Board Meeting Booklet

for

November 10, 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

AGENDA

KENTUCKY INFRASTRUCTURE AUTHORITY
FULL BOARD MEETING
1024 CAPITAL CENTER DRIVE, SUITE 340
November 10, 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 **Minutes** of the **Kentucky Infrastructure Authority Regular Board Meeting** of **October 6, 2011** ***(Attachment I.A.1.)***	Chair Tony Wilder	9

B. New Projects/Action Items

1.	Resolution and Order of the Board of Directors for Approval of a **2020 Grant** in the amount of **$52,500** to the **Garrard County Fiscal Court, Garrard County, Kentucky** ***(Attachment I.B.1.)***	Ms. Debby Milton, KIA	15
2.	Resolution and Order of the Board of Directors for Approval of a **Fund A loan (A11-18)** in the amount of **$1,000,000** to the **City of Burkesville, Cumberland County, Kentucky** (SX21057003) ***(Attachment I.B.2.)***	Mr. Shafiq Amawi, DOW Ms. Kasi White, KIA	23
3.	Resolution and Order of the Board of Directors for Approval of a **Fund A loan (A11-19)** in the amount of **$2,195,635** to the **City of Bloomfield, Nelson County, Kentucky** (SX21179008) ***(Attachment I.B.3.)***	Mr. Shafiq Amawi, DOW Ms. Sandy Williams, KIA	37
4.	Resolution and Order of the Board of Directors for Approval of a **Fund A loan (A11-17)** in the amount of **$1,635,000** to the **City of Hodgenville, Larue County, Kentucky** (SX21123002) ***(Attachment I.B.4.)***	Mr. Shafiq Amawi, DOW Ms. Kasi White, KIA	41
5.	Resolution and Order of the Board of Directors for Approval of a **Fund F loan (F11-13)** in the amount of **$774,183** to the **City of Hodgenville, Larue County, Kentucky** (WX21123019) ***(Attachment I.B.5.)***	Mr. Shafiq Amawi, DOW Ms. Kasi White, KIA	55
6.	Resolution and Order of the Board of Directors for Approval of a **Fund F loan (F11-11)** in the amount of **$1,545,000** to the **East Casey County Water District, Casey County, Kentucky** (WX21045012) ***(Attachment I.B.6.)***	Mr. Shafiq Amawi, DOW Ms. Kasi White, KIA	69

7. Resolution and Order of the Board of Directors for Approval of a **Fund F loan (F11-12)** in the amount of **$3,025,300** to the **Jessamine South Elkhorn Water District, Jessamine County, Kentucky** (WX21113029, WX21113039) ***(Attachment I.B.7.)***	Mr. Shafiq Amawi, DOW Ms. Kasi White, KIA	83
8. Resolution and Order of the Board of Directors for Approval of a **Fund F loan (F11-14)** in the amount of **$4,000,000** to the **City of Nicholasville, Jessamine County, Kentucky** (WX21113027, WX21113028) ***(Attachment I.B.8.)***	Mr. Shafiq Amawi, DOW Ms. Sandy Williams, KIA	96
9. Resolution and Order of the Board of Directors 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 ***(Attachment I.B.9.)***	Ms. Sandy Williams, KIA	111
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	115
IV. ANNOUNCEMENTS/NOTIFICATIONS	Mr. John Covington, KIA	
Next KIA Board Meeting: ***Tentatively*** *set for* ***Thursday, December 8, 2011*** *Kentucky Infrastructure Authority* *1024 Capital Center Drive, Suite 340, Frankfort*		
V. ADJOURN	Chair Tony Wilder	

ATTACHMENT

I.A.1.

KENTUCKY INFRASTRUCTURE AUTHORITY
Minutes of the Full Board

Meeting Date/Location: **October 6, 2011 – 1:00 p.m.**
Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340, Frankfort

Members present:

Mr. Tony Wilder, Commissioner, Department for Local Government
Mr. Peter Goodmann, Energy and Environment Cabinet
(proxy for Secretary Leonard K. Peters, EEC)
Mr. Jamie Link, Finance and Administration Cabinet
(permanent proxy for Secretary Lori H. Flanery, FAC)
Mr. Joe Kelly, Economic Development Cabinet
(proxy for Secretary Larry Hayes, EDC)
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

Members absent:

Mr. Damon Talley, representing the Kentucky Rural Water Association
Mr. Jody Jenkins, Union County Judge/Executive, representing the Kentucky Association of Counties
Mr. David W. Cartmell, Mayor, City of Maysville, representing the Kentucky League of Cities

Guests:

Mr. Shafiq Amawi, Division of Water
Mr. Alan Vilines, Warren County Water District
Mr. Richard Harrison, Northern Kentucky Water District
Mr. Tom Midkiff, Office of Financial Management
Ms. Jennifer Kantner, Officer of Financial Management

PROCEEDINGS

Chair Tony Wilder called the meeting of the Kentucky Infrastructure Authority (KIA) Board to order. 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 August 4, 2011

Mr. Tom Calkins moved to approve the minutes of the August 4, 2011 regular board meeting. Ms. Linda Bridwell seconded, and the motion carried unanimously.

Chair Tony Wilder asked board members and guests to introduce themselves.

B. NEW PROJECTS/ACTION ITEMS

1. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING THE ISSUANCE OF A CONDITIONAL COMMITMENT FOR A GOVERNMENTAL AGENCIES PROGRAM LOAN (C11-02) OF $823,900 TO THE WARREN COUNTY WATER DISTRICT, WARREN COUNTY, KENTUCKY

The Warren County Water District requested a Fund C loan in the amount of $823,900 for the Buchanon Park Sewer Line Extension. This project consists of the construction of approximately 2,400 feet of 15", 4,875 feet of 12" and 2,425 feet of 8" gravity sewer with appurtenances. The project will provide sanitary sewer service to a public park and other previously unserved areas. The District serves areas in Warren County that are not served by Bowling Green Municipal Utilities (BGMU). They also purchase all water and sewer services from BGMU under an agreement that was renewed on March 17, 2003 for forty-one years. The term of the loan is 20 years with an interest rate of 3% and an estimated annual debt service payment of $56,729. KIA staff recommended approval of the loan with the standard conditions.

Ms. Linda Bridwell moved to approve the resolution with the standard conditions. Mr. Tom Calkins seconded, and the motion carried unanimously, with Mr. Jerry Weutcher abstaining. Mr. Wuetcher abstained due to any potential application submitted by the Warren County Water District to the Public Service Commission for authorization to enter into a loan agreement with KIA for the requested loan or for approval of the proposed construction project.

2. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F09-02) INCREASING THE LOAN AMOUNT TO $24,000,000 TO THE NORTHERN KENTUCKY WATER DISTRICT, KENTON COUNTY, KENTUCKY

Mr. Ron Lovan 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. Kasi White, KIA, presented the project to the Board. The Northern Kentucky Water District (NKWD) requested an $8,000,000 increase to it's previously approved $16,000,000 Drinking Water SRF loan for an Advanced Treatment project. Phases III (Ft. Thomas WTP) and IV (Memorial Parkway WTP) involve the installation of granular activated carbon (GAC) post-filter contactors, ultraviolet disinfection and replacement of undersized emergency power generators. The addition of GAC is necessary for NKWD to comply with Stage 2 of the Disinfection By-Product Rule by 2012. NKWD originally requested KIA funds for the entire project; however, due to the funding cap they received $8,000,000 from the 2010 funding cycle and a subsequent $8,000,000 from the 2011 funding cycle. The project ranked 2nd on the 2012 DWSRF Priority list and the district requested additional funding for the project. The project also meets the criteria to qualify $2,222,300 in green project reserve (GPR) funding which will allow Kentucky to exceed the minimum required for GPR for the 2010 Capitalization Grant. The breakdown of the GPR to the respective categories is as follows: Green Infrastructure $280,000; Water Efficiency $769,300; and Energy Efficiency $1,173,000. 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 $1,521,869. Both DOW and KIA staff recommended approval of the loan with the standard conditions.

Mr. Tom Calkins moved to approve the resolution with the standard conditions. Ms. Linda Bridwell seconded, and the motion carried unanimously with Mr. Ron Lovan and Mr. Jerry Wuetcher abstaining. Mr. Wuetcher abstained due to the fact that this project will be coming before the Public Service Commission for approval.

3. **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:

APPLICANT	FUND	AMOUNT
Warren County Water District	C	$ 823,900
City of Bardstown	C	$ 1,800,000
Northern Kentucky Water District	F	$ 24,000,000

Ms. Linda Bridwell moved to approve the resolution. Mr. Peter Goodmann 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 noted that two board members, Ms. Linda Bridwell and Mr. Damon Talley, were reappointed by the Governor to serve four more years on the Board.

B. An email was sent to all board members regarding changing the dates of the November and December 2011 Board Meetings. A schedule was also sent that listed all important dates, project reviews, conferences, trainings and holidays for KIA staff. The Board had no objection to changing the regular board meeting dates as follows: November 3rd meeting to November 10th, and December 1st meeting to December 8th.

C. Mr. Covington, Commissioner Tony Wilder of DLG and Mr. Rusty Anderson of KIA were scheduled to attend a conference for the National Association of Development Organizations in Miami, Florida, in October and will receive an award for the WRIS System. At this time Mr. Anderson gave a presentation on the changes to the WRIS application; in particular, the changes that affected the SRF programs. He demonstrated how project profiles were integrated in the WRIS portal in order to manage the SRF programs more efficiently and provide more transparency for the program.

D. KIA has obtained access for a wireless hotspot for board members to use during the meeting. A password will be provided upon request.

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

IV. ANNOUNCEMENTS/NOTIFICATIONS

- Next scheduled KIA board meeting:
  Tentatively scheduled for
  Thursday, November 10, 2011
  1024 Capital Center Drive, Suite 340
  Frankfort, Kentucky

There being no further business Mr. Tom Calkins moved to adjourn. Mr. Jamie Link seconded and the motion carried unanimously. The October 6, 2011, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.

Submitted by:

Sandy Williams

Sandy Williams, Secretary
Kentucky Infrastructure Authority

11-7-11
Date

ATTACHMENT

I.B.1.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A 2020 WATER SERVICE ACCOUNT GRANT OF $52,500 TO THE GARRARD COUNTY FISCAL COURT

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 grants 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 grants are to be made, the amounts thereof and;

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a grant from the Authority's 2020 Water Service Account Grant Program with the Garrard County Fiscal Court; and

WHEREAS, the Authority intends to utilize money in the 2020 Water Service Account Fund to make the grant to the governmental agency for the aforementioned purposes; and

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

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 2020 Water Service Account Grant of $52,500 to the Garrard County Fiscal Court for an independent water cost of service study for the City of Lancaster and the City of Danville.

