
16	PINEVILLE, CITY OF (1)	\$3,169,900	\$2,293,544 (c)	3-28-91	(AMD. 11-12-92 & 12-1-93)
17	BUTLER, CITY OF	\$373,850	\$187,950 (c)	3-28-91	
18	LONDON, CITY OF	\$7,148,495	\$6,305,753 (c)	6-20-91	
	<b>TOTALS</b>	<b>\$38,664,447</b>	<b>\$31,883,950</b>		
<b>PROJECTS APPROVED IN SFY 1992:</b>					
19	BOYD COUNTY FISCAL COURT	\$3,789,000	\$2,237,342 (c)	7-24-91	
20	WILLIAMSBURG, CITY OF	\$1,024,110	\$931,344 (c)	9-16-91	
21	GREENUP, CITY OF	\$453,800	\$442,739 (c)	9-16-91	(AMD. 1-23-93)
22	GEORGETOWN, CITY OF	\$6,009,300	\$6,119,705 (c)	9-16-91	
23	STANFORD, CITY OF	\$1,177,312	\$685,289 (c)	9-16-91	
24	HICKMAN, CITY OF	\$2,641,171	\$1,779,494 (c)	9-18-91	(AMD. 11-12-92)
25	BRANDENBURG, CITY OF	\$2,091,294	\$1,802,290 (c)	11-01-91	(AMD. 5-13-92)
26	MIDDLESBORO, CITY OF	\$832,085	\$175,785 (c)	11-01-91	
27	CAMPBELL/KENTON S.D. (MELBOURNE)	\$1,196,365	\$773,156 (c)	11-01-91	(AMD. 9-10-92)
28	MURRAY, CITY OF	\$5,121,690	\$5,161,272 (c)	11-01-91	
29	CUMBERLAND, CITY OF	\$1,366,700	\$680,417 (c)	12-04-91	
30	WHEELWRIGHT, CITY OF	\$971,000	\$361,675 (c)	12-04-91	
31	EMINENCE, CITY OF	\$4,071,300	\$1,328,600 (c)	2-25-92	(REAP. 2-16-94)
32	PADUCAH-MCCRACKEN JOINT SEWER AGENCY	\$1,889,950	\$1,495,501 (c)	5-13-92	(ASSUMED FROM REIDLAND)
33	FLEMINGSBURG, CITY OF	\$1,128,194	\$1,142,183 (c)	5-13-92	
34	WEBSTER COUNTY FISCAL COURT	\$3,211,937	\$2,378,237 (c)	5-13-92	(REAP. 9-27-94)
	<b>TOTALS</b>	<b>\$36,975,208</b>	<b>\$27,495,029</b>		
<b>PROJECTS APPROVED IN SFY 1993:</b>					
35	FRANKLIN, CITY OF (1)	\$497,979	\$497,979 (c)	9-10-92	AMD.
36	CORINTH, CITY OF	\$1,089,866	\$200,766 (c)	11-12-92	
37	PLEASUREVILLE, CITY OF	\$2,976,200	\$785,200 (c)	11-12-92	(AMD. 3-31-95)
38	HOPKINSVILLE, CITY OF (1)	\$9,845,968	\$9,693,741 (c)	12-17-92	(AMD. 9-1-94)
39	MARTIN, CITY OF	\$2,295,847	\$579,212 (c)	12-17-92	
40	OLIVE HILL, CITY OF	\$3,245,120	\$2,426,003 (c)	01-29-93	(AMD 10/6/05)
41	NICHOLASVILLE PUBLIC UTILITIES	\$16,340,413	\$15,740,449 (c)	05-05-93	(REAP. 3-31-95)(AMD.12-18-98)
	<b>TOTALS</b>	<b>\$36,291,393</b>	<b>\$29,923,350</b>		
<b>PROJECTS APPROVED IN SFY 1994:</b>					
42	PINEVILLE, CITY OF (2)	\$940,000	\$418,542 (c)	07-07-93	(REAP. 3-31-95)
43	IRVINE, CITY OF	\$2,883,563	\$1,658,248 (c)	08-31-93	(REAP. 3-31-95 & AMD. 8-29-96)
44	BENHAM, CITY OF	\$1,916,066	\$853,191 (c)	08-31-93	(REAP. 3-31-95)
45	PRINCETON, CITY OF (Part 1)	\$3,722,362	\$2,365,520 (c)	12-01-93	(REAP. 5-30-95)
46	PRINCETON, CITY OF (Part 2)	\$1,045,618	\$597,712 (c)	12-01-93	(REAP. 5-30-95)
47	HOPKINSVILLE, CITY OF	\$885,720	\$646,748 (c)	02-16-94; 4-7-11	(REAP. 8-30-95) Assumed from Crofton
48	LEDBETTER SANITATION DISTRICT #1	\$4,767,980	\$3,624,359 (c)	05-11-94	(AMD.5-30-95)(AMD.7-13-98)
49	HAZARD, CITY OF	\$7,746,540	\$6,511,067 (c)	05-11-94	
50	SHELBY COUNTY SANITATION DISTRICT #1	\$2,100,000	\$1,402,737 (c)	05-11-94	(Assumed from Shelby Co SD #1)
51	LAGRANGE, CITY OF	\$898,515	\$832,777 (c)	06-29-94	(AMD. 7-17-95)
52	MADISONVILLE, CITY OF	\$15,713,000	\$15,552,994 (c)	06-29-94	
53	DAWSON SPRINGS, CITY OF	\$846,480	\$816,170 (c)	06-29-94	
54	CATLETTSBURG, CITY OF	\$5,678,656	\$3,200,000 (s)	06-29-94	(REAP. 12-5-95)(AMD.12-4-96)
	<b>TOTALS</b>	<b>\$49,144,500</b>	<b>\$38,480,065</b>		

TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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**PROJECTS APPROVED IN SFY 1995:**

55	HOPKINSVILLE, CITY OF	\$401,000	\$240,264 (c)	08-30-94; 4-7-11	Assumed from Pembroke
56	MT. STERLING, CITY OF	\$1,110,540	\$1,055,969 (c)	08-30-94	
57	WEST LIBERTY, CITY OF	\$737,972	\$329,764 (c)	08-30-94	(AMD. 2-26-96)
58	MT. VERNON, CITY OF	\$998,650	\$652,162 (c)	08-30-94	(REAP. 2-26-96) (REAP.3-6-97)
59	WORTHINGTON, CITY OF	\$790,000	\$388,332 (c)	08-30-94	
60	SOMERSET, CITY OF	\$2,759,200	\$2,631,067 (c)	08-30-94	
61	PERRY COUNTY S.D. #1	\$845,790	\$601,673 (c)	08-30-94	(AMD. 6/1/97)
62	BOYD COUNTY (PHASE II)	\$6,990,000	\$6,270,000 (s)	09-27-94	(AMD. 2-2-95)(AMD 12-10-99)
63	FRANKLIN, CITY OF (2)	\$2,600,080	\$2,572,240 (c)	09-27-94	
64	BRODHEAD, CITY OF	\$899,411	\$502,650 (c)	11-29-94	
65	NEWPORT, CITY OF	\$1,759,645	\$1,596,327 (c)	11-29-94	(AMD. 8-29-96)
66	PIKEVILLE, CITY OF (2)	\$3,466,413	\$2,134,015 (c)	11-29-94	(AMD. 8-30-95) (AMD.6-19-97)(ASSUMED FROM REIDLAND)
67	PADUCAH-MCCRACKEN JOINT SEWER AGENCY	\$3,798,069	\$3,516,117 (c)	11-29-94	
68	HOPKINSVILLE, CITY OF (2)	\$3,715,533	\$3,191,098 (c)	02-02-95	
69	JENKINS, CITY OF (2)	\$719,755	\$719,755 (c)	02-02-95	
70	RUSSELL, CITY OF	\$244,730	\$71,666 (c)	02-02-95	
71	LEBANON, CITY OF	\$6,491,336	\$5,805,838 (c)	03-31-95	
72	REGIONAL WATER RESOURCE AGENCY (O'BORO)	\$11,885,276	\$7,160,493 (c)	03-31-95	
73	MOREHEAD, CITY OF (RCSD)	\$3,347,424	\$3,130,152 (c)	03-31-95	(Assumed from RCSD)
74	GREENUP CO. ENVIRONMENTAL COMMISSION	\$3,798,920	\$3,370,168 (c)	5-30-95	(AMD. 3/16/99)
75	BOYD / GREENUP SANITATION DISTRICT #1	\$391,116	\$371,573 (c)	5-30-95	
76	PIKEVILLE, CITY OF	\$1,953,260	\$462,584 (c)	5-30-95; 3/2/06	Assumed from Mtn WD
<b>TOTALS</b>		<b>\$59,704,120</b>	<b>\$46,773,907</b>		

**PROJECTS APPROVED IN SFY 1996:**

NONE	\$0	\$0
<b>TOTALS</b>	<b>\$0</b>	<b>\$0</b>

**PROJECTS APPROVED IN SFY 1997:**

77	HARLAN, CITY OF	\$6,053,575	\$2,546,299 (c)	7-18-96	(REAP. 4-27-98)
78	HAWESVILLE, CITY OF	\$871,000	\$435,000 (c)	7-18-96	
79	EMINENCE, CITY OF	\$1,381,339	\$945,408 (c)	7-18-96	
80	SCOTTSVILLE, CITY OF	\$4,608,815	\$3,959,472 (c)	7-18-96	
81	ELKHORN CITY, CITY OF	\$926,726	\$926,726 (c)	7-18-96	(AMD 4-1-98)
82	GRAYSON, CITY OF	\$3,635,970	\$3,424,567 (s)	7-18-96	(AMD. 9-1-98)
83	MOREHEAD, CITY OF	\$2,357,176	\$781,381 (c)	7-18-96	
84	JACKSON, CITY OF	\$719,287	\$681,983 (c)	8-29-96	
85	LAWRENCE, COUNTY OF	\$1,566,000	\$868,219 (c)	3-6-97	(AMD 11/1/01)
86	GREENUP CO. ENVIRONMENTAL COMMISSION	\$2,368,793	\$2,331,195 (c)	3-6-97	
87	HARDIN CO WATER DISTRICT 1	\$4,846,450	\$4,809,652 (c)	6-19-97; 3/6/08	Assumed from Radcliff
88	WARREN COUNTY WATER DISTRICT (1)	\$1,082,400	\$980,781 (c)	6-19-97	
<b>TOTALS</b>		<b>\$30,417,531</b>	<b>\$22,690,683</b>		

**PROJECTS APPROVED IN SFY 1998:**

89	CRESTWOOD, CITY OF	\$351,516	\$351,516 (c)	8-14-97; 3/2/06	(A1) Assump. fell through
90	PARIS, CITY OF	\$723,734	\$402,667 (c)	11-10-97	(A1)
91	LEWISPORT, CITY OF	\$2,279,000	\$1,074,308 (c)	11-10-97	
92	MAYSVILLE, CITY OF	\$12,538,828	\$11,722,252 (c)	2-26-98	
93	WARREN COUNTY WATER DISTRICT (2)	\$265,000	\$253,057 (c)	2-26-98	
94	PRESTONSBURG, CITY OF	\$4,392,500	\$919,183 (s)	2-26-98	
95	CRESTWOOD, CITY OF	\$10,358,404	\$6,146,750 (+)	4-27-98; 3/2/06	Assump. fell through
<b>TOTALS</b>		<b>\$30,908,982</b>	<b>\$20,869,733</b>		

**PROJECTS APPROVED IN SFY 1999:**

96	PARIS, CITY OF	\$7,528,385	\$5,943,287 (c)	9-1-98	
97	MIDWAY, CITY OF	\$282,250	\$141,125 (c)	10-13-98	(A1)
98	MAYFIELD, CITY OF	\$1,401,962	\$1,160,472 (c)	10-13-98	
99	WURLAND, CITY OF	\$125,900	\$103,950 (c)	12-18-98	(A1)
100	DANVILLE, CITY OF	\$7,712,132	\$7,615,106 (c)	12-18-98	(AMD 01/8/04)
101	LEWIS COUNTY SANITATION DIST NO. 1	\$2,924,800	\$620,001 (c)	04-27-99	AMD 10/7/99
<b>TOTALS</b>		<b>\$19,975,429</b>	<b>\$15,583,941</b>		

**PROJECTS APPROVED IN SFY 2000:**

102	MOREHEAD, CITY OF	\$1,100,372	\$279,000 (c)	09-01-99	
103	HOPKINSVILLE, CITY OF	\$889,478	\$834,891 (c)	09-01-99	AMD 6/8/00
104	RWRA-OWENSBORO	\$26,264,248	\$25,963,257 (c)	12/10/99	AMD 6/2/05
105	SOUTH SHORE, CITY OF	\$502,790	\$188,849 (c)	12/10/99	
106	MOREHEAD, CITY OF	\$592,695	\$257,300 (c)	4/4/00	
107	MIDWAY, CITY OF	\$4,337,596	\$702,589 (c)	6/6/2000	
<b>TOTALS</b>		<b>\$33,687,179</b>	<b>\$28,225,886</b>		

TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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**PROJECTS APPROVED IN SFY 2001:**

108	PIKEVILLE, CITY OF	\$1,205,484	\$1,116,574	(c)	07/18/2000; 5/16/01 9/6/01; 3/2/06	Assumed from Mtn WD
109	WURLAND, CITY OF	\$1,717,540	\$1,561,400	(c)	07/18/00	AMD 9/29/00
110	LEITCHFIELD, CITY OF	\$6,146,196	\$5,355,560	(c)	8/29/00	
111	CLOVERPORT, CITY OF	\$57,500	\$57,500	(c)	11/22/00	(A1)
112	WHITE PLAINS, CITY OF	\$2,250,400	\$669,700	(c)	12/21/00	
113	MANCHESTER, CITY OF	\$5,060,376	\$1,053,589	(c)	1/25/01	
114	ARLINGTON, CITY OF	\$677,333	\$167,567	(c)	6/7/01	
<b>TOTALS</b>		<b>\$17,114,829</b>	<b>\$9,981,890</b>			

**PROJECTS APPROVED IN SFY2002:**

115	CARROLLTON, CITY OF	\$6,997,101	\$2,518,301	(c)	8/9/01	AMD 9/6/01
116	MT. STERLING WAT & SEW COMMISSION	\$13,908,185	\$11,936,783	(c)	2/7/02	
117	SHEPHERDSVILLE, CITY OF	\$9,976,728	\$7,581,466	(c)	2/7/02	
118	MARION, CITY OF	\$312,715	\$312,715	(c)	3/7/02	(A1) AMD 1/9/03
119	GREENVILLE, CITY OF	\$2,242,571	\$2,223,347	(c)	3/7/02	
120	LEBANON JUNCTION, CITY OF	\$2,898,419	\$1,813,385	(c)	4/4/02	AMD 7/1/05
121	HARRODSBURG, CITY OF	\$4,418,916	\$3,314,760	(c)	5/2/02	
122	WURLAND, CITY OF	\$1,782,900	\$1,782,872	(c)	6/6/02	
<b>TOTALS</b>		<b>\$42,537,535</b>	<b>\$31,483,629</b>			

**PROJECTS APPROVED IN SFY 2003**

123	SALYERSVILLE, CITY OF	\$7,662,832	\$2,035,486	(c)	8/15/02	AMD 9/19/03
124	LONDON, CITY OF	\$15,262,069	\$9,864,503	(c)	10/3/02	
125	Paducah McCracken Joint Sewer Agency	\$1,497,900	\$1,382,413	(c)	2/6/03	
126	Boyd & Greenup Co Sanitation Dist #1	\$849,503	\$694,844	(c)	5/1/03	
<b>TOTALS</b>		<b>\$25,272,304</b>	<b>\$13,977,246</b>			

**PROJECTS APPROVED IN SFY 2004**

127	HOPKINSVILLE, CITY OF	\$4,979,920	\$4,682,517	(c)	8/7/03	
128	MOUNTAIN WATER DISTRICT	\$729,158	\$184,695	(c)	9/4/03	
129	BENTON, CITY OF	\$1,823,194	\$293,902	(c)	12/4/03; 10/7/04	
130	PADUCAH-MCCRACKEN JSA	\$1,401,000	\$1,229,425	(c)	12/4/03	
131	MARION, CITY OF	\$1,775,704	\$515,296	(c)	3/4/04	
132	MOREHEAD, CITY OF	\$11,233,204	\$7,189,123	(c)	3/4/04; AMD 11/05	
133	PADUCAH-MCCRACKEN JSA	\$1,040,275	\$908,403	(c)	3/4/04	
134	JESSAMINE-SOUTH ELKHORN WAT DIST	\$298,200	\$196,861	(c)	4/1/04	(A1)
135	BEREA, CITY OF	\$9,011,045	\$5,000,000	(c)	4/1/04; 1/6/05	
136	HOPKINSVILLE WATER ENV AUTH	\$2,469,924	\$2,469,924	(c)	05/06/04; 3/2/06	
137	SOUTHERN WAT & SEW DIST	\$3,750,000	\$68,037	(c)	05/06/04	
<b>TOTALS</b>		<b>\$38,511,624</b>	<b>\$22,738,183</b>			

**PROJECTS APPROVED IN SFY 2005**

138	LAWRENCEBURG, CITY OF	\$8,319,703	\$7,889,974	(c)	7/1/04	
139	LORETTO, CITY OF	\$5,563,468	\$2,245,865	(c)	7/1/04; 9/14/05	
140	SANITATION DISTRICT #1	\$39,028,077	\$32,401,491	(c)	8/5/04; 10/1/06	
141	HODGENVILLE, CITY OF	\$2,639,104	\$968,539	(c)	10/7/04	
142	CARROLLTON, CITY OF	\$10,870,148	\$4,288,600	(c)	5/5/05	
143	WINCHESTER MUNICIPAL UTILITIES	\$23,212,000	\$21,000,000	(c)	6/23/05	
<b>TOTALS</b>		<b>\$89,632,500</b>	<b>\$68,794,469</b>			

**PROJECTS APPROVED IN SFY 2006**

144	ALEXANDRIA, CITY OF	\$2,535,785	\$426,220	(c)	7/7/05	
145	PAINTSVILLE, CITY OF	\$954,415	\$429,715	(c)	10/6/05	
146	CYNTHIANA, CITY OF	\$10,902,650	\$5,671,622	(c)	12/1/05	
147	WESTERN MASON SD	\$4,644,000	\$802,000	(c)	12/1/05	
148	LEDBETTER WATER DISTRICT	\$3,326,078	\$2,326,078	(c)	3/2/06	
149	RICHMOND, CITY OF	\$2,152,200	\$2,152,200	(c)	6/1/06	
<b>TOTALS</b>		<b>\$24,515,128</b>	<b>\$11,807,835</b>			

TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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**PROJECTS APPROVED IN SFY 2007**

150 REGIONAL WAT RES AGENCY	\$9,405,000	\$7,196,879 (c)	7/13/06
151 N MADISON CO SD	\$1,925,000	\$307,952 (c)	8/3/06
152 BOYD CO SANITATION DIST #2	\$1,918,000	\$666,811 (c)	10/5/06
153 N MADISON CO SD	\$12,736,123	\$8,104,622 (c)	10/5/06; 12/7/06
154 OHIO CO REG WASTEWATER DIST	\$15,940,000	\$6,607,612	11/2/06
155 CITY OF NICHOLASVILLE	\$12,459,352	\$12,053,913 (c)	12/7/06; 4/1/09
156 CITY OF BOWLING GREEN	\$5,155,190	\$5,130,100 (c)	12/7/06
157 CITY OF BEAVER DAM	\$1,311,900	\$597,921 (c)	6/21/07
158 CITY OF FALMOUTH	\$5,619,316	\$2,812,236 (c)	6/21/07

<b>TOTAL</b>	<b>\$66,469,881</b>	<b>\$43,478,046</b>	
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**PROJECTS APPROVED IN SFY 2008**

159 CITY OF BARLOW	\$169,500	\$168,954 (c)	9/6/07 (A1)
160 CITY OF WHITESBURG	\$7,474,000	\$1,040,900	9/6/07
161 CITY OF OWENSBORO	\$24,531,634	\$22,900,578	10/4/07
162 CITY OF ALEXANDRIA	\$316,441	\$186,073 (c)	11/1/07
163 CITY OF MURRAY	\$1,469,778	\$1,227,741 (c)	11/1/07
164 CITY OF RICHMOND	\$57,843,022	\$54,690,822	11/1/07
165 REGIONAL WATER RESOURCE AGENCY	\$1,709,375	\$1,425,488 (c)	11/1/07
166 Paducah McCracken JSA	\$4,146,560	\$1,600,000	2/7/08
167 Bowling Green, City of	\$54,235,960	\$54,235,960	4/3/08; 11/12/09; 8/4/11
168 Sanitation District #1	\$83,147,554	\$70,000,000	4/3/08; 6/4/09
169 Elizabethtown, City of	\$21,192,000	\$21,192,000	4/3/08
170 Nicholasville, City of	\$9,554,625	\$7,494,225	4/3/08
171 Somerset, City of	\$14,897,000	\$8,477,690	4/3/08
172 Williamstown, City of	\$18,748,000	\$17,848,000	6/2/08

<b>TOTAL</b>	<b>\$299,435,449</b>	<b>\$262,488,430</b>	
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**PROJECTS APPROVED IN SFY 2009**

173 Hopkinsville, City of	\$4,916,100		9/4/08; withdrawn 5/11/10
174 Lexington-Fayette Urban County Govt	\$18,354,000	\$17,208,000	1/8/09
175 Paducah McCracken JSA	\$14,323,800	\$10,000,000	4/9/09
176 Mt Washington, City of	\$15,000,000	\$9,500,000	5/7/09; 9/1/10
177 Sanitation District #1	\$5,802,300	\$4,920,300	6/4/09; 6/30/11
178 Sanitation District #1	\$7,062,000	\$5,459,988 (c)	6/4/09
179 Sanitation District #1	\$20,108,000	\$15,230,000	6/4/09
180 Sanitation District #1	\$6,968,000	\$5,768,000	6/4/09
181 Sanitation District #1	\$3,287,000	\$2,470,000	6/4/09
182 Sanitation District #1	\$12,065,000	\$9,900,000	6/4/09

<b>TOTAL</b>	<b>\$107,886,200</b>	<b>\$80,456,288</b>	
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**PROJECTS APPROVED IN SFY 2010**

183 Kentucky Horse Park	\$1,950,000	\$1,000,000	8/6/09
184 Maysville, City of	\$11,000,000	\$11,000,000	9/3/09
185 Prestonsburg, City of	\$272,000	\$272,000	10/1/09; 2/4/10
186 Prestonsburg, City of	\$786,000	\$786,000	10/1/09; 2/4/10
187 Louisville & Jefferson Co. Metro. Sewer Dist.	\$4,847,095	\$0	10/1/09 withdrawn 10/12/10
188 Hopkinsville, City of	\$7,500,000	\$7,500,000	11/12/09
189 Hardinsburg, City of	\$550,000	\$550,000	11/12/09
190 Princeton, City of	\$2,475,000	\$1,149,256	12/3/09; 2/4/10
191 Ashland, City of	\$7,720,231	\$7,709,331	1/7/10; 2/3/11
192 Winchester, City of	\$37,000,000	\$36,600,000	2/4/10
193 Prestonsburg, City of	\$4,530,405	\$1,860,405	2/4/10
194 Oldham Co Env Auth - SX21185017	\$2,400,000	\$2,400,000	5/6/10; 7/7/11
195 Oldham Co Env Auth - SX21185029	\$1,000,000	\$1,000,000	5/6/10
196 Oldham Co Env Auth - SX21185024	\$1,930,000	\$1,930,000	5/6/10
197 Lexington Fayette Urban County Government	\$10,500,000	\$10,500,000	6/3/10; 10/14/10
198 Lexington Fayette Urban County Government	\$7,028,375	\$3,928,375	6/3/10; 10/14/10

<b>Total</b>	<b>\$101,489,106</b>	<b>\$88,185,367</b>	
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TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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**PROJECTS APPROVED IN SFY 2011**

199	Oldham Env Auth - SX21185028	\$500,000	\$250,000	7/1/10
200	Sanitation District #1 SX21117126	\$19,935,700	\$17,146,500	7/1/10
202	Bardstown, City of SX21179019	\$1,980,000	\$1,980,000	12/9/10; 6/10/11
203	LaCenter, City of SX21007015	\$895,000	\$895,000	12/9/10
204	Livermore, City of SX21049008	\$2,105,000	\$1,105,000	12/9/10
205	Morehead, City of SX21205034	\$3,000,000	\$3,000,000	12/9/10
206	Regional Water Resource Agency	\$4,005,000	\$4,005,000	12/9/10
207	Campton, City of	\$3,217,200	\$1,400,000	2/3/11
208	Hardinsburg, City of	\$400,000	\$400,000	2/3/11
209	Louisa, City of	\$2,058,580	\$1,400,000	2/3/11
210	Flemingsburg, City of	\$8,906,000	\$8,906,000	3/3/11
211	Louisville-Jefferson Co MSD	\$3,400,000	\$3,400,000	3/3/11
212	Vanceburg, City of	\$3,400,000	\$2,000,000	3/3/11
213	Williamsburg, City of	\$1,035,517	\$1,035,517	3/3/11
214	Hopkinsville, City of	\$500,000	\$500,000	4/7/11
215	Hopkinsville, City of	\$26,641,000	\$26,641,000	4/7/11
216	Hopkinsville, City of	\$7,300,000	\$7,100,000	4/7/11
217	Pineville, City of	\$500,000	\$500,000	5/5/11
218	Sanitation District #1	\$17,225,660	\$14,188,155	5/5/11
219	Sanitation District #1	\$19,000,000	\$15,187,500	5/5/11
220	Sanitation District #1	\$9,572,000	\$7,778,000	5/5/11
221	West Liberty, City of	\$3,937,950	\$3,937,950	5/5/11