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 10th day of November 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

_____
LEGAL COUNSEL TO THE KENTUCKY
INFRASTRUCTURE AUTHORITY

EXECUTIVE SUMMARY
KENTUCKY INFRASTRUCTURE AUTHORITY
2020 GRANT

PROJECT DESCRIPTION:

Grantee: **GARRARD COUNTY FISCAL COURT** County: GARRARD

Project Title: WATER COST OF SERVICE STUDY

WRIS: WX21079003 SAI#: KY N/A

Brief Project Descriptor: Independent cost of service study for the City of Lancaster

Engineer: TBT

CPBOC Review Date: November 15, 2011

Authorization: HB502 - Enacted April 26, 2000

PROJECT FINANCING:

			%
2020 Grant		**$52,500**	100.00
	-	0	0.00
	-	0	0.00
	-	0	0.00
	-	0	0.00
	-	0	0.00
	-	0	0.00
	-	0	0.00
TOTAL		$52,500	100%

PROJECT BUDGET:

		$	%	% of construction
Administrative		2,500	4.76	
Legal		5,000		
Planning		45,000		
	-		0.00	
	-		0.00	
	-		0.00	
	-		0.00	
	-		0.00	
TOTAL		$52,500	4.76%	

SYSTEM RATES

Current Rate Per 4,000 Gallons:	$19.94
Proposed Rate Per 4,000 Gallons:	to be determined

GRANT ASSIGNMENT

Reviewer: Debby Milton
Date: November 10, 2011
WRIS: WX21079003

KENTUCKY INFRASTRUCTURE AUTHORITY
2020 WATER SERIVCE ACCOUNT GRANT
GARRARD COUNTY FISCAL COURT

I. PROJECT DESCRIPTION

The Garrard County Fiscal Court is seeking 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 discharged 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.

The City of Danville is currently on track to complete a major upgrade to their water treatment plant.

Garrard County Water Association is a critical entity to any decision for the region. The service to over 5,300 customers gives them the leverage to affect economics of scale regardless if a plant is built in Danville, Lancaster or both. They can also potentially serve as the conduit to wheel water from Garrard County to Madison County. A new pipeline project from Lancaster to Crab Orchard could also make a connection to Stanford a possibility.

There are several potential options for providing clean drinking water to Garrard County, it is the intent of this study to determine the most cost effective solution. If capitalizing on economics of scale can lead to lower wholesale rates within the region, then it makes sense that those options should be explored.

The proposed study was discussed at a regional conference held on September 8, 2011 with representatives from Lancaster, Danville, Garrard County, Lincoln County and Madison County.

II. PROJECT BUDGET

Administrative	2,500
Legal Expenses	5,000
Planning	45,000
Total Budget	$52,500

III. PROJECT FUNDING

KIA 2020 Grant	$52,500

IV. RATE STRUCTURE/DEMOGRAPHICS

A.

Entity	Customers	Per/4,000 gall
City of Danville	11,126	$12.10
City of Lancaster	1,760	$24.87
City of Stanford	3,425	$16.77
Garrard County Water District	5,390	$26.00
	21,701	*$19.94

*Current average rate for 4,000 gallons for the 4 entities listed above.

- Garrard County Water District's rates are regulated by PSC.

Raw water source

- City of Danville – Lake Herrington
- City of Lancaster – Kentucky River Pool #8
- City of Stanford – Stanford Reservoir
- Garrard County Water District – they purchase water from Danville, Lancaster and Berea. Raw waters sources are Lake Herrington, Kentucky River Pool #8 and Owsley Fork reservoir respectively.

B Demographics

Garrard County is located in the central region of Kentucky.

V. PROJECT SCHEDULE

Advertise for Bids	January 2012
Study completed	May 2012

VI. KEY CONTACTS

A. Applicant

Name:	Garrard County Fiscal Court
Address:	15 Public Square, Suite 3 Lancaster, KY 40444
County:	Garrard
Contact:	John Wilson, Judge/Executive
Telephone:	859-792-3531
Email:	garrardjudge@windstream.net

B. Applicant Contact

Name:	David Duttlinger
Firm:	Bluegrass Area Development District
Address:	699 Perimeter Drive Lexington, KY 40517
Telephone:	859-269-8021
Email:	dduttlinger@bgadd.org

VII. 2020 WATER SERVICE ACCOUNT CRITERIA

A. Project meets the criteria in regard to regionalization, merger or consolidation of water systems in eliminating structural and administrative duplication.
B. Project has been reviewed and approved by the Area Water Management Council.

VIII. RECOMMENDATIONS

KIA staff recommends approval of this grant with standard grant assistance agreement conditions.

ATTACHMENT

I.B.2.

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 (A11-18) OF $1,000,000 TO THE CITY OF BURKESVILLE, CUMBERLAND 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 Burkesville, 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 $1,000,000 of project expense including capitalized interest for the construction period, to the City of Burkesville for the Sanitary Sewer System Overflow Remediation 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 30% will be deducted from the approved loan amount. The unforgiven principal balance of $700,000 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, $2,500 must be set aside in a borrower held replacement reserve. 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 10th day of November, 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
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

November 7, 2011

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

Re: CWL #12091 Fund A
Burkesville WWTP--873
Activity ID: FGL20120003
Watershed Name: Cumberland River, above TN state line
Watershed Code (HUC11): 05130103200

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Burkesville is entitled to receive priority for funding for the SSO Remediation project and is eligible to receive $1,000,000.00 from the Clean Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on December 1, 2011.

2. Construction bids are expected to be opened on April 1, 2012.

3. Project specific environmental information is expected to be submitted to DOW on December 1, 2011.

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.

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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 Keith Riddle, Mayor
Judy Hachey, Lake Cumberland ADD
Robert C. Smallwood, GRW Engineers

EXECUTIVE SUMMARY		Reviewer:	Kasi White
KENTUCKY INFRASTRUCTURE AUTHORITY		Date:	November 10, 2011
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number:	**A11-18**
REVOLVING LOAN FUND		WRIS Number	**SX21057003**
		HUC Code:	05130103200

BORROWER:	**CITY OF BURKESVILLE**
	CUMBERLAND COUNTY

BRIEF DESCRIPTION:

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.

PROJECT FINANCING:		PROJECT BUDGET	
Fund A Loan	$ 1,000,000	Administrative Expenses	$ 20,000
		Land, Easements	55,000
		Engineering Fees	174,000
		Construction	681,000
		Contingency	70,000
TOTAL	$ 1,000,000	TOTAL	$ 1,000,000

REPAYMENT				
	Rate	1.0%	Est. Annual Payment	$ 40,104
	Term	20 years	1st Payment	6 Mo. after first draw

PROFESSIONAL SERVICES		
	Engineer	GRW Engineers
	Bond Counsel	Peck, Shaffer, & Williams

PROJECT SCHEDULE	
Bid Opening:	September, 2012
Construction Start:	November, 2012
Construction Stop:	May, 2013

DEBT PER CUSTOMER		
	Existing:	$ 2,906
	Proposed:	$ 3,834

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

RESIDENTIAL RATES		Users		Avg. Bill	
	Current	643	$	30.55	(for 4,000 gallons)
	Additional	0	$	30.55	(for 4,000 gallons)

REGIONAL COORDINATION	This project is consistent with regional planning recommendations.

CASHFLOW	**Cash Available for Debt Service**	**Debt Service**	**Income after Debt Service**	**Coverage Ratio**
Audited 2006	129,293	119,880	9,413	1.1
Audited 2007	107,250	114,429	(7,179)	0.9
Audited 2008	77,089	115,870	(38,781)	0.7
Audited 2009	155,805	113,497	42,308	1.4
Audited 2010	146,071	184,556	(38,485)	0.8
Audited 2011	297,307	144,602	152,705	2.1
Projected 2012	300,435	142,730	157,704	2.1
Projected 2013	309,215	150,597	158,618	2.1
Projected 2014	289,884	183,324	106,560	1.6
Projected 2015	271,605	183,944	87,661	1.5

Reviewer: Kasi White
Date: November 10, 2011
Loan Number: A11-18

KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND "A")
CITY OF BURKESVILLE, CUMBERLAND COUNTY
PROJECT REVIEW
SX21057003

I. PROJECT DESCRIPTION

The City of Burkesville is requesting 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.

II. PROJECT BUDGET

	Total
Administrative Expenses	$ 20,000
Land, Easements	55,000
Engineering Fees	174,000
Construction	681,000
Contingency	70,000
Total	**$ 1,000,000**

III. PROJECT FUNDING

	Amount	%
Fund A Loan	$ 1,000,000	100%
Total	**$ 1,000,000**	**100%**

IV. KIA DEBT SERVICE

Construction Loan	$	1,000,000
Less: Principal Forgiveness (30%)	$	300,000
Amortized Loan Amount	$	700,000
Interest Rate		1.0%
Loan Term (Years)		20
Estimated Annual Debt Service	$	38,704
Administrative Fee (0.20%)	$	1,400
Total Estimated Annual Debt Service	**$**	**40,104**

V. PROJECT SCHEDULE

Bid Opening	September, 2012
Construction Start	November, 2012
Construction Stop	May, 2013

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	481
Commercial	158
Industrial	4
Total	643

B) Rates

Sewer rates were increased approximately 33% in October 2011 resulting in a monthly charge for utility service as follows:

Sewer	Current	Prior (2008)
Minimum (2,000 Gallons)	$17.63	$13.25
Rates Per 1,000 Gallons		
Next 13,000 Gallons	6.46	4.86
Next 15,000 Gallons	5.40	4.06
Next 30,000 Gallons	4.77	3.59
Cost for 4,000 gallons	$30.55	$22.97
Affordability Index (Rate/MHI)	2.0%	

The rate ordinance provides for annual 1% increases in both sewer and water rates beginning in 2012.

VII. DEMOGRAPHICS

In 2010 the City's population was 1,974 a Median Household Income (MHI) of $18,245. The median household income for the Commonwealth is $41,197. The loan qualifies for a 1% interest rate because MHI is below 80% of the State MHI.

VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES

1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for $300,000. The breakdown of the GPR to the respective "green" categories is listed below:
    a. Green Infrastructure - $300,000
    b. Water Efficiency - $0
    c. Energy Efficiency - $0
    d. Environmentally Innovative - $0

2) Additional Subsidization – This project qualifies for additional subsidization in the amount of $300,000.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the city was obtained from audited financial statements for the years ended June 30, 2006 through 2011. The statements represent combined revenues and expenses of the water and sewer utilities for the city.

HISTORICAL

Water revenues increased by 80% from 2006 to 2011 due to rate increases that were put into effect in November 2008 and increased wholesales to Cumberland County Water District. Sewer revenues have decreased a net of 4% over the same period. To offset the decline, sewer rates were increased 33% effective October 1, 2011. Water and sewer operating expenses have increased by 16% since 2006.

The balance sheet reflects a current ratio above 1.0 for all years. Debt to equity improved from 1.1 in 2006 to 0.6 in 2009 and has remained in the 0.3 range thereafter. The improvement is the result of the receipt of $3.5 million in grant funds in 2009 for the construction of a water treatment plant. Another $1.5 million was received in 2010. During 2010 and 2011 $1,153,000 in ARRA funds were disbursed from KIA resulting in a debt increase of $529,227. The City maintains restricted sinking funds for bond issues and has about $111,146 in depreciation funds.

PROJECTIONS

Projections are based on the following assumptions:

1. Water and sewer revenues will increase 2% annually (1% rate, 1% volume) beginning in 2012. The 1% annual rate increase is required by ordinance.
2. Water revenues are expected to increase 8% due to anticipated increases in wholesale water purchases from Cumberland County Water District (CCWD). CCWD has in the past couple of years decommissioned their WTP and moved the bulk of their water purchases from Albany to Burkesville.
3. Expenses are projected to increase by 5% annually with a slightly higher increase in 2012 to accommodate the additional volumes to be sold to CCWD.
4. Total debt service is estimated to be about $158,000 annually when full principal and interest repayments begin in 2014.

Debt service coverage is 1.6 in 2014 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund A loan.

REPLACEMENT RESERVE

The annual replacement cost is $2,500. This amount should be added to the replacement account each December 1 until the balance reaches $25,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

Debt Issue	Outstanding	Maturity
1980 Water and Sewer Revenue Bonds	99,000	2019
1990 Water and Sewer Revenue Bonds	258,000	2028
1993 Water and Sewer Revenue Bonds	829,000	2032
1998 Water and Sewer Revenue Bonds	167,700	2036
KIA (F2 09-13)	518,339	2031
Total	**1,872,039**	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Water Treatment Plant Expansion	ARC	300,000	Grant
Water Treatment Plant Expansion	CDBG	2,000,000	Grant
Water Treatment Plant Expansion	HB608	1,150,000	Grant

XII. CONTACTS

Applicant

Name	City of Burkesville
Address	214 Upper River Street, P.O. Box 250 Burkesville, KY 42717
County	Cumberland
Contact	Keith Riddle
Phone	(270) 864-5394
Email	CityofBurkesville@yahoo.com

Applicant Contact

Name	Lake Cumberland Area Development District
Address	2384 Lakeway Drive, P.O. Box 1570 Russell Springs, KY 42642
Contact	Judy Hachey
Phone	(270) 866-4200
Email	judyh@lcadd.org

Engineer

Name	Robert C. Smallwood
Firm	GRW Engineers
Address	801 Corporate Drive, Suite 400 Lexington, KY 40503
Phone	(859) 223-3999
Email	bsmallwoood@grwinc.com

XIII. RECOMMENDATIONS

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

CITY OF BURKESVILLE
BALANCE SHEETS (JUNE YEAR END)

ASSETS	Audited 2006	Audited 2007	Audited 2008	Audited 2009	Audited 2010	Audited 2011	Upon Completion 2013
Current Assets							
Cash and Cash Equivalents	21,407	34,638	19,280	78,393	86,927	167,372	483,695
Investments	56,820	59,025	61,976	0	0	0	0
Receivables	73,083	66,830	60,406	80,745	86,073	103,668	121,400
Prepaid Expense	16,501	0	0	0	39,248	433	0
Other Receivables	40,223	7,203	7,074	222,872	5,727	0	0
Total Current Assets	208,034	167,696	148,736	382,010	217,975	271,473	605,095
Restricted Assets							
Restricted Cash and Cash Equivalents	228,986	231,675	1,376,582	590,806	281,704	293,088	301,588
Total Restricted Assets	228,986	231,675	1,376,582	590,806	281,704	293,088	301,588
Utility Plant							
Utility Systems	5,757,197	5,763,972	5,767,472	5,781,272	5,786,072	5,787,072	6,787,072
Construction In Progress	209,362	227,522	472,682	5,036,878	6,848,645	7,485,562	6,985,562
Total	5,966,559	5,991,494	6,240,154	10,818,150	12,634,717	13,272,634	13,772,634
Less Accumulated Depreciation ( )	(3,231,334)	(3,417,395)	(3,587,023)	(3,766,922)	(3,930,704)	(4,094,624)	(4,484,124)
Net Fixed Assets	2,735,225	2,574,099	2,653,131	7,051,228	8,704,013	9,178,010	9,288,510
Other Assets							
Unamortized Bond Costs and Discount, Net	0	0	34,801	2,645	0	0	0
Total Other Assets	0	0	34,801	2,645	0	0	0
Total Assets	3,172,245	2,973,470	4,213,250	8,026,689	9,203,692	9,742,571	10,195,193
LIABILITIES							
Current Liabilities							
Accounts Payable	2,439	1,566	6,919	12,801	24,090	4,288	5,000
Accrued Liabilities	47,722	38,336	52,686	303,554	155,904	97,995	105,000
Customer Deposits	23,210	26,984	28,795	32,522	26,480	34,976	45,000
Total Current Liabilities	73,371	66,886	88,400	348,877	206,474	137,259	155,000
Liabilities Payable - Restricted Assets							
Current Maturities of Long Term Debt	37,000	38,100	41,200	41,200	45,500	46,700	52,245
C.P. F2 09-13	0	0	0	0	0	10,888	24,443
Total Liabilities Payable - Restricted Assets	37,000	38,100	41,200	41,200	45,500	57,588	76,688
Long Term Liabilities							
Revenue Bonds Payable, Less Current Portion	1,517,400	1,479,300	1,438,100	1,396,900	1,350,200	1,303,500	1,206,900
Notes Payable	0	0	1,170,000	1,170,000	1,153,000	0	0
KIA F2 09-13	0	0	0	0	0	507,438	481,948
Proposed KIA A11-18	0	0	0	0	0	0	700,000
Unamortized Bond Premium	0	0	19,240	1,464	0	0	0
Total Long Term Liabilities	1,517,400	1,479,300	2,627,340	2,568,364	2,503,200	1,810,938	2,388,848
Total Liabilities	1,627,771	1,584,286	2,756,940	2,958,441	2,755,174	2,005,785	2,620,536
Retained Earnings:							
Invested in Capital Assets Net of Related Debt	2,432,280	2,432,280	3,831	4,443,128	6,155,313	7,309,471	6,822,974
Restricted	228,986	231,675	1,376,582	590,806	281,704	293,088	301,588
Unrestricted	(1,116,792)	(1,274,771)	75,897	34,314	11,501	134,227	450,095
Total Retained Earnings	1,544,474	1,389,184	1,456,310	5,068,248	6,448,518	7,736,786	7,574,657
Total Liabilities and Equities	3,172,245	2,973,470	4,213,250	8,026,689	9,203,692	9,742,571	10,195,193
Balance Sheet Analysis							
Current Ratio	2.8	2.5	1.7	1.1	1.1	2.0	3.9
Debt to Equity	1.1	1.1	1.9	0.6	0.4	0.3	0.3
Working Capital	134,663	100,810	60,336	33,133	11,501	134,214	450,095
Percent of Total Assets in Working Capital	4.2%	3.4%	1.4%	0.4%	0.1%	1.4%	4.4%
Days Sales in Accounts Receivable	44.5	41.9	37.8	44.3	42.2	42.5	42.1

EXHIBIT 1															
CITY OF BURKESVILLE															
CASH FLOW ANALYSIS (JUNE YEAR END)															
	Audited	**%**	**Audited**	**%**	**Audited**	**%**	**Audited**	**%**	**Audited**	**%**	**Audited**	**Projected**	**Projected**	**Projected**	**Projected**
Operating Revenues	**2006**	**Change**	**2007**	**Change**	**2008**	**Change**	**2009**	**Change**	**2010**	**Change**	**2011**	**2012**	**2013**	**2014**	**2015**
Water	324,009	-8%	299,216	5%	314,289	28%	403,476	18%	475,873	28%	608,209	658,209	671,373	684,800	698,496
Sewer	258,187	2%	264,024	-3%	257,173	-6%	242,833	-1%	239,987	2%	245,316	309,098	340,008	346,808	353,744
Miscellaneous	17,832	6%	18,985	-41%	11,159	64%	18,318	60%	29,309	27%	37,198	40,000	40,000	40,000	40,000
Rate Increase															
Total Revenues	600,028	-3%	582,225	0%	582,621	14%	664,627	12%	745,169	20%	890,723	1,007,307	1,051,381	1,071,608	1,092,240
Operating Expenses															
Water Expenses	356,794	5%	376,227	8%	406,010	-15%	345,291	20%	413,346	-4%	398,645	498,306	523,222	549,383	576,852
Sewer Expenses	120,128	-10%	107,572	0%	107,509	62%	174,661	8%	188,735	5%	197,682	207,566	217,944	228,841	240,283
Depreciation (W&S)	175,372	6%	186,061	-9%	169,628	-2%	166,099	-1%	163,783	0%	163,921	190,000	199,500	209,475	219,975
Replacement Reserve	0		0		0		0		0		0	3,000	3,000	5,500	5,500
Total Expenses	652,294	3%	669,860	2%	683,147	0%	686,051	12%	765,864	-1%	760,248	898,872	943,666	993,199	1,042,610
Net Operating Income	(52,266)	68%	(87,635)	15%	(100,526)	-79%	(21,424)	-3%	(20,695)	-730%	130,475	108,435	107,715	78,409	49,630
Non-Operating Income and Expenses															
Interest Income	6,187	43%	8,824	-9%	7,987	39%	11,130	-73%	2,983	-2%	2,911	2,000	2,000	2,000	2,000
Total Non-Operating Income & Expenses	6,187	43%	8,824	-9%	7,987	39%	11,130	-73%	2,983	-2%	2,911	2,000	2,000	2,000	2,000
Add Non-Cash Expenses															
Depreciation	175,372	6%	186,061	-9%	169,628	-2%	166,099	-1%	163,783	0%	163,921	190,000	199,500	209,475	219,975
Cash Available for Debt Service	**129,293**	**-17%**	**107,250**	**-28%**	**77,089**	**102%**	**155,805**	**-6%**	**146,071**	**104%**	**297,307**	**300,435**	**309,215**	**289,884**	**271,605**
Debt Service (enter as positive #'s)															
Existing Debt	119,880		114,429		115,870		113,497		184,556		130,702	113,389	114,273	113,897	114,517
F2 09-13											13,900	29,341	29,324	29,324	29,324
Proposed KIA Loan											0	0	7,000	40,104	40,104
Total Debt Service	119,880		114,429		115,870		113,497		184,556		144,602	142,730	150,597	183,324	183,944
Income After Debt Service	9,413		(7,179)		(38,781)		42,308		(38,485)		152,705	157,704	158,618	106,560	87,661
Debt Coverage Ratio	1.1		0.9		0.7		1.4		0.8		2.1	2.1	2.1	1.6	1.5

ATTACHMENT

I.B.3.

City of Bloomfield
A11-19

Project Information will be Available
by Close of Business
November 9, 2011

ATTACHMENT

I.B.4.

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 (A11-17) OF $1,635,000 TO THE CITY OF HODGENVILLE, LARUE 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 Hodgenville, 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 $1,635,000 of project expense including capitalized interest for the construction period, to the City of Hodgenville for the Sewer 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. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, $4,000 must be set aside in a borrower held replacement reserve. 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 10th day of November, 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
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

November 4, 2011

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

Re: CWL 12100
Hodgenville WWTP--2552
Activity ID: FGL20120007
HUC 11 No.: 0511001170 – North Fork Nolin River
Fund A

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Hodgenville is entitled to receive priority for funding for the Sewer Improvements Project and is eligible to receive $1,635,000 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 1, 2012.

2. Construction bids are expected to be opened on April 21, 2012.

3. Project specific environmental information is expected to be submitted to DOW on December 1, 2011.

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

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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: The Honorable Terry L. Cruse, Mayor
City of Hodgenville

Ashley Willoughby, Community Development Specialist
Lincoln Trail ADD

Laura Gilkerson, P. E.
Randy Stambaugh, P. E.,
GRW Engineers, Inc.