<b>Total</b>	<b>\$139,514,607</b>	<b>\$122,755,622</b>
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**PROJECTS APPROVED IN SFY 2012**

223	Oldham Co Env Authority	\$400,000	\$400,000	7/7/11
224	Southern Water & Sewer	\$2,505,944	\$850,000	8/4/11
225	Hodgenville, City of	\$1,635,000	\$1,635,000	11/10/11
226	Burkesville, City of	\$1,000,000	\$1,000,000	11/10/11
227	Bloomfield, City of	\$4,370,635	\$2,195,635	11/10/11
228	<i>Harrodsburg, City of</i>	<i>\$418,500</i>	<i>\$418,500</i>	<i>12/8/11</i>

<b>Total</b>	<b>\$10,330,079</b>	<b>\$6,499,135</b>
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<b>GRAND TOTALS - COMMITMENTS</b>	<b>\$1,321,584,277</b>	<b>\$1,040,024,769</b>
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*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(A1) - Planning and Design Loan

(+)-Const Amt; AA amnt represents Const + Plan & Design

**KENTUCKY INFRASTRUCTURE AUTHORITY  
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND ---- (FUND A2)  
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**AVAILABLE FUNDS FFY 2009:**

FEDERAL ARRA GRANT FUNDS	\$49,878,100
ADMINISTRATION (4%)	<u>(\$1,995,124)</u>
NET ARRA FUNDS	<u><u>\$47,882,976</u></u>

	TOTAL PROJECT AMOUNT	KIA AMOUNT	FIRST USE FUNDS	DATE APPROVED
<b>PROJECTS APPROVED IN SFY 2009:</b>				
1 Sanitation District #1	\$395,000	\$395,000 (c)	\$395,000	6/4/09
2 Sanitation District #1	\$1,755,545	\$1,371,545	\$1,371,545	6/4/09; 1/7/10; 1/25/10
3 Sanitation District #1	\$1,578,539	\$1,578,539	\$1,578,539	6/4/09
4 Sanitation District #1	\$834,241	\$834,241	\$834,241	6/4/09
5 Lexington Fayette Urban Co Govt	\$2,620,000	\$2,620,000 (c)	\$2,620,000	6/25/09
6 Lexington Fayette Urban Co Govt	\$537,000	\$237,000 (c)	\$237,000	6/25/09
7 Louisa, City of	\$1,150,000	\$1,139,716 (c)	\$1,139,716	6/25/09
8 Pineville, City of	\$2,193,000	\$2,193,000	\$2,193,000	6/25/09; 1/7/10
9 Shepherdsville, City of	\$8,500,000	\$3,000,000	\$3,000,000	6/25/09
<b>TOTALS</b>	<u><b>\$19,563,325</b></u>	<u><b>\$13,369,041</b></u>	<u><b>\$13,369,041</b></u>	
<b>PROJECTS APPROVED IN SFY 2010:</b>				
10 Calvert City, City of	\$1,083,128	\$1,046,065	\$1,046,065	7/9/09; 1/7/10
11 Princeton, City of	\$2,475,000	\$1,103,744	\$1,103,744	7/9/09; 2/4/10
12 Northern Madison Co Sanitation District	\$510,000	\$510,000 (c)	\$510,000	8/6/09
13 Kentucky Horse Park	\$1,950,000	\$950,000	\$950,000	8/6/09
14 Sanitation District #4 of Boyd County	\$475,000	\$400,000 (c)	\$400,000	8/6/09
15 Ashland, City of	\$250,252	\$246,646 (c)	\$246,646	8/20/09; 1/25/10
16 Covington, City of	\$1,200,000	\$1,197,390 (c)	\$1,197,390	8/20/09
17 Bowling Green, City of	\$134,996	\$134,996 (c)	\$134,996	8/20/09
18 Frankfort, City of	\$962,035	\$800,000 (c)	\$800,000	8/20/09
19 Wilder, City of	\$215,889	\$114,302 (c)	\$114,302	9/3/09; 1/25/10
20 Richmond, City of	\$125,000	\$125,000 (c)	\$125,000	9/3/09
21 Maysville, City of	\$2,000,000	\$500,000 (c)	\$500,000	9/3/09
22 Prestonsburg, City of	\$4,530,405	\$2,670,000	\$2,670,000	10/1/09
23 Kentucky Department of Parks	\$500,000	\$500,000	\$500,000	10/1/09
24 Kentucky Department of Parks	\$358,008	\$355,867 (c)	\$355,867	10/1/09; 1/25/10
25 Kentucky Department of Parks	\$1,457,402	\$1,366,291	\$1,366,291	10/1/09; 1/25/10
26 Morehead, City of	\$801,203	\$801,203 (c)	\$801,203	10/1/09
27 Morehead, City of	\$1,293,013	\$1,293,013	\$1,293,013	10/1/09
28 Winchester, City of	\$693,000	\$600,000 (c)	\$600,000	10/1/09
29 Russellville, City of	\$952,300	\$799,967 (c)	\$799,967	10/1/09
30 Kuttawa, City of	\$530,000	\$300,000 (c)	\$300,000	10/1/09
31 Paintsville, City of	\$1,400,000	\$1,150,000	\$1,150,000	10/1/09
32 Louisville & Jefferson Co. Metro. Sewer Dist.	\$17,500,000	\$5,000,000	\$5,000,000	10/1/09
33 Falmouth, City of	\$611,898	\$611,898 (c)	\$611,898	10/1/09; 11/12/09
34 Calvert City, City of	\$850,000	\$816,069 (c)	\$816,069	10/1/09; 12/16/09
35 Sacramento, City of	\$750,000	\$750,000	\$750,000	10/1/09
36 Grant Co. Sanitary Sewer Dist.	\$1,925,000	\$300,000	\$300,000	10/1/09
37 Mayfield, City of	\$975,000	\$975,000 (c)	\$975,000	10/1/09
38 Warsaw, City of	\$3,841,156	\$2,060,156	\$2,060,156	11/12/09 In amt is \$2,060,155.54
39 Madisonville, City of	\$3,800,000	\$3,800,000	\$3,800,000	11/12/09
40 Meade Co Riverport Authority	\$482,642	\$482,642	\$482,642	12/3/09; 1/25/10
41 Troublesome Creek Env Authority	\$3,425,000	\$1,500,000	\$1,500,000	12/3/09
42 Ohio Co Regional Waste Water District	\$465,303	\$465,303	\$465,303	12/3/09; 1/25/10; 2/17/11
43 Mountain Water District	\$750,000	\$750,000	\$750,000	12/3/09; 2/4/10
<b>TOTALS</b>	<u><b>\$59,272,630</b></u>	<u><b>\$34,475,552</b></u>	<u><b>\$34,475,552</b></u>	
<b>GRAND TOTALS - COMMITMENTS</b>	<u><b>\$78,835,955</b></u>	<u><b>\$47,844,593</b></u>	<u><b>\$47,844,593</b></u>	
<b>BALANCE AVAILABLE FOR LOAN</b>			<u><u><b>\$38,383</b></u></u>	

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

**KENTUCKY INFRASTRUCTURE AUTHORITY  
INFRASTRUCTURE REVOLVING LOAN FUND ---- (FUND B)**

TOTAL AUTHORIZATIONS FYS 1989-90:	\$20,000,000
TOTAL AUTHORIZATIONS FYS 1991-92:	\$14,000,000
TOTAL AUTHORIZATIONS FYS 1993-94:	\$15,000,000
TOTAL DEAUTHORIZATION FYS 1995-96:	(\$3,504,592)
TOTAL AUTHORIZATION FYS 1996-98:	\$0
TOTAL AUTHORIZATION FYS 2000-2002:	\$0
TOTAL AUTHORIZATION FYS 2002-2004:	\$0
TOTAL AUTHORIZATION FYS 2004-2006:	\$0
TOTAL AUTHORIZATION FYS 2006-2008:	\$0

**TOTAL 1989-2008: \$45,495,408**

**Revolving Available to Loan/Grant Before  
Current Meeting \$2,272,544**

	<b>TOTAL INFRASTRUCTURE AMOUNT</b>	<b>KIA GRANT AMOUNT</b>	<b>KIA Loan AMOUNT</b>	<b>GENERATED PRIVATE INVESTMENT</b>	<b>JOBS CREATED</b>	<b>DATE APPROVED</b>	<b>COMMENTS</b>
<b>PROJECTS APPROVED IN FY 1989:</b>							
1	WILMORE, CITY OF	\$1,059,938	\$407,770 (c)	\$13,700,000	257	12-21-88	
2	AUBURN, CITY OF	\$2,175,540	\$1,475,540 (c)	\$2,225,000	96	12-21-88	
3	SOMERSET, CITY OF	\$2,402,764	\$1,500,000 (c)	\$75,000,000	326	12-21-88	
4	HENRY COUNTY	\$775,627	\$287,984 (c)	\$4,380,000	210	03-22-89	(REAP. 1-31-91 & AMD. 6-20-91)
5	GRAVES COUNTY	\$3,717,000	\$3,717,000 (c)	\$31,037,070	600	05-03-89	
<b>TOTALS</b>		<b>\$10,130,869</b>	<b>\$7,388,294</b>	<b>\$126,342,070</b>	<b>1,489</b>		
<b>PROJECTS APPROVED IN FY 1990:</b>							
6	LAWRENCEBURG, CITY OF	\$301,000	\$86,114 (c)	\$426,187	30	08-07-89	
7	LEITCHFIELD, CITY OF	\$1,296,200	\$699,674 (c)	\$2,470,000	200	08-07-89	
8	LIBERTY, CITY OF	\$319,573	\$163,822 (c)	\$1,533,133	140	08-07-89	
9	BEREA, CITY OF	\$1,200,000	\$340,000 (c)	\$0	750	08-07-89	
10	GAMALIEL, CITY OF	\$2,040,263	\$490,425 (c)	\$2,000,000	125	09-27-89	(REAP. 3-28-91 & AMD. 6-26-92)
11	GRAYSON, CITY OF (1)	\$1,875,000	\$1,000,000 (c)	\$10,000,000	300	12-13-89	
12	LEBANON JUNCTION, CITY OF	\$701,900	\$148,649 (c)	\$7,500,000	200	04-25-90	
13	MT. VERNON, CITY OF	\$864,347	\$456,480 (c)	\$20,000,000	154	04-25-90	(AMD. 3-28-91)
14	RUSSELLVILLE, CITY OF	\$1,591,673	\$1,434,750 (c)	\$0	0	04-25-90	
<b>TOTALS</b>		<b>\$10,189,956</b>	<b>\$4,819,914</b>	<b>\$43,929,320</b>	<b>1,899</b>		
<b>PROJECTS APPROVED IN FY 1991:</b>							
15	RICHMOND, CITY OF	\$1,508,300	\$250,000 (c)	\$1,500,000	100	09-26-90	
16	WARREN COUNTY W.D. (Chg)	\$638,035	\$229,035 (c)	\$14,000,000	280	09-26-90	
17	LAUREL COUNTY FISCAL COURT	\$964,742	\$319,969 (c)	\$2,900,000	74	09-26-90	
18	MOUNTAIN WATER DISTRICT (Mtn. Top B	\$890,977	\$186,711 (c)	\$2,250,000	500	11-19-90	
19	MONTICELLO, CITY OF (1)	\$336,450	\$366,293 (c)	\$2,300,000	432	06-20-91	
20	JEFFERSON COUNTY / KROGER	\$1,425,575	\$1,310,251 (c)	\$23,950,000	101	06-20-91	(AMD. 3-17-93)
<b>TOTALS</b>		<b>\$5,764,079</b>	<b>\$2,662,259</b>	<b>\$46,900,000</b>	<b>1,487</b>		
<b>PROJECTS APPROVED IN FY 1992:</b>							
21	NEWPORT, CITY OF	\$4,017,704	\$2,931,899 (c)	\$2,931,899	220	09-16-91	(AMD. 7-23-92; 6-29-94; 12/9/04)
22	HODGENVILLE, CITY OF	\$125,900	\$114,931 (c)	\$400,000	16	11-01-91	
23	SCOTTSVILLE, CITY OF	\$4,252,173	\$2,660,800 (c)	\$0	260	12-04-91	
24	MONTICELLO, CITY OF (2)	\$2,610,040	\$1,495,628 (c)	\$0		12-04-91	
25	WARREN COUNTY WATER DISTRICT (W.	\$121,000	\$92,809 (c)	\$32,000,000	200	02-25-92	
26	WARREN COUNTY WATER DISTRICT (Se	\$297,000	\$203,233 (c)	\$0		02-25-92	
27	LIVERMORE, CITY OF	\$86,039	\$86,039 (c)	\$0	12	06-26-92	
<b>TOTALS</b>		<b>\$11,509,856</b>	<b>\$7,585,339</b>	<b>\$35,331,899</b>	<b>708</b>		
<b>PROJECTS APPROVED IN FY 1993:</b>							
28	MARION, CITY OF	\$1,218,460	\$379,510 (c)	\$1,412,000	40	12-17-92	
29	DAVISS COUNTY FISCAL COURT	\$1,765,510	\$1,634,610 (c)	\$340,000,000	280	01-29-93	
30	COVINGTON, CITY OF	\$516,140	\$460,327 (c)	\$18,000,000	500	01-29-93	
31	HOPKINSVILLE, CITY OF	\$8,688,679	\$5,000,000 (c)	\$0	500	05-05-93	(REAP. 3-31-95)
<b>TOTALS</b>		<b>\$12,188,789</b>	<b>\$7,474,447</b>	<b>\$359,412,000</b>	<b>1,320</b>		
<b>PROJECTS APPROVED IN FY 1994:</b>							
32	GRAYSON, CITY OF (2)	\$1,712,759	\$1,412,759 (c)	\$0	155	08-31-93	
33	PIKEVILLE, CITY OF	\$5,037,889	\$611,397 (c)	\$4,396,000	93	08-31-93	
34	LANCASTER, CITY OF	\$1,710,420	\$781,462 (c)	\$0	100	09-29-93	