EXECUTIVE SUMMARY		Reviewer:	Kasi White
KENTUCKY INFRASTRUCTURE AUTHORITY		Date:	November 10, 2011
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number:	**A11-17**
REVOLVING LOAN FUND		WRIS Number	**SX21123002**
		HUC Code:	0511001170

BORROWER:	**CITY OF HODGENVILLE**
	LARUE COUNTY

BRIEF DESCRIPTION:

This 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.

PROJECT FINANCING:		PROJECT BUDGET	
Fund A Loan	$ 1,635,000	Administrative Expenses	$ 10,000
		Legal Expenses	15,000
		Engineering Fees	260,000
		Construction	1,230,000
		Contingency	120,000
TOTAL	$ 1,635,000	TOTAL	$ 1,635,000

REPAYMENT				
	Rate	2.0%	Est. Annual Payment	$ 102,860
	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:	April, 2012
Construction Start:	May, 2012
Construction Stop:	December, 2012

DEBT PER CUSTOMER	Existing:	$ 1,961	Includes Water Customers
	Proposed:	$ 2,958	

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

RESIDENTIAL RATES		Users		Avg. Bill	
	Current	1,323	$	20.28	(for 4,000 gallons)
	Additional	0	$	24.17	(for 4,000 gallons)

REGIONAL COORDINATION	This project is consistent with regional planning recommendations.

CASHFLOW	**Cash Available for Debt Service**	**Debt Service**	**Income after Debt Service**	**Coverage Ratio**
Audited 2008	342,813	350,275	(7,462)	1.0
Audited 2009	485,719	339,372	146,347	1.4
Audited 2010	492,143	334,955	157,188	1.5
Estimate 2011	457,496	335,530	121,966	1.4
Projected 2012	422,496	353,322	69,174	1.2
Projected 2013	453,146	383,069	70,077	1.2
Projected 2014	488,242	403,598	84,644	1.2
Projected 2015	487,838	408,573	79,265	1.2
Projected 2016	486,610	353,971	132,640	1.4

Reviewer: Kasi White
Date: November 10, 2011
Loan Number: A11-17

KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND "A")
CITY OF HODGENVILLE, LARUE COUNTY
PROJECT REVIEW
SX21123002

I. PROJECT DESCRIPTION

The City of Hodgenville is requesting $1,635,000 in Clean Water SRF funds for the Sewer Improvements Project. This 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.

II. PROJECT BUDGET

	Total
Administrative Expenses	$ 10,000
Legal Expenses	15,000
Engineering Fees	260,000
Construction	1,230,000
Contingency	120,000
Total	**$ 1,635,000**

III. PROJECT FUNDING

	Amount	%
Fund A Loan	$ 1,635,000	100%
Total	**$ 1,635,000**	**100%**

IV. KIA DEBT SERVICE

Construction Loan	$ 1,635,000
Interest Rate	2.0%
Loan Term (Years)	20
Estimated Annual Debt Service	$ 99,590
Administrative Fee (0.20%)	$ 3,270
Total Estimated Annual Debt Service	**$ 102,860**

V. PROJECT SCHEDULE

Bid Opening	April, 2012
Construction Start	May, 2012
Construction Stop	December, 2012

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Sewer	Water
Residential	1,169	1,427
Commercial	145	230
Industrial	9	9
Total	1,323	1,666

B) Rates

Since 2004, the monthly wastewater and water utility rates are:

	Sewer	Water - City	Water - Out of City
First 3,000 Gallons (minimum)	$15.60	$18.34	$27.50
Next 7,000 Gallons	4.68	4.94	7.41
Next 10,000 Gallons	4.29	4.53	6.79
Next 20,000 Gallons	3.90	3.63	5.45
All Over 40,000 Gallons	3.45	2.45	3.68
Cost for 4,000 gallons	$20.28	$23.28	$34.91
Affordability Index (Rate/MHI)	0.7%	0.8%	1.3%

VII. DEMOGRAPHICS

In 2010, the City's population was 3,206 with a Median Household Income (MHI) of $33,382. The median household income for the Commonwealth is $41,197. The loan qualifies for a 2% interest rate because the MHI is between 80% and 100% of the State MHI.

VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES

1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for $200,000. The breakdown of the GPR to the respective "green" categories is listed below:
    a. Green Infrastructure - $200,000
    b. Water Efficiency - $0
    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 was obtained from the audited financial statements for the years ended June 30, 2008 through 2010. Amounts for the current year are estimated. The Water and Wastewater Fund is reported by the City as one proprietary fund.

HISTORICAL

Revenues have been flat in the range of $1.2 million for years 2008 through 2010. Approximately $105 thousand in revenues are derived from the sale of finished water to the LaRue County Water District. Operating expenses have declined from $847,575 in 2008 to an estimated $673,750 in 2010 primarily due to a decline in repair and maintenance expenses. The debt coverage ratio was 1.0 in 2008 (due the higher expenses) and improved to the 1.4 – 1.5 range for years 2009 and 2010.

The balance sheet reflects a current ratio range of 1.4 to 1.9 for years 2008 through 2010 and a debt to equity ratio in the 0.5 range for each year. The unrestricted cash position has improved from about just under $600,000 to over $1 million in 2010. Restricted accounts are maintained for bond sinking funds and various maintenance funds. Substantially all of the City's capital spending since 2008 has been funded by grants.

PROJECTIONS

Projections are based on the following assumptions:

a) Revenues will continue to remain flat for volume.
b) Revenues reflect proposed 6% rate increases effective July 1, 2012 and July 1, 2013 and 3% increases effective July 1, 2014 & July 1, 2015.
c) Operating expenses will increase 5% per year.
d) Total debt service is estimated at $403,598 beginning in 2014. This includes debt service on a proposed Fund F loan (F11-13) which is also being submitted at the November 10, 2011 KIA Board meeting.

The debt coverage ratio is 1.2 in 2014 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund A loan.

REPLACEMENT RESERVE

The annual replacement cost is $4,000. This amount should be added to the replacement account each December 1 until the balance reaches $40,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Water and Sewer Serial Bonds	$ 126,000	May-15
Water and Sewer Serial Bonds	78,294	May-15
Water and Sewer Serial Bonds	367,500	May-39
Water and Sewer Serial Bonds	711,000	May-38
Water and Sewer 1992 Refunding Bonds	982,000	Feb-26
KIA A04-10	790,962	Feb-05
KIA B91-08	21,725	Jun-13
Capital Lease	215,000	Apr-13
Total	**$ 3,292,481**	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Water Storage Tank	HB380	100,000	Grant
Water and Sewer Improvements	HB608	300,000	Grant
Hamilton Acres Sewer Rehab	HB608	200,000	Grant

XII. CONTACTS

Applicant

Name	City of Hodgenville
Address	P.O. Box 189
	Hodgenville, KY 42748
Contact	Terry Cruse
Phone	(270) 358-3832
Email	Mayortc@windstream.net

Applicant Contact

Name	Lincoln Trail Area Development District
Address	P.O. Box 604 Elizabethtown, KY 42702
Contact	Ashley Willoughby
Phone	(270) 769-2393
Email	AWilloughby@ltadd.org

Engineer

Name	Randy Stambaugh
Firm	GRW Engineers, Inc.
Address	801 Corporate Drive, Suite 400 Lexington, KY 40503
Phone	(859) 223-3999
Email	rstambaugh@grwinc.com

XIII. RECOMMENDATIONS

KIA staff recommends approval of the loan 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 schedule below:

Effective Date	Increase Adjustment
July 1, 2012	6 %
July 1, 2013	6 %
July 1, 2014	3 %
July 1, 2015	3 %

SEWER RATES

Effective Date of Rate Increase	7/1/2012	7/1/2013	7/1/2014	7/1/2015
First 3,000 Gallons (minimum)	$16.54	$17.53	$18.05	$18.60
Next 7,000 Gallons	$4.96	$5.26	$5.42	$5.58
Next 10,000 Gallons	$4.55	$4.82	$4.96	$5.11
Next 20,000 Gallons	$4.13	$4.38	$4.51	$4.65
All Over 40,000 Gallons	$3.66	$3.88	$3.99	$4.11
Cost for 4,000 gallons	$21.50	$22.79	$23.47	$24.17
Affordability Index (Rate/MHI)	0.8%	0.8%	0.8%	0.9%

CITY OF HODGENVILLE
BALANCE SHEETS (JUNE YEAR END)

ASSETS	Audited 2008	Audited 2009	Audited 2010	Upon Completion 2013
Current Assets				
Cash	482,034	531,294	857,654	1,118,872
Accounts Receivable	107,832	104,714	112,329	119,100
Other Receivables	2,963	1,282	45,366	1,250
Prepaid	0	0	32,489	0
Total Current Assets	592,829	637,290	1,047,838	1,239,222
Restricted Assets				
Operation and Maintenance	780,260	155,017	157,536	157,536
Depreciation		95,644	96,209	332,721
Sinking Funds		432,545	439,130	439,130
Waste Water		88,842	41,735	41,735
Waste Water Rehabilitation		143,436	138,419	138,419
Total Restricted Assets	780,260	915,484	873,029	1,109,541
Utility Plant				
Land, System, Building and Equipment	15,219,702	15,311,158	16,057,822	18,512,005
Less Accumulated Depreciation ( )	(5,377,231)	(5,714,610)	(6,062,715)	(7,206,315)
Net Fixed Assets	9,842,471	9,596,548	9,995,107	11,305,690
Other Assets				
Debt Issue Costs	27,320	25,249	23,177	16,961
Total Other Assets	27,320	25,249	23,177	16,961
Total Assets	11,242,880	11,174,571	11,939,151	13,671,414
LIABILITIES				
Current Liabilities				
Accounts Payable	11,646	11,007	110,082	12,500
Accrued Expenses	45,849	46,158	46,831	47,500
Compensated Absences	627	7,353	7,256	7,500
Due to Other Funds	161,600	151,964	157,071	160,000
C. P. Notes and Lease Payable	116,559	117,203	122,855	47,215
C. P. Bonds Payable	96,348	98,822	102,817	114,436
Total Current Liabilities	432,629	432,507	546,912	389,151
Long Term Liabilities				
Customer Deposits	39,000	38,972	41,054	41,000
Note and Lease Payable	1,144,888	1,027,685	904,832	529,256
Bonds Payable	2,363,863	2,264,946	2,161,977	1,843,453
Proposed KIA A11-17	0	0	0	774,200
Proposed KIA F11-13	0	0	0	1,635,000
Unamortized Bond Discount	(30,881)	(27,784)	(24,686)	(15,392)
Total Long Term Liabilities	3,516,870	3,303,819	3,083,177	4,807,517
Total Liabilities	3,949,499	3,736,326	3,630,089	5,196,668
Retained Earnings:				
Invested in Capital Assets Net of Related Debt	6,120,813	6,087,892	6,702,626	8,771,330
Restricted	780,259	910,481	873,026	1,109,541
Unrestricted	392,309	439,872	733,410	(1,406,125)
Total Retained Earnings	7,293,381	7,438,245	8,309,062	8,474,746
Total Liabilities and Equities	11,242,880	11,174,571	11,939,151	13,671,414
Balance Sheet Analysis				
Current Ratio	1.4	1.5	1.9	3.2
Debt to Equity	0.5	0.5	0.4	0.6
Working Capital	160,200	204,783	500,926	850,071
Percent of Total Assets in Working Capital	1.4%	1.8%	4.2%	6.2%
Days Sales in Accounts Receivable	31.6	30.7	33.5	33.5