		TOTAL INFRASTRUCTURE AMOUNT	KIA GRANT AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
35	GALLATIN COUNTY	\$4,089,434		\$4,000,000 (c)	\$400,089,434	400	09-29-93 (AMD. 6-29-94, REAP. 3-31-95)	
36	CAMPBELLSVILLE, CITY OF	\$4,905,000		\$1,905,000 (s)	\$0	295	12-05-95 (REAP.)(AMD. 7-13-98)	
	<b>TOTALS</b>	<b>\$17,455,502</b>		<b>\$8,710,618</b>	<b>\$404,485,434</b>	<b>1,043</b>		
<b><u>PROJECTS APPROVED IN FY 1995:</u></b>								
37	HENDERSON, CITY OF (phase 1)	\$7,445,372		\$3,188,731 (c)	\$0	1,500	08-30-94 (AMD. 7-5-96)	
	(phase 2)			\$581,512 (c)	\$0		08-30-94	
* 38	WEBSTER COUNTY WATER DISTRICT	\$1,268,460		\$638,000 (c)	\$0	58	05-30-95	
	<b>TOTALS</b>	<b>\$8,713,832</b>		<b>\$4,408,243</b>	<b>\$0</b>	<b>1,558</b>		
<b><u>PROJECTS APPROVED IN FY 1996:</u></b>								
* 39	OAK GROVE, CITY OF	\$787,990		\$498,295 (c)	\$0	134	05-14-96	
40	MOUNT STERLING, CITY OF	\$2,467,009		\$2,467,009 (c)	\$0	400	05-14-96	
	<b>TOTALS</b>	<b>\$3,254,999</b>		<b>\$2,965,304</b>	<b>\$0</b>	<b>534</b>		
<b><u>PROJECTS APPROVED IN FY 1997:</u></b>								
41	CORBIN, CITY OF	\$583,878		\$300,000 (c)	\$0	30	8-29-96	
42	HICKORY WATER DISTRICT	\$1,028,000		\$528,000 (c)	\$0	95	12-4-96 (REAP. 9-1-98)	
	<b>TOTALS</b>	<b>\$1,611,878</b>		<b>\$828,000</b>	<b>\$0</b>	<b>125</b>		
<b><u>PROJECTS APPROVED IN FY 1998:</u></b>								
* 42	PRESTONSBURG, CITY OF	\$4,392,500		\$600,000 (c)	\$0	77	2-26-98 \$50M inc. app. 2-5-99	
* 43	PAINTSVILLE, CITY OF	\$8,070,950		\$1,772,800 (c)	\$0	400	2-26-98 (REAP. 12-10-99)	
	<b>TOTALS</b>	<b>\$12,463,450</b>		<b>\$2,372,800</b>	<b>\$0</b>	<b>477</b>		
<b><u>PROJECTS APPROVED IN FY 1999:</u></b>								
* 44	HARDINSBURG, CITY OF	\$5,239,680		\$131,231 (c)	\$0	14	7-13-98	
* 45	PRESTONSBURG, CITY OF	\$1,591,200		\$795,600 (c)	\$0	400	4-27-99	
	<b>TOTALS</b>	<b>\$6,830,880</b>		<b>\$926,831</b>	<b>\$0</b>	<b>414</b>		
<b><u>PROJECTS APPROVED IN FY 2000:</u></b>								
* 46	GALLATIN CO WATER DISTRICT	\$1,100,000		\$744,796 (c)	\$95,000,000	130	09/01/1999; AMD 4/4/00	
* 47	CARROLTON, CITY OF (CELOTEX)	\$184,300		\$112,200 (c)	\$75,000,000	122	12/10/1999; AMD 9/1/01	
	<b>TOTALS</b>	<b>\$1,284,300</b>		<b>\$856,996</b>	<b>\$170,000,000</b>	<b>122</b>		
<b><u>PROJECTS APPROVED IN FY2005:</u></b>								
* 48	UNION COUNTY FISCAL COURT	\$1,550,000		\$0	\$0 NA		11/04/2004 commitment expired	
* 40	OWENTON, CITY OF	\$736,890		\$0	\$0 NA		11/04/2004 commitment expired	
* 41	HART CO FISCAL COURT	\$3,192,000		\$2,170,999	\$0 NA		03/03/2005	
* 42	BOONE COUNTY WATER DISTRICT	\$3,548,148		\$2,506,118 (c)	\$0 NA	6/2/05; 7/1/10	assumed from Boone Co FC	
	<b>TOTALS</b>	<b>\$9,027,038</b>		<b>\$4,677,117</b>	<b>\$0</b>			
<b><u>PROJECTS APPROVED IN FY2006:</u></b>								
* 43	GRAVES CO WATER DISTRICT	\$596,776		\$596,776 (c)	\$0 NA		1/1/2005; 7/26/06; 10/2/08 Assumed from Fancy Farm WD	
* 44	GRAVES CO WATER DISTRICT	\$152,176		\$152,176 (c)	\$0 NA		9/1/2005; 10/2/08 Assumed from Fancy Farm WD	
* 45	WESTERN MASON SANITATION DIST	\$4,644,000		\$560,272 (c)	\$0 NA		12/01/2005	
* 46	BONNIEVILLE, CITY OF	\$3,160,000		\$0	\$0 NA		12/01/2005 commitment expired	
* 47	Elkton, City of	\$808,000		\$808,000	\$0 NA		03/02/2006	
* 48	MT VERNON, CITY OF	\$2,055,000		\$945,000 (c)	\$0 NA		05/04/2006	
	<b>TOTALS</b>	<b>\$11,415,953</b>		<b>\$3,062,225</b>	<b>\$0</b>			
<b><u>PROJECTS APPROVED IN FY2007:</u></b>								
* 49	GUTHRIE, CITY OF	\$640,000		\$0	\$0 NA		08/03/2006 Withdrawn	
* 50	OWINGSVILLE, CITY OF	\$4,367,250		\$797,250 (c)	\$0 NA		2006;10/01/2009 338,997 ln; 50,000 grant	
* 51	JAMESTOWN, CITY OF	\$13,065,000		\$3,588,700 (c)	\$0 NA		12/07/2006 3,038,700 ln; 550,000 grant	
* 52	CONNECTGRADD	\$2,400,000		\$1,200,000	\$0 NA		02/08/2007 broadband	
* 53	ALBANY, CITY OF	\$7,366,000		\$750,000	\$0 NA		05/10/2007 EO 2007-298 GF	
* 54	GRAVES CO WATER DISTRICT	\$849,154		\$849,154 (c)	\$0 NA		5/10/2007; 10/2/08 S Graves WD	
	<b>TOTALS</b>	<b>\$28,687,403</b>		<b>\$7,185,103</b>	<b>\$0</b>			

	TOTAL INFRASTRUCTURE AMOUNT	KIA GRANT AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY2008:</b>							
* 55	CAVELAND ENVIRONMENTAL	\$2,910,000		\$125,000	\$0 NA	09/06/2007	sewer
* 56	HOPKINSVILLE ELECT & EN NET	\$3,000,000		\$3,000,000	\$0 NA	10/04/2007	fiber optic communications
* 57	MARION CO WATER DISTRICT	\$750,000		\$340,000	\$0 NA	10/04/2007	water
* 58	WILLIAMSBURG, CITY OF	\$3,237,440		\$400,000 (c)	\$0 NA	10/04/2007	water
* 59	LOGAN TODD REG WAT COMM	\$1,500,000		\$400,000 (c)	\$0 NA	11/01/2007	water
* 60	BURGIN, CITY OF	\$50,000		\$50,000 (c)	\$0 NA	11/01/2007	water
61	PRESTONSBURG, CITY OF	\$2,700,000		\$2,700,000 (c)	\$0 NA	12/06/2007	purchase Auxier Water
62	GLASGOW, CITY OF	\$1,200,000		\$1,200,000 (c)	\$0 NA	2/7/2008; 10/9/08	broadband
63	LANCASTER, CITY OF	\$690,000		\$490,000 (c)	\$0 NA	03/06/2008	sewer
64	WHITLEY CO WATER DISTRICT	\$2,708,000		\$848,000	\$0 NA	3/6/08; 7/27/11	water
65	HINDMAN, CITY OF	\$500,000		\$500,000 (c)	\$0 NA	04/03/2008	water
66	WALTON, CITY OF	\$4,000,000		\$1,000,000 (c)	\$0 NA	06/05/2008	sewer
<b>TOTALS</b>		<b>\$23,245,440</b>		<b>\$11,053,000</b>	<b>\$0</b>		
<b>PROJECTS APPROVED IN FY2009:</b>							
67	<b>CARROLLTON, CITY OF</b>	<b>\$2,949,731</b>		<b>\$900,000</b>	<b>\$0 NA</b>	<b>8/7/08; 12/8/11</b>	<b>sewer</b>
68	LOUISA, CITY OF	\$1,075,000		\$1,000,000	\$0 NA	08/07/2008	sewer
69	PRESTONSBURG, CITY OF	\$841,000		\$841,000 (c)	\$0 NA	10/02/2008	water meters
70	LEBANON, CITY OF	\$1,119,707		\$582,883 (c)	\$0 NA	12/04/2008	water
71	MuniNet	\$2,500,000		\$2,500,000	\$0 NA	06/25/09; 4/7/11	broadband; assumed from Murray
72	PINEVILLE, CITY OF	\$350,000		\$0	\$0 NA	06/25/2009	sewer - withdrawn 9/24/09
<b>TOTALS</b>		<b>\$8,835,438</b>		<b>\$5,823,883</b>	<b>\$0</b>		
<b>PROJECTS APPROVED IN FY2010:</b>							
73	Prestonsburg, City of	\$2,670,000		\$0	\$0 NA	10/01/2009	sewer
74	Falmouth, City of	\$564,835		\$564,835	\$0 NA	10/01/2009	sewer
75	Bullitt Co Sanitation District	\$500,000		\$500,000	\$0 NA	02/04/2010	sewer
76	Hart Co Industrial Authority	\$2,300,000		\$1,000,000	\$3,000,000	40	02/04/2010 sewer
77	Marshall Co. Fiscal Court	\$1,000,000	\$800,000	\$200,000	\$0 NA		06/03/2010 80% grant/ 20% loan
<b>TOTALS</b>		<b>\$7,034,835</b>	<b>\$800,000</b>	<b>\$2,264,835</b>	<b>\$3,000,000</b>	<b>40</b>	
<b>PROJECTS APPROVED IN FY2011:</b>							
78	Bullitt Co Sanitation District	\$500,000	\$0	\$500,000	\$0 NA	08/05/2010	sewer
79	Greenville, City of	\$1,115,000	\$0	\$1,115,000	\$0 NA	10/14/2010	sewer
80	Marion, City of	\$2,100,000	\$0	\$1,246,754	\$0 NA	10/14/2010	water
81	Princeton, City of	\$430,645	\$0	\$430,645	\$0 NA	12/9/10; 7/1/11	sewer
82	Bracken Co Water District	\$475,000	\$380,000	\$95,000	\$0 NA	12/09/2010	water
83	Caneyville, City of	\$445,000	\$0	\$110,000	\$0 NA	12/09/2010	sewer
84	Crab Orchard, City of	\$1,660,000	\$400,000	\$410,000	\$0 NA	12/09/2010	water
85	Flatwoods, City of	\$887,500	\$468,000	\$117,000	\$0 NA	02/03/2011	
86	Graves County Water District	\$1,111,266	\$220,000	\$780,000	\$0 NA	02/03/2011	
87	Mt. Washington, City of	\$700,000	\$560,000	\$140,000	\$0 NA	02/03/2011	
88	White Plains, City of	\$657,000	\$525,600	\$131,400	\$0 NA	02/03/2011	
89	Beattyville, City of	\$675,000	\$140,000	\$35,000	\$0 NA	03/03/2011	water
90	Elkton, City of	\$141,700	\$0	\$141,700	\$0 NA	03/03/2011	water
91	Nicholas County Sanitation District	\$2,641,000	\$0	\$550,000	\$0 NA	03/03/2011	sewer
92	North McLean Co WD	\$737,871	\$200,000	\$50,000	\$0 NA	03/03/2011	water
93	MuniNet	\$2,033,947	\$0	\$2,033,947	\$0 NA	04/07/2011	broadband
<b>TOTALS</b>		<b>\$16,310,929</b>	<b>\$2,893,600</b>	<b>\$7,886,446</b>	<b>\$0</b>	<b>0</b>	
<b>PROJECTS APPROVED IN FY2012:</b>							
94	Crittenden-Livingston Water District	\$300,000	\$0	\$300,000	\$0 NA	08/04/2011	water
<b>TOTALS</b>		<b>\$300,000</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$0</b>	
<b>GRAND TOTALS</b>		<b>\$206,255,426</b>	<b>\$3,693,600</b>	<b>\$93,251,655</b>	<b>\$1,189,400,723</b>	<b>11216</b>	

***bold, italics - pending board approval***

\* Bonds have not been sold for these projects

+ Projects were funded under the master note

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

TOTAL AUTHORIZATION FYS 1991-94	\$6,000,000
TOTAL DEAUTHORIZATION FYS 95-96	(\$78,822)
TOTAL AUTHORIZATION FYS 1997-98	\$0
TOTAL AUTHORIZATION FYS 1998-2000	\$13,000,000 (rf)
TOTAL AUTHORIZATION FYS 2001-2002	\$3,925,000 (rf)
	<u>\$22,846,178</u>

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WATER RESOURCES GRANT----- (FUND B1)**

TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
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**PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:**

1 ELKHORN WATER DISTRICT	\$383,000	\$151,233 (c)	9-16-91	
2 BEAVER-ELKHORN WATER DISTRICT (PH II)	\$2,262,200	\$1,383,547 (c)	9-16-91	(REAP. 5-5-93)
3 BEAVER-ELKHORN WATER DISTRICT (PH III)	\$3,386,325	\$616,453 (c)	9-16-91	(REAP. 5-5-93)
4 WACO WATER DISTRICT	\$304,525	\$300,000 (c)	9-16-91	
5 NORTH MERCER WATER DISTRICT	\$1,833,000	\$500,000 (c)	9-16-91	
6 WEBSTER COUNTY WATER DISTRICT	\$2,269,500	\$1,500,000 (c)	9-16-91	
7 ANDERSON COUNTY	\$361,638	\$270,000 (c)	9-16-91	
8 GEORGETOWN, CITY OF	\$3,474,350	\$400,000 (c)	9-16-91	
9 LYNCH, CITY OF	\$502,500	\$499,945 (c)	9-16-91	
<b>TOTALS</b>	<u>\$14,777,038</u>	<u>\$5,621,178</u>		

**PROJECTS APPROVED JULY 1, 1992 THROUGH JUNE 30, 1994:**

10 DAVIESS COUNTY FISCAL COURT (East Daviess County Water Association)	\$300,000	\$300,000 (c)	11-12-92	(AMD. 9-29-93)
<b>TOTALS</b>	<u>\$300,000</u>	<u>\$300,000</u>		

**PROJECTS PER SPECIAL PROVISIONS DURING 1998 GENERAL SESSION**

11 MEADE COUNTY FISCAL COURT	\$4,204,225	\$2,500,000	12/18/1998	
12 CITY OF RICHMOND	\$8,400,000	\$4,000,000	09/01/1998	
13 CITY OF MIDWAY	\$4,760,971	\$3,500,000	06/06/2000	
14 CITY OF HINDMAN	\$3,000,000	\$3,000,000	07/28/1999	
<b>TOTALS</b>	<u>\$20,365,196</u>	<u>\$13,000,000</u>		(rf)

**PROJECTS APPROVED JULY 1, 1998 THROUGH JUNE 30, 1999:**

15 WATER RESOURCE DEV COMMISSION	\$1,053,000	753,000 (rf)	4-27-99	
<b>TOTALS</b>	<u>\$1,053,000</u>	<u>753,000</u>		

**PROJECTS PER SPECIAL PROVISIONS DURING 2000 GENERAL SESSION**

16 HORTON CAMP INF AT GREEN RIVER ST PARK	650,000.00	650,000.00	06/06/2000	
17 FLEMING CO WATER COMM	75,000.00	75,000.00	02/01/2001 (AA date)	
18 FLEMING CO '201' SEWER PLANNING	50,000.00	50,000.00	10/01/2001 (AA date)	
19 CITY OF WURLAND	25,000.00	25,000.00	10/01/2001 (AA date)	
20 SPURLOCK & LITTLE MUD CREEK	300,000.00	300,000.00	08/17/2001 (AA date)	
21 PIKE COUNTY - TAYLOR FORK	50,000.00	50,000.00	08/06/2001 (AA date)	
22 SOUTHERN MADISON WATER DISTRICT	200,000.00	200,000.00	03/01/2001 (AA date)	
23 HENDERSON CO WATER DISTRICT	500,000.00	500,000.00	08/20/2001 (AA date)	
24 LEWIS CO WATER & SEWER	500,000.00	500,000.00	11/22/2000	
25 GREEN CO WATER & SEWER	500,000.00	500,000.00	08/06/2001 (AA date)	
26 LARUE COUNTY FISCAL COURT	750,000.00	750,000.00	08/06/2001 (AA date)	
27 CARROL COUNTY FISCAL COURT	250,000.00	250,000.00	08/01/2001 (AA date)	
28 CITY OF RACELAND	25,000.00	25,000.00	09/21/2001 (AA date)	
29 CITY OF WORTHINGTON	25,000.00	25,000.00	08/06/2001 (AA date)	
30 CITY OF FLATWOODS	25,000.00	25,000.00	10/01/2001 (AA date)	
<b>TOTALS</b>	<u>3,925,000.00</u>	<u>3,925,000.00</u>		(rf)

TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
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**PROJECTS APPROVED JULY 1, 2001 THROUGH JUNE 30, 2002:**

31	Columbia-Campbellsville	WX21001008	\$3,415,000	\$55,000	12/06/2001
32	Bath County Water District	WX21011002	\$2,253,000	\$1,150,000	12/06/2001
33	City of Paris	WX21017002	\$2,300,000	\$1,000,000	12/06/2001
34	City of Ashland	WX21019006	\$2,362,626	\$750,000	12/06/2001
35	Bracken County Water District	WX21023001	\$1,810,000	\$93,500	12/06/2001
36	City of Murray	WX21035005	\$1,126,000	\$0	12/06/2001
37	Center Ridge Water District	WX21035011	\$262,200	\$262,200	12/06/2001
38	West Carroll Water District	WX21041301	\$2,200,000	\$500,000	12/06/2001
39	Rattlesnake Ridge Water District	WX21043001	\$4,130,000	\$440,000	12/06/2001
40	Christian County Water District	WX21047011	\$2,200,000	\$1,000,000	12/06/2001
41	Owensboro Municipal Utilities	WX21059001	\$2,500,000	\$1,000,000	12/06/2001
42	Consumers Water District	WX21083002	\$1,117,868	\$1,000,000	12/06/2001
43	City of Caneyville	WX21085001	\$486,000	\$186,000	12/06/2001
44	Grayson County Water District	WX21085009	\$2,878,000	\$1,000,000	12/06/2001
45	City of Cumberland	WX21095662	\$1,600,000	\$400,000	12/06/2001
46	Henderson Water Utility	WX21101005	\$600,000	\$600,000	12/06/2001
47	Wood Creek water District	WX21125527	\$350,364	\$350,364	12/06/2001
48	Louisa Water District	WX21127001	\$5,570,570	\$1,000,000	12/06/2001
49	Electric Plant Board of the City of Vanceburg	WX21135001	\$4,077,000	\$977,000	12/06/2001
50	City of Sacramento	WX21149002	\$150,000	\$150,000	12/06/2001
51	Western Lewis Rectorville Water District	WX21161001	\$1,399,000	\$275,000	12/06/2001
52	Edmonton Water Works	WX21169001	\$2,222,782	\$595,782	12/06/2001
53	Tri-Village Water District	WX21187205	\$1,800,000	\$800,000	12/06/2001
54	City of Falmouth	WX21191311	\$1,000,000	\$300,000	12/06/2001
55	City of Hazard	WX21193009	\$5,500,000	\$250,000	12/06/2001
56	Buffalo Trail Water Association	WX21201005	\$1,500,000	\$750,000	12/06/2001
57	US 60 Water District	WX21211026	\$1,375,000	\$650,000	12/06/2001
58	Taylorville Water Works	WX21215087	\$3,500,000	\$430,400	12/06/2001
59	Campbellsville-Greensburg	WX21217004	\$3,181,900	\$0	12/06/2001
60	Cadiz-Trigg County Regional Water Commissio	WX21221002	\$14,000,000	\$70,000	12/06/2001
61	City of Midway	WX21239003	\$766,000	\$150,000	12/06/2001
62	City of Booneville	WX21189002	\$687,000	\$130,000	06/06/2002

**TOTALS** \$78,320,310 \$16,315,246 (rif)

**PROJECTS APPROVED JULY 1, 2006 THROUGH JUNE 30, 2007:**

63	Knott Co Water & Sewer		\$500,000	\$500,000	10/05/2006
64	Bath Co WD		\$514,340	\$250,000	12/07/2006
65	Western Pulaski Co Water District		\$620,000	\$620,000	5/10/07; 6/21/07
66	City of Harlan		\$200,000	\$200,000	06/21/2007

**TOTALS** \$1,834,340 \$1,570,000 (rif)

**PROJECTS APPROVED IN FY2008:**

67	City of Arlington		\$190,750	\$190,750	07/19/2007
68	City of Elkton		\$200,000	\$200,000	07/19/2007
69	City of Georgetown		\$80,000	\$80,000	07/19/2007
70	Morehead Utility Plant Board		\$373,900	\$373,900	07/19/2007

**TOTALS** \$844,650 \$844,650

**GRAND TOTALS** \$121,419,534 \$41,484,424

***bold, italics - pending board approval***

(s) - Amount represented in the assistance agreement

(c) - Grant has been closed.