EXHIBIT 1											
CITY OF HODGENVILLE											
CASH FLOW ANALYSIS (JUNE YEAR END)											
	Audited	**%**	**Audited**	**%**	**Audited**	**Estimate**	**Projected**	**Projected**	**Projected**	**Projected**	**Projected**
Operating Revenues	**2008**	**Change**	**2009**	**Change**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Water and Wastewater Services	1,206,427	0%	1,210,831	-2%	1,186,717	1,190,000	1,190,000	1,190,000	1,261,400	1,337,084	1,377,197
Other	40,283	-15%	34,327	7%	36,580	35,000	35,000	35,000	35,000	35,000	35,000
Rate Increase	0		0		0	0		71,400	75,684	40,113	41,316
Total Revenues	1,246,710	0%	1,245,158	-2%	1,223,297	1,225,000	1,225,000	1,296,400	1,372,084	1,412,197	1,453,512
Operating Expenses											
Operating Expenses	847,575	-17%	701,361	-4%	673,750	700,000	735,000	771,750	810,338	850,855	893,398
Admin Expenses											
Depreciation	349,690	-4%	337,380	3%	348,104	350,000	375,000	418,600	418,600	418,600	418,600
Replacement Reserve	77,504		77,504		77,504	77,504	77,504	81,504	83,504	83,504	83,504
Total Expenses	1,274,769	-12%	1,116,245	-2%	1,099,358	1,127,504	1,187,504	1,271,854	1,312,442	1,352,959	1,395,502
Net Operating Income	(28,059)	-559%	128,913	-4%	123,939	97,496	37,496	24,546	59,642	59,238	58,010
Non-Operating Income and Expenses											
Investment Income	21,182	-8%	19,426	3%	20,100	10,000	10,000	10,000	10,000	10,000	10,000
Total Non-Operating Income & Expenses	21,182	-8%	19,426	3%	20,100	10,000	10,000	10,000	10,000	10,000	10,000
Add Non-Cash Expenses											
Depreciation	349,690	-4%	337,380	3%	348,104	350,000	375,000	418,600	418,600	418,600	418,600
Cash Available for Debt Service	**342,813**	**42%**	**485,719**	**1%**	**492,143**	**457,496**	**422,496**	**453,146**	**488,242**	**487,838**	**486,610**
Debt Service (enter as positive #'s)											
Existing Principal	219,317		213,002		216,175	225,672	229,857	238,571	161,651	178,812	134,767
Existing Interest	130,958		126,370		118,780	109,858	103,465	96,798	89,995	77,809	67,252
Proposed KIA Loan A11-17	0		0		0	0	5,000	32,700	102,860	102,860	102,860
Proposed KIA Loan F11-13	0		0		0	0	15,000	15,000	49,092	49,092	49,092
Total Debt Service	350,275		339,372		334,955	335,530	353,322	383,069	403,598	408,573	353,971
Income After Debt Service	(7,462)		146,347		157,188	121,966	69,174	70,077	84,644	79,265	132,640
Debt Coverage Ratio	1.0		1.4		1.5	1.4	1.2	1.2	1.2	1.2	1.4

ATTACHMENT

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 (F11-13) OF $774,183 TO THE CITY OF HODGENVILLE, LARUE 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 Hodgenville, 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 $774,183 of project expense including capitalized interest for the construction period, to the City of Hodgenville for the Hodgenville High School Tower 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. 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, $2,000 must be set aside in a borrower held replacement reserve. 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 10th day of November 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
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

November 4, 2011

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

Re: DWL-12059
Hodgenville Water Works--2553
Activity ID: FGL20120007
HUC 11 No.: 0511001170 - North Fork Nolin River
Fund F

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Hodgenville is entitled to receive priority for funding for the Hodgenville High School Tank Tower Rehab. and is eligible to receive $774,183 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 1, 2012.

2. Construction bids are expected to be opened on May 21, 2012.

3. Project specific environmental information is expected to be submitted to DOW on January 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

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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: The Honorable Terry L, Cruse, Mayor
City of Hodgenville

Ashley Willoughby, Community Development Specialist
Lincoln Trail ADD

Laura Gilkerson, P. E.,
Brad Montgomery, P. E.
GRW Engineers, Inc

EXECUTIVE SUMMARY		Reviewer:	Kasi White
KENTUCKY INFRASTRUCTURE AUTHORITY		Date:	November 10, 2011
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number:	**F11-13**
REVOLVING LOAN FUND		WRIS Number	**WX21123019**

BORROWER:	**CITY OF HODGENVILLE**
	LARUE COUNTY

BRIEF DESCRIPTION:

This 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 Boulevard, 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.

PROJECT FINANCING:		PROJECT BUDGET	
Fund F Loan	$ 774,183	Administrative Expenses	$ 7,500
		Engineering Fees	106,433
		Construction	582,750
		Contingency	77,500
TOTAL	$ 774,183	TOTAL	$ 774,183

REPAYMENT				
	Rate	2.0%	Est. Annual Payment	$ 49,092
	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:	May, 2012
Construction Start:	June, 2012
Construction Stop:	March, 2013

DEBT PER CUSTOMER	Existing:	$ 1,961	Includes Sewer Customers
	Proposed:	$ 2,958	

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

RESIDENTIAL RATES		Users		Avg. Bill	
	Current	1,666	$	23.28	(for 4,000 gallons)
	Additional	0	$	27.75	(for 4,000 gallons)

REGIONAL COORDINATION	This project is consistent with regional planning recommendations.

CASHFLOW	**Cash Available for Debt Service**	**Debt Service**	**Income after Debt Service**	**Coverage Ratio**
Audited 2008	342,813	350,275	(7,462)	1.0
Audited 2009	485,719	339,372	146,347	1.4
Audited 2010	492,143	334,955	157,188	1.5
Estimate 2011	457,496	335,530	121,966	1.4
Projected 2012	422,496	353,322	69,174	1.2
Projected 2013	453,146	383,069	70,077	1.2
Projected 2014	488,242	403,598	84,644	1.2
Projected 2015	487,838	408,573	79,265	1.2
Projected 2016	486,610	353,971	132,640	1.4

Reviewer: Kasi White
Date: November 10, 2011
Loan Number: F11-13

KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER REVOLVING LOAN FUND (FUND "F")
CITY OF HODGENVILLE, LARUE COUNTY
PROJECT REVIEW
WX21123019

I. PROJECT DESCRIPTION

The City of Hodgenville is requesting $774,183 in Drinking Water SRF funds 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 Boulevard, 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.

II. PROJECT BUDGET

	Total
Administrative Expenses	$ 7,500
Engineering Fees	106,433
Construction	582,750
Contingency	77,500
Total	**$ 774,183**

III. PROJECT FUNDING

	Amount	%
Fund F Loan	$ 774,183	100%
Total	**$ 774,183**	**100%**

IV. KIA DEBT SERVICE

Construction Loan	$	774,183
Interest Rate		2.0%
Loan Term (Years)		20
Estimated Annual Debt Service	$	47,156
Administrative Fee (0.25%)	$	1,935
Total Estimated Annual Debt Service	**$**	**49,092**

V. PROJECT SCHEDULE

Bid Opening	May, 2012
Construction Start	June, 2012
Construction Stop	March, 2013

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Sewer	Water
Residential	1,169	1,427
Commercial	145	230
Industrial	9	9
Total	1,323	1,666

The district sells water to the Larue County Water District.

B) Rates

Since 2004, the monthly wastewater and water utility rates are:

	Sewer	Water - City	Water - Out of City
First 3,000 Gallons (minimum)	$15.60	$18.34	$27.50
Next 7,000 Gallons	4.68	4.94	7.41
Next 10,000 Gallons	4.29	4.53	6.79
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Cost for 4,000 gallons	$20.28	$23.28	$34.91
Affordability Index (Rate/MHI)	0.7%	0.8%	1.3%

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In 2010, the City's population was 3,206 with a Median Household Income (MHI) of $33,382. The median household income for the Commonwealth is $41,197. The loan qualifies for a 2% interest rate because the MHI is between 80% and 100% of the State MHI.

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1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for $311,500. The breakdown of the GPR to the respective "green" categories is listed below:
    a. Green Infrastructure - $0
    b. Water Efficiency - $211,500
    c. Energy Efficiency - $100,000
    d. Environmentally Innovative - $0
2) Additional Subsidization – This project does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2008 through 2010. Amounts for the current year are estimated. The Water and Wastewater Fund is reported by the City as one proprietary fund.

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Revenues have been flat in the range of $1.2 million for years 2008 through 2010. Approximately $105 thousand in revenues are derived from the sale of finished water to the LaRue County Water District. Operating expenses have declined from $847,575 in 2008 to an estimated $673,750 in 2010 primarily due to a decline in repair and maintenance expenses. The debt coverage ratio was 1.0 in 2008 (due the higher expenses) and improved to the 1.4 – 1.5 range for years 2009 and 2010.

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PROJECTIONS

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a) Revenues will continue to remain flat for volume.
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c) Operating expenses will increase 5% per year.
d) Total debt service is estimated at $403,598 beginning in 2014. This includes debt service on a proposed Fund A loan (A11-17) which is also being submitted at the November 10, 2011 KIA Board meeting.

The debt coverage ratio is 1.2 in 2014 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

REPLACEMENT RESERVE
The annual replacement cost is $2,000. This amount should be added to the replacement account each December 1 until the balance reaches $20,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Water and Sewer Serial Bonds	$ 126,000	May-15
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Water and Sewer Serial Bonds	367,500	May-39
Water and Sewer Serial Bonds	711,000	May-38
Water and Sewer 1992 Refunding Bonds	982,000	Feb-26
KIA A04-10	790,962	Feb-25
KIA B91-08	21,725	Jun-13
Capital Lease	215,000	Apr-13
Total	**$ 3,292,481**	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Water Storage Tank	HB380	100,000	Grant
Water and Sewer Improvements	HB608	300,000	Grant
Hamilton Acres Sewer Rehab	HB608	200,000	Grant

XII. CONTACTS

Applicant

Name	City of Hodgenville
Address	P.O. Box 189
	Hodgenville, KY 42748
Contact	Terry Cruse
Phone	(270) 358-3832
Email	Mayortc@windstream.net

Applicant Contact

Name	Lincoln Trail Area Development District
Address	P.O. Box 604 Elizabethtown, KY 42702
Contact	Ashley Willoughby
Phone	(270) 769-2393
Email	AWilloughby@ltadd.org

Engineer

Name	Brad Montgomery
Firm	GRW Engineers, Inc.
Address	801 Corporate Drive, Suite 400 Lexington, KY 40503
Phone	(859) 223-3999
Email	bmontgomery@grwinc.com

XIII. RECOMMENDATIONS

KIA staff recommends approval of the loan 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 schedule below:

Effective Date	Increase Adjustment
July 1, 2012	6 %
July 1, 2013	6 %
July 1, 2014	3 %
July 1, 2015	3 %

WATER RATES

Effective Date of Rate Increase	7/1/12	7/.1/13	7/1/14	7/1/15
First 3,000 Gallons (minimum)	19.44	20.61	21.23	21.86
Next 7,000 Gallons	5.24	5.55	5.72	5.89
Next 10,000 Gallons	4.80	5.09	5.24	5.40
Next 20,000 Gallons	3.85	4.08	4.20	4.33
All Over 40,000 Gallons	2.60	2.75	2.84	2.92
Cost for 4,000 gallons	$24.68	$26.16	$26.94	$27.75
Affordability Index (Rate/MHI)	0.9%	0.9%	1.0%	1.0%

CITY OF HODGENVILLE
BALANCE SHEETS (JUNE YEAR END)

ASSETS	Audited 2008	Audited 2009	Audited 2010	Estimate 2011	Upon Completion 2012	Water Upon Completion 2013
Current Assets						
Cash	482,034	531,294	857,654	979,620	1,048,795	1,118,872
Accounts Receivable	107,832	104,714	112,329	112,500	112,500	119,100
Other Receivables	2,963	1,282	45,366	1,250	1,250	1,250
Prepaid	0	0	32,489	0	0	0
Total Current Assets	592,829	637,290	1,047,838	1,093,370	1,162,545	1,239,222
Restricted Assets						
Operation and Maintenance	780,260	155,017	157,536	157,536	157,536	157,536
Depreciation		95,644	96,209	173,713	251,217	332,721
Sinking Funds		432,545	439,130	439,130	439,130	439,130
Waste Water		88,842	41,735	41,735	41,735	41,735
Waste Water Rehabilitation		143,436	138,419	138,419	138,419	138,419
Total Restricted Assets	780,260	915,484	873,029	950,533	1,028,037	1,109,541
Utility Plant						
Land, System, Building and Equipment	15,219,702	15,311,158	16,057,822	16,102,822	18,512,006	18,512,005
Less Accumulated Depreciation ( )	(5,377,231)	(5,714,610)	(6,062,715)	(6,412,715)	(6,787,715)	(7,206,315)
Net Fixed Assets	9,842,471	9,596,548	9,995,107	9,690,107	11,724,291	11,305,690
Other Assets						
Debt Issue Costs	27,320	25,249	23,177	21,105	19,033	16,961
Total Other Assets	27,320	25,249	23,177	21,105	19,033	16,961
Total Assets	11,242,880	11,174,571	11,939,151	11,755,115	13,933,905	13,671,414
LIABILITIES						
Current Liabilities						
Accounts Payable	11,646	11,007	110,082	12,500	12,500	12,500
Accrued Expenses	45,849	46,158	46,831	47,500	47,500	47,500
Compensated Absences	627	7,353	7,256	7,500	7,500	7,500
Due to Other Funds	161,600	151,964	157,071	160,000	160,000	160,000
C. P. Notes and Lease Payable	116,559	117,203	122,855	123,523	129,198	47,215
C. P. Bonds Payable	96,348	98,822	102,817	106,334	109,373	114,436
Total Current Liabilities	432,629	432,507	546,912	457,357	466,071	389,151
Long Term Liabilities						
Customer Deposits	39,000	38,972	41,054	41,000	41,000	41,000
Note and Lease Payable	1,144,888	1,027,685	904,832	781,977	658,454	529,256
Bonds Payable	2,363,863	2,264,946	2,161,977	2,059,160	1,952,826	1,843,453
Proposed KIA A11-17	0	0	0	0	580,600	774,200
Proposed KIA F11-13	0	0	0	0	1,226,300	1,635,000
Unamortized Bond Discount	(30,881)	(27,784)	(24,686)	(21,588)	(18,490)	(15,392)
Total Long Term Liabilities	3,516,870	3,303,819	3,083,177	2,860,549	4,440,690	4,807,517
Total Liabilities	3,949,499	3,736,326	3,630,089	3,317,906	4,906,761	5,196,668
Retained Earnings:						
Invested in Capital Assets Net of Related Debt	6,120,813	6,087,892	6,702,626	6,619,113	8,874,440	8,771,330
Restricted	780,259	910,481	873,026	950,533	1,028,037	1,109,541
Unrestricted	392,309	439,872	733,410	867,563	(875,332)	(1,406,125)
Total Retained Earnings	7,293,381	7,438,245	8,309,062	8,437,209	9,027,144	8,474,746
Total Liabilities and Equities	11,242,880	11,174,571	11,939,151	11,755,115	13,933,905	13,671,414
Balance Sheet Analysis						
Current Ratio	1.4	1.5	1.9	2.4	2.5	3.2
Debt to Equity	0.5	0.5	0.4	0.4	0.5	0.6
Working Capital	160,200	204,783	500,926	636,013	696,474	850,071
Percent of Total Assets in Working Capital	1.4%	1.8%	4.2%	5.4%	5.0%	6.2%
Days Sales in Accounts Receivable	31.6	30.7	33.5	33.5	33.5	33.5

EXHIBIT 1											
CITY OF HODGENVILLE											
CASH FLOW ANALYSIS (JUNE YEAR END)											
	Audited	**%**	**Audited**	**%**	**Audited**	**Estimate**	**Projected**	**Projected**	**Projected**	**Projected**	**Projected**
Operating Revenues	**2008**	**Change**	**2009**	**Change**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Water and Wastewater Services	1,206,427	0%	1,210,831	-2%	1,186,717	1,190,000	1,190,000	1,190,000	1,261,400	1,337,084	1,377,197
Other	40,283	-15%	34,327	7%	36,580	35,000	35,000	35,000	35,000	35,000	35,000
Rate Increase	0		0		0	0		71,400	75,684	40,113	41,316
Total Revenues	1,246,710	0%	1,245,158	-2%	1,223,297	1,225,000	1,225,000	1,296,400	1,372,084	1,412,197	1,453,512
Operating Expenses											
Operating Expenses	847,575	-17%	701,361	-4%	673,750	700,000	735,000	771,750	810,338	850,855	893,398
Admin Expenses											
Depreciation	349,690	-4%	337,380	3%	348,104	350,000	375,000	418,600	418,600	418,600	418,600
Replacement Reserve	77,504		77,504		77,504	77,504	77,504	81,504	83,504	83,504	83,504
Total Expenses	1,274,769	-12%	1,116,245	-2%	1,099,358	1,127,504	1,187,504	1,271,854	1,312,442	1,352,959	1,395,502
Net Operating Income	(28,059)	-559%	128,913	-4%	123,939	97,496	37,496	24,546	59,642	59,238	58,010
Non-Operating Income and Expenses											
Investment Income	21,182	-8%	19,426	3%	20,100	10,000	10,000	10,000	10,000	10,000	10,000
Total Non-Operating Income & Expenses	21,182	-8%	19,426	3%	20,100	10,000	10,000	10,000	10,000	10,000	10,000
Add Non-Cash Expenses											
Depreciation	349,690	-4%	337,380	3%	348,104	350,000	375,000	418,600	418,600	418,600	418,600
Cash Available for Debt Service	**342,813**	**42%**	**485,719**	**1%**	**492,143**	**457,496**	**422,496**	**453,146**	**488,242**	**487,838**	**486,610**
Debt Service (enter as positive #'s)											
Existing Principal	219,317		213,002		216,175	225,672	229,857	238,571	161,651	178,812	134,767
Existing Interest	130,958		126,370		118,780	109,858	103,465	96,798	89,995	77,809	67,252
Proposed KIA Loan A11-17	0		0		0	0	5,000	32,700	102,860	102,860	102,860
Proposed KIA Loan F11-13	0		0		0	0	15,000	15,000	49,092	49,092	49,092
Total Debt Service	350,275		339,372		334,955	335,530	353,322	383,069	403,598	408,573	353,971
Income After Debt Service	(7,462)		146,347		157,188	121,966	69,174	70,077	84,644	79,265	132,640
Debt Coverage Ratio	1.0		1.4		1.5	1.4	1.2	1.2	1.2	1.2	1.4
								6.0%	6.0%	3.0%	3.0%

11/7/2011 4:29 PM, Cashflow
K:\2 Loan Team\Fund F Loans\F11-13 Hodgenville\Executive Summary City of Hodgenville (F11-13).xls

ATTACHMENT

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 (F11-11) OF $1,545,000 TO THE EAST CASEY COUNTY WATER DISTRICT, CASEY 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 East Casey County Water District, 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 $1,545,000 of project expense including capitalized interest for the construction period, to the East Casey County Water District for the Various Waterline Extensions, Tank and Pump 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 $1,004,250 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, $3,863 must be set aside in a borrower held replacement reserve. 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 10th day of November, 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
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

November 7, 2011

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

Re: DWL12046
East Casey Co Water District--33855
HUC-11#05110001010
Watershed: Green River, headwaters near Liberty
Activity ID: FGL20110003
Fund F

`

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the East Casey County Water District is entitled to receive priority for funding for the Various Waterline Extensions, Tank and Pump project and is eligible to receive $1,545,000.00 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 in November 2012.

2. Construction bids are expected to be opened in February 2012.

3. Project specific environmental information was submitted to DOW in September and is under review.

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 complete and submit any missing or incomplete parts of the Application to KIA upon request.

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

7. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

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The SRF application has been complete by staff of the Kentucky Infrastructure Authority (KIA). If you have any questions or concerns regarding missing or additional submission requirements, please contact KIA at (502) 573-0260. Should you have any questions concerning this letter, do not hesitate to contact Alison Simpson, Project Administrator, at (502) 564-8158, extension 4591.

Sincerely,

Buddy Griffin, Supervisor
SRF & SPAP Section
Water Infrastructure Branch

BG:as

Enclosures

C: Andy Greynolds, Manager, East Casey Co. Water District
Jim Brown, LCADD
Eddie Brown, Kenvirons, Inc.

EXECUTIVE SUMMARY
KENTUCKY INFRASTRUCTURE AUTHORITY
FUND F, FEDERALLY ASSISTED DRINKING WATER
REVOLVING LOAN FUND

Reviewer:	Kasi White
Date:	November 10, 2011
KIA Loan Number:	**F11-11**
WRIS Number	**WX21045012**

BORROWER:	**EAST CASEY COUNTY WATER DISTRICT**
	CASEY COUNTY

BRIEF DESCRIPTION:

This 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 coliform levels.

PROJECT FINANCING:		PROJECT BUDGET	
Fund F Loan	$ 1,545,000	Administrative Expenses	$ 25,000
		Legal Expenses	17,500
		Land, Easements	10,000
		Engineering Fees	199,600
		Construction	1,169,300
		Contingency	103,600
		Other	20,000
TOTAL	$ 1,545,000	TOTAL	$ 1,545,000

REPAYMENT				
	Rate	1.0%	Est. Annual Payment	$ 58,037
	Term	20 years	1st Payment	6 Mo. after first draw

PROFESSIONAL SERVICES		
	Engineer	Kenvirons, Inc.
	Bond Counsel	Peck, Shaffer, & Williams

PROJECT SCHEDULE	
Bid Opening:	February 7, 2012
Construction Start:	April 9, 2012
Construction Stop:	October 9, 2012

DEBT PER CUSTOMER		
	Existing:	$ 730
	Proposed:	$ 1,063

OTHER DEBT	
	See Attached

OTHER STATE-FUNDED PROJECTS LAST 5 YRS	
	See Attached

RESIDENTIAL RATES		Users		Avg. Bill	
	Current	4,353	$	30.16	(for 4,000 gallons)
	Additional	35	$	30.16	(for 4,000 gallons)

REGIONAL COORDINATION	
	This project is consistent with regional planning recommendations.

CASHFLOW	Cash Available for Debt Service	Debt Service	Income after Debt Service	Coverage Ratio
Audited 2007	417,113	154,813	262,300	2.7
Audited 2008	501,710	127,390	374,320	3.9
Audited 2009	452,339	237,819	214,520	1.9
Audited 2010	32,306	207,214	(174,908)	0.2
Projected 2011	711,276	208,550	502,726	3.4
Projected 2012	365,932	207,702	158,230	1.8
Projected 2013	341,668	267,774	73,894	1.3
Projected 2014	314,996	266,102	48,894	1.2
Projected 2015	287,000	265,836	21,164	1.1

Reviewer: Kasi White
Date: November 10, 2011
Loan Number: F11-11

KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND "F")
EAST CASEY COUNTY WATER DISTRICT, CASEY COUNTY
PROJECT REVIEW
WX21045012

I. PROJECT DESCRIPTION

The East Casey County Water District is requesting $1,545,000 in DWSRF funds for the Waterline Extensions project. This 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 District purchases water from the Cities of Liberty, Russell Springs and Eubank, from the Columbia / Adair Utilities District and from the Campbellsville Water and Sewer system. The District is regulated by the Kentucky Public Service Commission.

II. PROJECT BUDGET

	Total
Administrative Expenses	$ 25,000
Legal Expenses	17,500
Land, Easements	10,000
Engineering Fees	199,600
Construction	1,169,300
Contingency	103,600
Other	20,000
Total	**$ 1,545,000**

III. PROJECT FUNDING

	Amount	%
Fund F Loan	$ 1,545,000	100%
Total	**$ 1,545,000**	**100%**

IV. KIA DEBT SERVICE

Construction Loan	$	1,545,000
Less: Principal Forgiveness (35%)	$	540,750
Amortized Loan Amount	$	1,004,250
Interest Rate		1.0%
Loan Term (Years)		20
Estimated Annual Debt Service	$	55,526
Administrative Fee (0.25%)	$	2,511
Total Estimated Annual Debt Service	**$**	**58,037**

V. PROJECT SCHEDULE

Bid Opening:	February 7, 2012
Construction Start:	April 9, 2012
Construction Stop:	October 9, 2012

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current	Proposed	Total
Residential	4,284	35	4,319
Commercial	69	0	69
Industrial	0	0	0
Total	4,353	35	4,388

B) Rates

The monthly charge for water utility service is:

	Current
Date of Last Rate Increase	9/21/2007
Minimum (first 2,000 gallons)	$16.28
Next 3,000 Gallons	6.94
Next 5,000 Gallons	6.64
Next 5,000 Gallons	6.34
Next 5,000 Gallons	6.04
Over 20,000 Gallons	5.44
Cost for 4,000 gallons	$30.16
Affordability Index (Rate/MHI)	1.4%

VII. DEMOGRAPHICS

In 2011, the County's population was 16,306 with a Median Household Income (MHI) of $26,079. The median household income for the Commonwealth is $41,197. The loan qualifies for a 1% interest rate because is below 80% of the State MHI.

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 $540,750 (35% or the assistance amount).

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended December 31, 2008 through 2010. Amounts for the current year are estimated.

HISTORICAL

Revenues have increased about 2% due to customer additions. Customer growth has averaged about 2% per year since 2006, however average water consumption has declined by about 5%. Purchased water costs and operating expenses have increased 5% and 9%, respectively. During 2010 the District incurred expenses of approximately $320,000 related to a severe flood in May. Reimbursement of $321,165 was recorded however none was received during fiscal 2010. The receipt of these funds is included in the 2011 cash flow projection.

PROJECTIONS

Projections are based on the following assumptions:

1. Revenues will increase by 1% per year for customer growth (inclusive of the customers that will be added by this proposed project).
2. Purchased water expenses will increase by 2% per year while other operating expenses will increase by 4% per year.
3. There will be no materially adverse impact on the financial statements from what has previously been recorded in relation to the May 2010 flood.

The new debt service is estimated at $58,037 annually and will increase overall annual debt service to $266,102 in 2014. Debt service coverage is 1.2 in 2014, which is the first full year of principal and interest payments.

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

REPLACEMENT RESERVE

The annual replacement cost is $3,863. This amount should be added to the replacement account each December 1 until the balance reaches $38,630 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Series 1987 Bonds	$ 201,000	2025
Series 1990 Bonds	368,000	2028
Series 1993 Bonds	319,000	2031
Series 1997 Bonds	450,000	2035
Series 2000 Bonds	536,500	2038
Series 2004 Bonds	383,000	2042
Series 2007 Bonds	979,000	2045
Total	**$ 3,236,500**	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Waterline Extensions	RD	410,000	Grant
Waterline Extensions	CDBG	581,000	Grant
Waterline Extensions	HB269	750,000	Grant

XII. CONTACTS

Applicant	
Name	East Casey County Water District
Address	690 South Wallace Wilkinson Blvd, P.O. Box 56
	Liberty, KY 42539
County	Casey
Contact	Andy Greynolds
Phone	(606) 787-9961
Email	agreynolds@windstream.net

Applicant Contact	
Name	Lake Cumberland Area Development District
Address	2384 Lakeway Drive, P.O. Box 1570
	Russell Springs, KY 42642
Contact	Jim Brown
Phone	(270) 866-4200
Email	jim@lcadd.org

Engineer	
Name	Eddie Brown, P.E.
Firm	Kenvirons, Inc.
Address	452 Versailles Road
	Frankfort, KY 40601
Phone	(502) 695-4357
Email	ebrown@kenvirons.com

XIII. RECOMMENDATIONS

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

EAST CASEY COUNTY WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)

ASSETS	Audited 2008	Audited 2009	Audited 2010	Projected 2011	Upon Completion 2012
Current Assets					
Cash and Investments	1,406,898	1,479,111	1,320,540	1,798,266	1,931,496
Accounts Receivable	136,756	129,367	137,413	140,200	141,600
Grant Receivable	114,966	280,195	451,555	0	0
Accrued Interest Receivable	5,807	4,823	3,480	2,500	2,500
Total Current Assets	1,664,427	1,893,496	1,912,988	1,940,966	2,075,596
Restricted Assets					
Investments	457,446	452,404	513,262	538,262	563,262
Total Restricted Assets	457,446	452,404	513,262	538,262	563,262
Utility Plant					
Land, System, Building and Equipment	15,514,459	15,546,834	15,703,114	17,199,039	18,744,039
Construction in Progress	0	293,070	1,044,370	0	0
Total	15,514,459	15,839,904	16,747,484	17,199,039	18,744,039
Less Accumulated Depreciation ( )	(3,881,214)	(4,131,423)	(4,394,243)	(4,669,243)	(4,944,243)
Net Fixed Assets	11,633,245	11,708,481	12,353,241	12,529,796	13,799,796
Total Assets	13,755,118	14,054,381	14,779,491	15,009,024	16,438,654
LIABILITIES					
Current Liabilities					
Accounts Payable	208,643	85,847	265,345	100,000	100,000
Taxes	4,570	3,656	4,330	4,500	4,750
Construction Payable	114,965	293,070	85,631	75,000	75,000
Customer Deposits	28,950	24,851	26,121	27,500	27,500
Accrued Interest	98,887	96,851	94,908	93,100	92,500
Deferred Revenue	0	0	0	0	0
C.P. Long Term Debt	85,991	58,000	61,500	63,500	68,500
Total Current Liabilities	542,006	562,275	537,835	363,600	368,250
Long Term Liabilities					
Bonds Payable	3,294,500	3,236,500	3,175,000	3,113,500	3,050,000
Proposed KIA Loan	0	0	0	0	1,545,000
Total Long Term Liabilities	3,294,500	3,236,500	3,175,000	3,113,500	4,595,000
Total Liabilities	3,836,506	3,798,775	3,712,835	3,477,100	4,963,250
Retained Earnings:					
Invested in Capital Assets Net of Related Debt	8,252,754	8,413,981	9,116,741	9,352,796	9,136,296
Restricted	457,446	452,404	513,262	538,262	563,262
Unrestricted	1,208,412	1,389,221	1,436,653	1,640,866	1,775,846
Total Retained Earnings	9,918,612	10,255,606	11,066,656	11,531,924	11,475,404
Total Liabilities and Equities	13,755,118	14,054,381	14,779,491	15,009,024	16,438,654
Balance Sheet Analysis					
Current Ratio	3.1	3.4	3.6	5.3	5.6
Debt to Equity	0.4	0.4	0.3	0.3	0.4
Working Capital	1,122,421	1,331,221	1,375,153	1,577,366	1,707,346
Percent of Total Assets in Working Capital	8.2%	9.5%	9.3%	10.5%	10.4%
Days Sales in Accounts Receivable	30.7	29.9	30.9	30.9	30.9

EXHIBIT 1													
EAST CASEY COUNTY WATER DISTRICT													
CASH FLOW ANALYSIS (DECEMBER YEAR END)													
	Audited	**%**	**Audited**	**%**	**Audited**	**%**	**Projected**	**Projected**	**Projected**	**Projected**	**Projected**	**Projected**	**Projected**
Operating Revenues	**2008**	**Change**	**2009**	**Change**	**2010**	**Change**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Water Revenues	1,539,693	-2%	1,502,865	3%	1,545,829	2%	1,576,746	1,592,513	1,608,438	1,624,522	1,640,767	1,657,175	1,673,747
Late Charges	44,040	2%	45,052	2%	46,003	2%	46,923	47,392	47,866	48,345	48,828	49,316	49,809
Other	41,201	-27%	30,071	6%	31,816	2%	32,452	32,777	33,105	33,436	33,770	34,108	34,449
												16,205	66,503
Total Revenues	1,624,934	-3%	1,577,988	3%	1,623,648	2%	1,656,121	1,672,682	1,689,409	1,706,303	1,723,365	1,756,804	1,824,508
Operating Expenses													
Water Purchases	576,904	-2%	565,877	7%	605,678	0%	605,000	617,100	629,442	642,031	654,872	667,969	681,328
Operating Expenses	655,341	-1%	649,442	62%	1,048,997	-32%	716,010	744,650	774,436	805,413	837,630	871,135	905,980
Depreciation	211,182	25%	263,493	0%	262,820	5%	275,000	275,000	315,000	315,000	315,000	315,000	315,000
Replacement Reserve									3,863	3,863	3,863	3,863	3,863
Total Expenses	1,443,427	2%	1,478,812	30%	1,917,495	-17%	1,596,010	1,636,750	1,722,741	1,766,307	1,811,365	1,857,967	1,906,171
Net Operating Income	181,507	-45%	99,176	-396%	(293,847)	-120%	60,111	35,932	(33,332)	(60,004)	(88,000)	(101,163)	(81,663)
Non-Operating Income and Expenses													
Interest Income	48,853		32,293		24,102		15,000	15,000	20,000	20,000	20,000	20,000	20,000
FEMA Reimbursement	0		0		0		321,165	0	0	0	0	0	0
Other	60,168		57,377		39,231		40,000	40,000	40,000	40,000	40,000	40,000	40,000
Total Non-Operating Income & Expenses	109,021	-18%	89,670	-29%	63,333	494%	376,165	55,000	60,000	60,000	60,000	60,000	60,000
Add Non-Cash Expenses													
Depreciation	211,182	25%	263,493	0%	262,820	5%	275,000	275,000	315,000	315,000	315,000	315,000	315,000
Cash Available for Debt Service	**501,710**	**-10%**	**452,339**	**-93%**	**32,306**	**2102%**	**711,276**	**365,932**	**341,668**	**314,996**	**287,000**	**273,837**	**293,337**
Debt Service (enter as positive #'s)													
Existing Principal	45,000		85,991		58,000		61,500	63,500	68,500	70,000	73,000	84,200	106,800
Existing Interest	82,390		151,828		149,214		147,050	144,202	141,237	138,065	134,799	131,600	128,500
Proposed KIA Loan									58,037	58,037	58,037	58,037	58,037
Total Debt Service	127,390		237,819		207,214		208,550	207,702	267,774	266,102	265,836	273,837	293,337
Income After Debt Service	374,320		214,520		(174,908)		502,726	158,230	73,894	48,894	21,164	0	0
Debt Coverage Ratio	3.9		1.9		0.2		3.4	1.8	1.3	1.2	1.1	1.0	1.0

ATTACHMENT

I.B.7.

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 (F11-12) OF $3,025,300 TO THE JESSAMINE SOUTH-ELKHORN WATER DISTRICT, JESSAMINE 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 Jessamine South-Elkhorn Water District, 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 $3,025,300 of project expense including capitalized interest for the construction period, to the Jessamine South-Elkhorn Water District for the Northwest Main Replacement and Hydraulics and Dixon Town 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 3.0%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, $7,600 must be set aside in a borrower held replacement reserve. 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 10th day of November 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
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

November 7, 2011

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

Re: DWL#12004 Fund F
Jessamine S Elkhorn Water District--33936
Activity ID: FGL20110018
Watershed Code (HUC11): 05100205220
Watershed Name: Clear Creek

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Jessamine South Elkhorn Water District is entitled to receive priority for funding for the Northwest Watermain Replacement and Hydraulics/Dixon Town Waterline Replacement and is eligible to receive $3,025,300 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 December 31, 2011.

2. Construction bids are expected to be opened on February 20, 2012.

3. Project specific environmental information is expected to be submitted to DOW on December 31, 2011.

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.

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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

Buddy Griffin, Supervisor
SRF & SPAP Section
Water Infrastructure Branch

BG:bg

Enclosures

C: L. Nicholas Strong, Chairman
John G. Horne, PE, PLS, Horne Engineering, Inc.

EXECUTIVE SUMMARY		Reviewer:	Kasi White
KENTUCKY INFRASTRUCTURE AUTHORITY		Date:	November 10, 2011
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number:	**F11-12**
REVOLVING LOAN FUND		WRIS Number	**WX21113029, WX21113039**

BORROWER:	**JESSAMINE SOUTH-ELKHORN WATER DISTRICT**
	JESSAMINE COUNTY

BRIEF DESCRIPTION:

The Jessamine South-Elkhorn Water District is requesting a DWSRF 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.

PROJECT FINANCING:		PROJECT BUDGET	
Fund F Loan	$ 3,025,300	Administrative Expenses	$ 25,000
		Legal Expenses	10,000
		Engineering Fees	456,800
		Construction	2,200,000
		Contingency	330,000
		Other	3,500
TOTAL	$ 3,025,300	TOTAL	$ 3,025,300

REPAYMENT				
	Rate	3.0%	Est. Annual Payment	$ 209,817
	Term	20 years	1st Payment	6 Mo. after first draw

PROFESSIONAL SERVICES	Engineer	Horne Engineering, Inc.
	Bond Counsel	Peck, Shaffer, & Williams

PROJECT SCHEDULE	
Bid Opening:	May, 2012
Construction Start:	August, 2012
Construction Stop:	March, 2013

DEBT PER CUSTOMER	Existing:	$ 2,584
	Proposed:	$ 3,910

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

RESIDENTIAL RATES		Users	Avg. Bill	
	Current	2,309	$41.18	(for 4,000 gallons)
	Additional	0	$ 41.18	(for 4,000 gallons)

REGIONAL COORDINATION	This project is consistent with regional planning recommendations.

CASHFLOW	Cash Available for Debt Service	Debt Service	Income after Debt Service	Coverage Ratio
Audited 2007	837,917	303,952	533,965	2.8
Audited 2008	594,385	539,078	55,307	1.1
Audited 2009	432,606	436,920	(4,314)	1.0
Audited 2010	605,516	471,537	133,979	1.3
Projected 2011	692,706	416,855	275,851	1.7
Projected 2012	682,680	452,918	229,762	1.5
Projected 2013	646,660	548,235	98,425	1.2
Projected 2014	631,180	610,032	21,148	1.0
Projected 2015	613,480	609,868	3,612	1.0

Reviewer: Kasi White
Date: November 10, 2011
Loan Number: F11-12

KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND "F")
JESSAMINE SOUTH-ELKHORN WATER DISTRICT
JESSAMINE COUNTY
PROJECT REVIEW
WX21113029, WX21113039

I. PROJECT DESCRIPTION

The Jessamine South-Elkhorn Water District is requesting a DWSRF 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 District is regulated by the Kentucky Public Service Commission. Water is purchased from Kentucky American Water Company.

II. PROJECT BUDGET

	Total
Administrative Expenses	$ 25,000
Legal Expenses	10,000
Engineering Fees	456,800
Construction	2,200,000
Contingency	330,000
Other	3,500
Total	**$ 3,025,300**

III. PROJECT FUNDING

	Amount	%
Fund F Loan	$ 3,025,300	100%
Total	**$ 3,025,300**	**100%**

IV. KIA DEBT SERVICE

Construction Loan	$	3,025,300
Interest Rate		3.0%
Loan Term (Years)		20
Estimated Annual Debt Service	$	202,254
Administrative Fee (0.25%)	$	7,563
Total Estimated Annual Debt Service	**$**	**209,817**

V. PROJECT SCHEDULE

Bid Opening:	May, 2012
Construction Start:	August, 2012
Construction Stop:	March, 2013

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	2,239
Commercial	70
Total	2,309

B) Rates

The monthly charge for water utility service as of March, 2011 (11.6% increase from previous rate structure is:

	Current
First 2,000 Gallons (minimum)	$26.24
Rates Per 1,000 Gallons	
Next 2,000 Gallons	7.47
Next 2,000 Gallons	7.37
Next 10,000 Gallons	7.27
Next 8,000 Gallons	7.17
Over 24,000 Gallons	7.07
Cost for 4,000 gallons	$41.18
Increase %	**11.6%**
Affordability Index (Rate/MHI)	1.0%

A $6.50 per month surcharge will be assessed to all Southeast users served by the water expansion project.

VII. DEMOGRAPHICS

In 2010, the County had a population of 45,551 with a Median Household Income (MHI) of $48,577. The median household income for the Commonwealth is $41,197. The project will qualify for a 3% interest rate.

VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES

1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for $3,025,300. The breakdown of the GPR to the respective "green" categories is listed below:
    a. Green Infrastructure - $0
    b. Water Efficiency - $3,025,300
    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 was obtained from audited financial statements for the years ended December 31, 2007 through 2010. Amounts for 2011 are estimated. The Water and Sewer Divisions have been consolidated for reporting purposes. Water revenues are 84% of total revenue while sewer revenues are 11%.

HISTORICAL

Revenues increased 26% from $1,913,256 in 2007 to $2,407,531 in 2010. Water revenues increased 15%. A 10% increase in customers and a rate increase were partially offset by a 10% reduction in water sold from 2007 to 2010. Sewer revenues increased 244% due to an expansion in the area served. Operating expenses increased 53% from $1,267,725 to $1,950,072. The increases were comprised of purchased water 65%, water operating expenses 7% and sewer operating expenses 289%. The average unit cost for purchased water has increased by approximately 68% from $2.14 per thousand gallons in 2007 to $3.60 per thousand gallons in 2010. The debt coverage ratio was at or near 1.0 from 2007 through 2010.

At the end of 2010 the operating cash balance was approximately 2.4 months of operating expenses. Days' sales in accounts receivable was 20.0. Various restricted asset accounts are required by ordinance, external parties or by Board reserve. At the end of 2010 the District had $952,258 in restricted accounts. The balance sheet reflects a debt to equity ratio of 0.4.

PROJECTED

a) Revenues will increase 3% each year for growth. Water revenues in 2011 and 2012 reflect the 11.6% increase that was put into effect on March 17, 2011.
b) Purchased water and operating expenses will increase 5% per year.
c) Total debt service is estimated at $548,235 beginning in 2013.

The debt coverage ratio is 1.2 in 2013 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

REPLACEMENT RESERVE

The annual replacement cost is $7,600. This amount should be added to the replacement account each December 1 until the balance reaches $76,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
KIA C91-01	$ 287,500	2013
Farmer's Bank	334,773	2018
Farmer's Bank	433,212	2018
KIA F07-02 (i/a/o $1.750M)	1,355,116	TBD
Series 2000A, 2000B 2008A, 2008B, 2009A Bonds	3,555,500	various
Total	**$ 5,966,101**	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Rural Unserved Areas Project	HB1	217,422	Grant
Catnip Hill Pike Water Storage Tank	HB608	1,000,000	Grant

XII. CONTACTS

Applicant

Name	Jessamine South-Elkhorn Water District
Address	801 S. Main Street, P.O. Box 731 Nicholasville, KY 40356
Contact	L. Nicholas Strong
Phone	(859) 621-6200
Email	nickocis@aol.com

Applicant Contact and Engineer

Name	John G. Horne, PE, PLS
Firm	Horne Engineering, Inc.
Address	216 S. Main Street Nicholasville, KY 40356
Phone	(859) 885-9441
Email	john@horneeng.com

XIII. RECOMMENDATIONS

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

JESSAMINE SOUTH-ELKHORN WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)

ASSETS	Audited 2007	Audited 2008	Audited 2009	Audited 2010	Upon Completion 2012
Current Assets					
Cash	373,368	537,260	257,030	389,092	894,705
Accounts Receivable	91,854	141,928	103,403	132,013	151,000
Prepaid	9,196	11,381	11,603	11,828	12,000
Total Current Assets	474,418	690,569	372,036	532,933	1,057,705
Restricted Assets					
Customer Deposits	9,046	9,790	0	0	0
Construction Accounts	314,985	340,350	102,148	96,369	96,369
Board Designated