(rif) - To be funded out of the revolving loan funds

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WATER RESOURCES LOAN ----- (FUND B2)  
GATEWAY, BIG SANDY, KENTUCKY RIVER AND CUMBERLAND VALLEY DEVELOPMENT DISTRICTS**

TOTAL AUTHORIZATION FYS 1991-94	\$30,000,000
TOTAL DEAUTHORIZATION FYS 1995-96	(\$1,716,586)
TOTAL AUTHORIZATION FYS 1997-98	\$0
TOTAL AUTHORIZATION FYS 1998-99	\$0
<b>TOTAL 1991 - 1998</b>	<b><u>\$28,283,414</u></b>

TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT	INTEREST RATE	AREA DEVELOPMENT DISTRICT	DATE APPROVED	COMMENTS
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**PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:**

1	MOUNTAIN WATER DISTRICT (Indian Creek)	\$2,712,760	\$337,760 (c)	3.0%	BIG SANDY	07-24-91	
2	MARTIN COUNTY WATER DISTRICT NO. 2	\$2,481,566	\$1,329,826 (c)	3.0%	BIG SANDY	09-16-91	(REAP. 5-5-93)
3	HYDEN / LESLIE CO. WATER DISTRICT	\$2,196,941	\$1,965,619 (c)	3.0%	KY. RIVER	09-16-91	
4	SOUTHERN WATER & SEWER (Phase I)	\$1,045,700	\$514,888 (c)	3.0%	BIG SANDY	09-16-91	(REAP. 1-29-93), Assumed from Beaver Elkhorn 12-21-00
5	SOUTHERN WATER & SEWER (Phase II)	\$2,262,200	\$847,982 (c)	3.0%	BIG SANDY	09-16-91	(REAP. 5-5-93), Assumed from Beaver Elkhorn 12-21-00
6	SOUTHERN WATER & SEWER (Phase III)	\$3,386,325	\$2,831,354 (c)	3.0%	BIG SANDY	09-16-91	(REAP. 5-5-93 & 2-2-95), Assumed from Beaver Elkhorn 12-21-00
7	MANCHESTER, CITY OF	\$1,766,705	\$970,439 (c)	2.9%	CUMB. VALLEY	11-01-91	
8	MOREHEAD, CITY OF	\$449,442	\$359,646 (c)	2.9%	GATEWAY	11-01-91	
9	MOUNTAIN WATER DISTRICT (Multi-Area)	\$5,165,093	\$5,165,093 (c)	2.9%	BIG SANDY	11-01-91	
10	PIKEVILLE, CITY OF	\$903,718	\$897,868 (c)	2.9%	BIG SANDY	11-01-91	
11	PINEVILLE, CITY OF	\$829,099	\$829,099 (c)	2.9%	CUMB. VALLEY	11-01-91	
12	BARBOURVILLE, CITY OF	\$4,500,000	\$1,924,831 (c)	2.9%	CUMB. VALLEY	11-01-91	
13	CORBIN, CITY OF	\$1,449,838	\$833,000 (c)	2.9%	CUMB. VALLEY	12-04-91	
14	PRESTONSBURG, CITY OF	\$2,173,278	\$1,960,288 (c)	2.9%	BIG SANDY	12-04-91	
15	HARLAN, CITY OF	\$1,434,170	\$1,434,170 (c)	2.9%	CUMB. VALLEY	12-04-91	
16	WHITESBURG, CITY OF	\$1,332,179	\$932,179 (c)	2.7%	KY. RIVER	05-13-92	
17	CLAY COUNTY FISCAL COURT (North Manchester Water Association)	\$2,805,321	\$2,621,001 (c)	2.95%	CUMB. VALLEY	05-13-92	
18	ROCKCASTLE COUNTY FISCAL COURT (Western Rockcastle Water Association)	\$778,500	\$364,572 (c)	2.95%	CUMB. VALLEY	05-13-92	
<b>TOTALS</b>		<b><u>\$37,672,835</u></b>	<b><u>\$26,119,616</u></b>				

**PROJECTS APPROVED JULY 1, 1992 THROUGH JUNE 30, 1993:**

19	JACKSON COUNTY FISCAL COURT (Jackson County Water Association)	\$1,858,645	\$1,792,633 (c)	2.45%	KY. RIVER	11-12-92	
<b>TOTALS</b>		<b><u>\$1,858,645</u></b>	<b><u>\$1,792,633</u></b>				

**PROJECTS APPROVED JULY 1, 1993 THROUGH JUNE 30, 1994:**

20	LAUREL COUNTY WATER DISTRICT NO. 2	\$1,324,000	\$450,000 (c)	1.6%	CUMB. VALLEY	5-11-94	(REAP. 12-5-95)
<b>TOTALS</b>		<b><u>\$1,324,000</u></b>	<b><u>\$450,000</u></b>				
<b>GRAND TOTALS</b>		<b><u>\$40,855,480</u></b>	<b><u>\$28,362,249</u></b>				

(s) - Amount represented in the assistance agreement.  
(c) - Final Amount; Loan has been closed.

**KENTUCKY INFRASTRUCTURE AUTHORITY  
GOVERNMENTAL AGENCIES PROGRAM ----- (FUND C)**

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS	
ORIGINAL KENTUCKY POLLUTION ABATEMENT AUTHORITY LOANS (42) REFINANCED BY THE KENTUCKY INFRASTRUCTURE AUTHORITY (1989) <span style="float: right;"><b>\$32,025,000</b></span>					
<b><u>PROJECTS APPROVED IN FY 1989:</u></b>					
1	CAMPBELLSVILLE, CITY OF	\$3,450,000	\$2,500,000	(c)	
2	CARLISLE, CITY OF	\$3,958,731	\$1,764,950	(c)	
3	CRITTENDEN, CITY OF	\$1,725,300	\$913,800	(c)	
4	EDMONTON, CITY OF	\$740,728	\$505,728	(c)	
5	FULTON, CITY OF	\$1,200,000	\$380,000	(c)	
6	INEZ, CITY OF	\$5,692,657	\$825,477	(c)	
7	PADUCAH-MCCRACKEN JOINT SEWER COI	\$1,844,500	\$1,844,500	(c)	ASSUMED FROM CITY OF PADUCAH
8	RUSSELL, CITY OF	\$2,851,000	\$2,851,000	(c)	
9	STANFORD, CITY OF	\$1,782,000	\$590,000	(c)	
10	TOMPKINSVILLE, CITY OF	\$720,000	\$445,000	(c)	
11	WEST LIBERTY, CITY OF	\$3,086,995	\$1,805,854	(c)	
12	HARDIN COUNTY WATER DISTRICT #2	\$3,597,502	\$932,502	(c)	
13	PADUCAH-MCCRACKEN JOINT SEWER COI	\$1,528,626	\$1,528,626	(c)	ASSUMED FROM MCCRACKEN CO SEWER
14	PADUCAH-MCCRACKEN JOINT SEWER COI	\$2,099,125	\$2,099,125	(c)	ASSUMED FROM MCCRACKEN CO SEWER
15	OLDHAM COUNTY WATER DISTRICT	\$1,191,282	\$1,330,500	(c)	
16	LOUISVILLE WATER COMPANY	\$2,593,497	\$1,094,330	(c)	ASSUMED FROM KENTUCKY TURNPIKE WATER DISTRICT 3/7/02
	<b>TOTALS</b>	<b>\$38,061,943</b>	<b>\$21,411,392</b>		
<b><u>PROJECTS APPROVED IN FY 1990:</u></b>					
17	BULLOCK-PEN WATER DISTRICT	\$779,649	\$399,049	(c)	08-07-89
18	BOYD COUNTY SANITATION DISTRICT #2	\$2,525,506	\$1,477,350	(c)	08-07-89 (AMD. 8-16-90 & 12-4-91)
19	FLEMINGSBURG, CITY OF	\$1,218,286	\$1,066,000	(c)	08-07-89
20	FRANKLIN, CITY OF	\$695,690	\$687,204	(c)	05-03-89 (AMD. 8-7-89)
21	PINEVILLE, CITY OF	\$3,099,590	\$308,767	(c)	09-27-89
22	EDMONSON COUNTY WATER DISTRICT	\$860,117	\$507,767	(c)	12-13-89
23	HENDERSON COUNTY WATER DISTRICT #	\$581,609	\$550,000	(c)	12-13-89 (AMD. 6-20-91)
24	EAST LOGAN COUNTY WATER DISTRICT	\$1,253,120	\$514,303	(c)	12-13-89
25	MCKEE, CITY OF	\$562,789	\$185,289	(c)	04-25-90
	<b>TOTALS</b>	<b>\$11,576,356</b>	<b>\$5,695,729</b>		
<b><u>PROJECTS APPROVED IN FY 1991:</u></b>					
26	U.S. 60 WATER DISTRICT	\$391,065	\$202,400	(c)	08-16-90
27	EDMONTON, CITY OF	\$727,621	\$502,621	(c)	08-16-90
28	MUNFORDVILLE, CITY OF	\$107,320	\$100,850	(c)	09-26-90
29	LEXINGTON-SOUTH ELKHORN WATER DIS	\$1,750,000	\$1,712,000	(c)	03-28-91
30	PADUCAH-MCCRACKEN JOINT SEWER COI	\$583,445	\$450,884	(c)	03-28-91 ASSUMED FROM REIDLAND WSD
31	SOUTH GRAVES COUNTY WATER DISTRICT	\$728,605	\$728,605	(c)	06-20-91 (REAP. 12-17-92)(AMD. 11-10-97)(AMD 8-7-03)
32	TRIMBLE COUNTY WATER DISTRICT	\$342,103	\$328,603	(c)	06-20-91 (REAP. 9-16-91)
33	HENDERSON COUNTY WATER DISTRICT #	\$633,013	\$325,000	(c)	06-20-91
	<b>TOTALS</b>	<b>\$5,263,172</b>	<b>\$4,350,963</b>		
<b><u>PROJECTS APPROVED IN FY 1992:</u></b>					
34	TOMPKINSVILLE, CITY OF	\$648,200	\$306,200	(c)	07-24-91
35	WALTON, CITY OF	\$140,577	\$140,577	(c)	07-24-91
36	WILMORE, CITY OF	\$745,155	\$228,355	(c)	09-16-91
37	EDMONSON COUNTY WATER DISTRICT	\$197,959	\$92,747	(c)	09-16-91
38	HENDRON WATER DISTRICT	\$596,100	\$556,100	(c)	11-01-91
39	BULLOCK-PEN WATER DISTRICT	\$1,067,019	\$518,169	(c)	11-01-91
40	U.S. 60 WATER DISTRICT	\$494,603	\$459,905	(c)	12-04-91
41	FULTON, CITY OF	\$409,587	\$384,508	(c)	05-13-92
42	BULLOCK-PEN WATER DISTRICT	\$62,111	\$29,254	(c)	05-13-92
	<b>TOTALS</b>	<b>\$4,361,311</b>	<b>\$2,715,815</b>		
<b><u>PROJECTS APPROVED IN FY 1993:</u></b>					
43	GEORGETOWN, CITY OF	\$554,870	\$162,870	(c)	11-12-92 (AMD. 6-29-94)(Assumed from Stamping Ground 3/2/06)
44	PIKEVILLE, CITY OF	\$1,317,639	\$419,771	(c)	11-12-92
45	NORTH MARSHALL COUNTY WATER DISTRICT	\$1,414,199	\$1,414,199	(c)	12-17-92
46	TAYLORSVILLE, CITY OF	\$188,000	\$188,000	(c)	03-03-93
47	WURLAND, CITY OF	\$336,885	\$264,145	(c)	05-05-93
	<b>TOTALS</b>	<b>\$3,811,593</b>	<b>\$2,448,985</b>		

	TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 1994:</b>					
48	WHITESBURG, CITY OF	\$1,701,993	\$381,855	(c)	09-29-93
49	JONATHAN CREEK WATER DISTRICT	\$2,768,000	\$2,302,500	(c)	09-29-93 (AMD 9/7/03)
50	NORTHERN ROCKCASTLE COUNTY WATER DISTRICT	\$455,226	\$265,226	(c)	09-29-93
51	Shelbyville, City of	\$2,100,000	\$697,263	(c)	05-11-94 Assumed from Shelby Co SD #1
52	LAUREL COUNTY WATER DISTRICT #2	\$1,324,000	\$900,950	(c)	05-11-94 (AMD. 12-5-95)
	<b>TOTALS</b>	<b>\$8,349,219</b>	<b>\$4,547,794</b>		
<b>PROJECTS APPROVED IN FY 1995:</b>					
53	CARLISLE, CITY OF	\$715,000	\$425,895	(c)	11-29-94
**	54 HENRY COUNTY WATER DISTRICT #2	\$8,426,000	\$5,026,000	(s)(n)	03-31-95 (AMD. 12-5-95)
55	CALHOUN, CITY OF	\$506,100	\$453,299	(c)	5-30-95
	<b>TOTALS</b>	<b>\$9,647,100</b>	<b>\$5,905,194</b>		
<b>PROJECTS APPROVED IN FY 1996:</b>					
56	OLDHAM COUNTY WATER DISTRICT	\$1,174,500	\$1,062,256	(c)	2-26-95
57	HOPKINSVILLE, CITY OF	\$1,156,400	\$912,970	(c)	12-4-96; 4-7-11 assumed from Oak Grove
	<b>TOTALS</b>	<b>\$2,330,900</b>	<b>\$1,975,226</b>		
<b>PROJECTS APPROVED IN FY 1997:</b>					
58	EAST PENDLETON WATER DISTRICT	\$202,004	\$219,856	(c)	6-19-97
	<b>TOTALS</b>	<b>\$202,004</b>	<b>\$219,856</b>		
<b>PROJECTS APPROVED IN FY 1998:</b>					
	<b>TOTALS</b>	<b>\$0</b>	<b>\$0</b>		
<b>PROJECTS APPROVED IN FY 1999:</b>					
59	LOUISA, CITY OF	\$387,500	\$442,857	(c)	7/13/98 (AMD 9-1-99)
*	60 WEBSTER COUNTY WATER DISTRICT	\$6,165,911	\$4,000,000	(c)	9/1/98
61	MEADE COUNTY WATER DISTRICT	\$4,204,225	\$407,608	(c)	12/18/98
	<b>TOTALS</b>	<b>\$10,757,636</b>	<b>\$4,850,465</b>		
<b>PROJECTS APPROVED IN FY 2001:</b>					
62	BARLOW, CITY OF	\$416,000	\$237,714	(c)	3/1/01
	<b>TOTALS</b>	<b>\$416,000</b>	<b>\$237,714</b>		
<b>PROJECTS APPROVED IN FY 2002:</b>					
63	OLDHAM COUNTY WATER DISTRICT	\$7,043,642	\$5,560,339	(c)	7/12/01
	<b>TOTALS</b>	<b>\$7,043,642</b>	<b>\$5,560,339</b>		
<b>PROJECTS APPROVED IN FY 2003:</b>					
*	64 MCCREARY COUNTY FISCAL COURT	7,996,000	1,725,714	(c)	09/05/2002
*	65 NICHOLASVILLE, CITY OF	4,310,000	4,754,286	(c)	10/03/2002
66	SOUTHERN WATER & SEWER	6,874,900	0		01/09/2003 Withdrawn - Replaced with Coal Sev
67	MEADE COUNTY WATER DISTRICT	919,760	0		06/05/2003 Withdrawn - Replaced with Fd F loan
	<b>TOTAL</b>	<b>\$7,996,000</b>	<b>\$6,480,000</b>		
<b>PROJECTS APPROVED IN FY 2004:</b>					
68	KNOTT CO WATER & SEWER DISTRICT	\$2,628,821	\$640,367		08/07/2003
*	69 CAWOOD WATER DISTRICT	\$2,020,000	\$500,000		12/04/2003
*	70 BLACK MTN UTILITIES DISTRICT	\$2,295,000	\$250,000	(c)	01/08/2004
	<b>TOTAL</b>	<b>\$6,943,821</b>	<b>\$1,390,367</b>		
<b>PROJECTS APPROVED IN FY 2005:</b>					
*	71 NORTONVILLE, CITY OF	\$5,300,000	\$2,809,000		09/02/2004
*	72 JOHNSON CO FISCAL COURT	\$1,317,000	\$0		12/09/2004 Withdrawn
*	73 PEAKS MILL WATER DISTRICT	\$1,626,900	\$971,179	(c)	05/05/2005
	<b>TOTAL</b>	<b>\$8,243,900</b>	<b>\$3,780,179</b>		
<b>PROJECTS APPROVED IN FY 2007:</b>					
*	74 MAYFIELD, CITY OF	\$393,250	\$389,255	(c)	05/10/2007
	<b>TOTAL</b>	<b>\$393,250</b>	<b>\$389,255</b>		

	<b>TOTAL PROJECT AMOUNT</b>	<b>KIA AMOUNT</b>	<b>DATE APPROVED</b>	<b>COMMENTS</b>
<b><u>PROJECTS APPROVED IN FY 2008:</u></b>				
* 75	SOUTHEAST DAVIESS CO WD	\$1,219,995	\$796,140	11/01/2007 water
* 76	WEST DAVIESS CO WD	\$1,378,708	\$948,348 (c)	11/01/2007 water
* 77	NORTHERN KY WATER DISTRICT	\$6,000,000	\$6,000,000	06/05/2008 water
	<b>TOTAL</b>	<b>\$8,598,703</b>	<b>\$7,744,488</b>	
<b><u>PROJECTS APPROVED IN FY 2009:</u></b>				
* 78	UNION, CITY OF	\$1,147,500	\$248,294 (c)	10/02/2008 sewer
	<b>TOTAL</b>	<b>\$1,147,500</b>	<b>\$248,294</b>	
<b><u>PROJECTS APPROVED IN FY 2010:</u></b>				
* 79	BARDSTOWN, CITY OF	\$1,800,000	\$1,800,000	10/01/2009; 8/4/2011 industrial park transmission
* 80	BARDSTOWN, CITY OF	\$5,050,000	\$3,500,000	10/01/2009 water
	<b>TOTAL</b>	<b>\$6,850,000</b>	<b>\$5,300,000</b>	
<b><u>PROJECTS APPROVED IN FY 2011:</u></b>				
* 81	Bracken Co Water District	\$621,000	\$621,000	03/03/2011 water main replacement
	<b>TOTAL</b>	<b>\$621,000</b>	<b>\$621,000</b>	
<b><u>PROJECTS APPROVED IN FY 2012:</u></b>				
* 82	Warren Co Water District	\$1,114,400	\$823,900	10/06/2011 Buchanan Park Sewer Extension
	<b>TOTAL</b>	<b>\$1,114,400</b>	<b>\$823,900</b>	
	<b>KIA TOTALS</b>	<b>\$143,729,450</b>	<b>\$86,696,954</b>	
	<b>GRAND TOTALS (including KPAA)</b>		<b>\$118,721,954</b>	
		Funds committed; not issued:	<b>\$30,137,115</b>	

***bold, italics - pending board approval***

\* Bonds have not been sold for these projects.

\*\* Withdrew from bond sale.

(s) - Amount represented in the assistance agreement.

(c) - Final Amount. Includes capitalized interest and Note Program costs.

(n) - Participating in BAN's

**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**SAFE DRINKING WATER STATE REVOLVING FUND CFDA #66.468 ---- (FUND F)**

**AVAILABLE FUNDS FY 1997:**

FEDERAL TITLE VI GRANT FUNDS	\$12,558,800
BOND PROCEEDS (20%)	\$2,511,760
ADMINISTRATION (4%)	(\$502,352)
OTHER SET ASIDES (As Amended)	(\$1,928,773)
NET 97 SRF FUNDS	\$12,639,435

**AVAILABLE FUNDS FY 1998:**

FEDERAL TITLE VI GRANT FUNDS	\$10,851,600
BOND PROCEEDS (20%)	\$2,170,320
ADMINISTRATION (4%)	(\$434,064)
OTHER SET ASIDES	(\$1,085,160)
NET 98 SRF FUNDS	\$11,502,696

**AVAILABLE FUNDS FY 1999:**

FEDERAL TITLE VI GRANT FUNDS	\$11,373,500
BOND PROCEEDS (20%)	\$2,274,700
ADMINISTRATION (4%)	(\$454,940)
OTHER SET ASIDES	(\$808,335)
LAND ACQUISITION SET ASIDE	\$357,500
NET 98 SRF FUNDS	\$12,742,425

**AVAILABLE FUNDS FY 2000:**

FEDERAL TITLE VI GRANT FUNDS	\$11,820,400
BOND PROCEEDS (20%)	\$2,364,080
ADMINISTRATION (4%)	(\$472,816)
OTHER SET ASIDES	(\$1,296,086)
LAND ACQUISITION SET ASIDE	\$0
NET 00 SRF FUNDS	\$12,415,578

**AVAILABLE FUNDS FY 2001:**

FEDERAL TITLE VI GRANT FUNDS	\$11,869,300
BOND PROCEEDS (20%)	\$2,373,860
ADMINISTRATION (4%)	(\$474,772)
OTHER SET ASIDES	(\$1,913,832)
LAND ACQUISITION SET ASIDE	\$252,130
NET 01 SRF FUNDS	\$12,106,686

**AVAILABLE FUNDS FY 2002:**

FEDERAL TITLE VI GRANT FUNDS	\$9,805,100
BOND PROCEEDS (20%)	\$1,961,020
ADMINISTRATION (4%)	(\$392,204)
OTHER SET ASIDES	(\$1,372,714)
NET 02 SRF FUNDS	\$10,001,202

**AVAILABLE FUNDS FY 2003:**

FEDERAL TITLE VI GRANT FUNDS	\$9,746,200
BOND PROCEEDS (20%)	\$1,949,240
ADMINISTRATION (4%)	(\$389,848)
OTHER SET ASIDES	(\$1,383,960)
NET 03 SRF FUNDS	\$9,921,632

**AVAILABLE FUNDS FY 2004:**

FEDERAL TITLE VI GRANT FUNDS	\$10,110,200
BOND PROCEEDS (20%)	\$2,022,040
ADMINISTRATION (4%)	(\$404,408)
OTHER SET ASIDES	(\$1,668,183)
NET 04 SRF FUNDS	\$10,059,649

**AVAILABLE FUNDS FY 2005:**

FEDERAL TITLE VI GRANT FUNDS	\$10,088,800
BOND PROCEEDS (20%)	\$2,017,760
ADMINISTRATION (4%)	(\$403,552)
OTHER SET ASIDES	(\$1,715,096)
NET 05 SRF FUNDS	\$9,987,912

**AVAILABLE FUNDS FY 2006:**

FEDERAL TITLE VI GRANT FUNDS	\$8,630,300
BOND PROCEEDS (20%)	\$1,726,060
ADMINISTRATION (4%)	(\$345,212)
OTHER SET ASIDES	(\$1,855,515)
NET 06 SRF FUNDS	\$8,155,633

**AVAILABLE FUNDS FY 2007:**

FEDERAL TITLE VI GRANT FUNDS	\$8,630,000
BOND PROCEEDS (20%)	\$1,726,000
ADMINISTRATION (4%)	(\$345,200)
OTHER SET ASIDES	(\$1,596,550)
NET 07 SRF FUNDS	\$8,414,250

**AVAILABLE FUNDS FY 2008:**

FEDERAL TITLE VI GRANT FUNDS	\$8,543,000
BOND PROCEEDS (20%)	\$1,708,600
ADMINISTRATION (4%)	(\$341,720)
OTHER SET ASIDES	(\$1,836,745)
NET 08 SRF FUNDS	\$8,073,135

**AVAILABLE FUNDS FY 2009:**

FEDERAL TITLE VI GRANT FUNDS	\$8,543,000
BOND PROCEEDS (20%)	\$1,708,600
ADMINISTRATION (4%)	(\$341,720)
OTHER SET ASIDES	(\$1,173,780)
NET 09 SRF FUNDS	\$8,736,100

**AVAILABLE FUNDS FY 2010:**

FEDERAL TITLE VI GRANT FUNDS	\$19,592,000
BOND PROCEEDS (20%)	\$3,918,400
ADMINISTRATION (4%)	(\$783,680)
OTHER SET ASIDES	(\$4,564,936)
NET 10 SRF FUNDS	\$18,161,784

**AVAILABLE FUNDS FY 2011:**

FEDERAL TITLE VI GRANT FUNDS	\$13,379,000
BOND PROCEEDS (20%)	\$2,675,800
ADMINISTRATION (4%)	(\$535,160)
OTHER SET ASIDES	(\$3,210,960)
NET 10 SRF FUNDS	\$12,308,680

NET FY 97-11 SRF FUNDS \$165,226,797

CURRENT REVOLVING/SURPLUS FUND BALANCE \$ 36,678,732

2010A - Leverage \$0

**BALANCE AVAILABLE FOR LOAN \$ 8,024,358**

	TOTAL PROJECT AMOUNT	KIA LOAN AMOUNT		DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 2000</b>					
1	HICKMAN, CITY OF	\$52,500	\$31,500 (s)	12/10/1999	F1
2	BOWLING GREEN, CITY OF	\$3,441,785	\$3,049,314 (c)	04/04/00	
3	PROVIDENCE, CITY OF	\$130,880	\$58,440 (c)	04/04/00	F1
4	GRAYSON, CITY OF	\$170,000	\$88,000	04/04/00	F1
	<b>TOTALS</b>	<b>\$3,795,165</b>	<b>\$3,227,254</b>		
<b>PROJECTS APPROVED IN FY2001</b>					
5	PRINCETON, CITY OF	\$3,858,000	\$1,500,000 (c)	07/18/2000	
6	HARDINSBURG, CITY OF	\$2,096,910	\$500,000 (c)	07/18/2000	
7	PROVIDENCE, CITY OF	\$3,442,422	\$2,383,982 (c)	9/29/00	
8	SPRINGFIELD, CITY OF	\$5,791,000	\$610,000	8/29/00	
9	MOREHEAD, CITY OF	\$13,325,000	\$5,500,000	9/29/00	9/29/00; Amd 5/16/01; Amd 5/1/03 Combined from 2 proj.
10	HICKMAN, CITY OF	\$1,642,623	\$869,023	9/29/00	
11	GREATER FLEMING CO REG WAT COM	\$357,500	\$357,500	12/21/00; 2/1/05	Land Acq Set Aside
12	ASHLAND, CITY OF	\$2,512,626	\$2,190,384 (c)	3/1/01	
13	GRAYSON COUNTY WATER DISTRICT	\$4,400,000	\$3,930,850 (c)	4/5/01	
14	PINEVILLE, CITY OF	\$173,222	\$173,222 (c)	5/3/01	
	<b>TOTALS</b>	<b>\$37,599,303</b>	<b>\$18,014,961</b>		
<b>PROJECTS APPROVED IN FY2002</b>					
15	LOGAN/TODD REG WAT COM	\$7,773,200	\$6,442,400 (c)	07/12/01	
16	CRITTENDEN/LIVINGSTON CO WD	\$1,500,000	\$1,451,881 (c)	07/12/01	
17	BULLOCK PEN WATER DISTRICT	\$408,088	\$350,367 (c)	10/4/01	
18	MOUNTAIN WATER DISTRICT	\$5,369,590	\$1,197,072	10/4/01	
19	GRAYSON, CITY OF	\$5,896,855	\$2,808,855	11/1/01; 12/12/02	Exec Com
20	LOGAN/TODD REG WAT COM	\$27,369,858	\$4,000,000	2/7/02	
21	NORTH LOGAN WATER DIST	\$800,000	\$447,000 (c)	3/7/02	
22	TAYLORSVILLE, CITY OF	\$2,800,000	\$1,241,766 (c)	5/2/02	
23	HOPKINSVILLE, CITY OF	\$1,513,593	\$1,513,593 (c)	6/6/02	
24	LOUISA, CITY OF	\$6,736,238	\$3,645,811 (c)	6/6/02	
25	BOONEVILLE, CITY OF	\$687,000	\$554,103 (c)	6/6/02	
	<b>TOTALS</b>	<b>\$60,854,422</b>	<b>\$23,652,848</b>		
<b>PROJECTS APPROVED IN FY2003</b>					
26	MADISON CO UTILITY DISTRICT	\$3,560,000	\$3,299,999 (c)	7/11/02; 1/1/05	
27	BOWLING GREEN MUNICIPAL UTILITIES	\$12,244,000	\$3,980,000 (c)	9/25/02	
28	GREATER FLEMING REG WAT COMM	\$252,130	\$252,130	10/3/02	Land Acq Set Aside
29	BRACKEN CO WATER DISTRICT	\$928,000	\$928,000	10/3/02	
30	BULLOCK PEN WATER DISTRICT	\$1,229,000	\$1,210,604 (c)	12/12/02	Exec Com
31	CITY OF ASHLAND	\$14,459,550	\$4,000,000	6/5/03	
	<b>TOTALS</b>	<b>\$32,672,680</b>	<b>\$13,670,733</b>		
<b>PROJECTS APPROVED IN FY2004</b>					
32	CARROLL CO WATER DISTRICT	\$1,956,156	\$1,908,662 (c)	9/4/03	
33	PAINTSVILLE, CITY OF	\$1,056,500	\$500,000	9/4/03	F1
34	EDDYVILLE, CITY OF	\$3,768,000	\$1,563,625 (c)	11/6/03	
35	HARLAN, CITY OF	\$5,020,000	\$1,597,552 (c)	11/6/03	
36	GREATER FLEMING REG WAT COM	\$13,059,330	\$4,000,000	12/4/03; 1/8/04	
37	MEADE COUNTY WATER DISTRICT	\$919,760	\$394,760	12/4/03	
38	HENDERSON WATER UTILITY	\$1,541,362	\$0	2/12/04	withdrawn
	<b>TOTALS</b>	<b>\$27,321,108</b>	<b>\$9,964,599</b>		
<b>PROJECTS APPROVED IN FY2005</b>					
39	MCCREARY CO WATER DISTRICT	\$4,206,815	\$1,455,400 (c)	10/7/04	
40	MANCHESTER, CITY OF	\$359,500	\$359,500	3/3/05	F1
41	RICHMOND, CITY OF	\$14,690,222	\$8,000,000	5/5/05	
	<b>TOTALS</b>	<b>\$19,256,537</b>	<b>\$9,814,900</b>		
<b>PROJECTS APPROVED IN FY 2006</b>					
42	HARDINSBURG, CITY OF	\$14,498,150	\$4,400,000	12/1/05; amd 8/1/07	
43	COLUMBIA-ADAIR CO WAT COM	\$14,000,000	\$4,520,000 (c)	6/1/06	
44	HOPKINSVILLE, CITY OF	\$6,844,310	\$4,000,000 (c)	6/1/06	
	<b>TOTALS</b>	<b>\$35,342,460</b>	<b>\$12,920,000</b>		

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
<b><u>PROJECTS APPROVED IN FY 2007</u></b>				
45	NORTHERN KY WATER DISTRICT	\$6,865,000	\$4,000,000	10/5/06
46	ADAIR CO WATER DISTRICT	\$3,302,000	\$1,000,000	6/21/07
47	JESSAMINE SOUTH ELKHORN WD	\$1,750,000	\$1,750,000	6/21/07
<b>TOTALS</b>		<b>\$11,917,000</b>	<b>\$6,750,000</b>	
<b><u>PROJECTS APPROVED FY 2008</u></b>				
48	LETCHER CO WAT & SEW DISTRICT	\$1,193,000	\$781,000 (c)	10/4/07
49	RICHMOND, CITY OF	\$7,108,951	\$4,000,000	10/4/07
50	MADISON CO UTILITY DIST	\$1,284,510	\$1,105,016	11/1/07; 10/9/08
52	NICHOLASVILLE, CITY OF	\$13,090,400	\$8,800,000 (c)	11/1/07; 4/1/09
53	BULLOCK PEN WATER DISTRICT	\$2,320,700	\$2,192,700 (c)	12/6/07
54	HARDINBURG, CITY OF	\$4,165,000	\$1,999,250 (c)	12/6/07
55	BEREA, CITY OF	\$9,739,630	\$5,000,000 (c)	2/7/08; inc 11/6/08
56	FRANKFORT, CITY OF	\$6,841,000	\$6,841,000	2/7/08
57	MANCHESTER, CITY OF	\$7,849,078	\$1,989,578	2/7/08; 2/5/09
58	MEADE CO WATER DISTRICT	\$2,480,949	\$753,447 (c)	2/7/08
59	WESTERN FLEMING WATER DISTRICT	\$2,568,000	\$2,518,000	2/7/08
60	HOPKINSVILLE, CITY OF	\$14,000,000	\$8,000,000	3/6/08; 5/7/09
61	NORTHERN KY WATER DISTRICT	\$6,565,000	\$4,000,000	3/6/08
62	OHIO CO WATER DISTRICT	\$19,698,500	\$5,000,000	3/6/08; 6/4/09
63	CENTERTOWN, CITY OF	\$2,866,652	\$1,097,430	3/6/08; 6/25/09
<b>TOTALS</b>		<b>\$101,771,370</b>	<b>\$54,077,421</b>	
<b><u>PROJECTS APPROVED FY2009</u></b>				
64	PAINTSVILLE, CITY OF	\$29,135,364	\$6,519,566	12/4/08
<b>TOTALS</b>		<b>\$29,135,364</b>	<b>\$6,519,566</b>	
<b><u>PROJECTS APPROVED FY2010</u></b>				
65	PADUCAH, CITY OF	\$7,510,000	\$7,500,000	9/3/09
66	HARDINBURG, CITY OF	\$4,700,500	\$3,251,590	11/12/09
67	NORTHERN KY WATER DISTRICT	\$45,300,000	\$24,000,000	12/3/09; 12/9/10; 10/6/11
68	Columbia Adair Water Commission	\$1,694,000	\$1,694,000	6/3/10
<b>TOTALS</b>		<b>\$59,204,500</b>	<b>\$36,445,590</b>	
<b><u>PROJECTS APPROVED FY2011</u></b>				
69	Adair Co Water District	\$4,133,000	\$4,000,000	7/1/10
70	Louisa, City of	\$1,700,000	\$1,700,000	7/1/10
71	Madison County Utilities District	\$940,225	\$940,225	12/9/10
72	Hardinsburg, City of	\$4,198,000	\$4,000,000	2/3/11
73	Williamstown, City of	\$2,250,000	\$2,250,000	3/3/11
74	Bullock Pen Water District	\$1,633,000	\$1,633,000	4/7/11
75	Brandenburg, City of	\$3,080,000	\$2,080,000	4/7/11
76	Barbourville, City of	\$6,000,000	\$4,000,000	5/5/11
77	Barlow, City of	\$230,000	\$230,000	5/5/11
78	West Liberty, City of	\$3,050,300	\$3,050,300	5/5/11
<b>TOTALS</b>		<b>\$27,214,525</b>	<b>\$23,883,525</b>	
<b><u>PROJECTS APPROVED FY2012</u></b>				
79	Breathitt Co Water District	\$2,500,000	\$2,500,000	7/7/11
80	Adair Co WD dba Columbia Adair Utilities	\$3,439,000	\$1,500,000	8/4/11
81	Jessamine South Elkhorn WD	\$3,025,300	\$3,025,300	11/10/11
82	Hodgenville, City of	\$774,183	\$774,183	11/10/11
83	East Casey County WD	\$1,545,000	\$1,545,000	11/10/11
84	Nicholasville, City of	\$4,154,018	\$4,154,018	11/10/11
<b>85</b>	<b>Harrodsburg, City of</b>	<b>\$438,000</b>	<b>\$438,000</b>	<b>12/8/11</b>
<b>86</b>	<b>Bowling Green Municipal Utilities</b>	<b>\$1,316,378</b>	<b>\$1,316,378</b>	<b>12/8/11</b>
<b>87</b>	<b>Carrollton, City of</b>	<b>\$1,850,270</b>	<b>\$1,850,270</b>	<b>12/8/11</b>
<b>TOTALS</b>		<b>\$19,042,149</b>	<b>\$17,103,149</b>	
<b>GRAND TOTALS - COMMITMENTS</b>		<b>\$465,126,583</b>	<b>\$236,044,546</b>	

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(F1) - Planning and Design Loan

**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**SAFE DRINKING WATER STATE REVOLVING FUND CFDA #66.468 ---- (FUND F2)**  
**AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**AVAILABLE FUNDS FFY 2009:**

FEDERAL ARRA GRANT FUNDS	\$20,450,000
ADMINISTRATION (4%)	(\$818,000)
OTHER SET ASIDES	(\$715,750)
NET ARRA FUNDS	<u>\$18,916,250</u>

	TOTAL PROJECT AMOUNT	KIA AMOUNT	FIRST USE FUNDS	DATE APPROVED
<b>PROJECTS APPROVED IN SFY 2009:</b>				
1 CENTERTOWN, CITY OF	\$2,866,652	\$222,606	\$222,606	6/25/09
2 SPRINGFIELD, CITY OF	\$4,000,000	\$950,000	\$950,000	6/25/09
<b>TOTALS</b>	<b>\$6,866,652</b>	<b>\$1,172,606</b>	<b>\$1,172,606</b>	
<b>PROJECTS APPROVED IN SFY 2010:</b>				
3 BREATHITT CO WATER DISTRICT	\$1,322,000	\$572,000 (c)	\$572,000	7/9/09; 11/24/09
4 WHITESBURG, CITY OF	\$171,840	\$171,794 (c)	\$171,794	7/9/09
5 MCKEE, CITY OF	\$1,100,000	\$1,099,923 (c)	\$1,099,923	8/6/09
6 BLACK MTN UTILITY DISTRICT	\$2,650,000	\$500,000	\$500,000	8/6/09
7 ELKTON, CITY OF	\$174,800	\$174,374 (c)	\$174,374	8/20/09
8 BLUEGRASS STATION	\$3,498,452	\$1,900,000	\$1,900,000	8/20/09
9 DAWSON SPRINGS, CITY OF	\$2,120,000	\$2,120,000	\$2,120,000	8/20/09
10 BURKESVILLE, CITY OF	\$1,153,000	\$1,153,000	\$1,153,000	9/3/09
11 LOUISVILLE WATER COMPANY	\$18,508,832	\$4,173,200	\$4,173,200	9/3/09; 2/4/10
12 JACKSON, CITY OF	\$1,500,000	\$1,500,000	\$1,500,000	9/3/09
13 PRESTONBURG, CITY OF	\$805,000	\$805,000 (c)	\$805,000	10/1/09
14 WINCHESTER, CITY OF	\$1,100,000	\$741,450 (c)	\$741,450	10/1/09
15 CAMPTON, CITY OF	\$6,966,088	\$683,200	\$683,200	10/1/09
16 WESTERN MASON WATER DISTRICT	\$578,000	\$500,000	\$500,000	10/1/09
17 GREENUP, CITY OF	\$2,915,099	\$1,590,604	\$1,590,604	11/12/09
<b>TOTALS</b>	<b>\$44,563,111</b>	<b>\$17,684,546</b>	<b>\$17,684,546</b>	
<b>GRAND TOTALS - COMMITMENTS</b>	<b>\$51,429,763</b>	<b>\$18,857,152</b>	<b>\$18,857,152</b>	
<b>BALANCE AVAILABLE FOR LOAN</b>			<b>\$59,099</b>	

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement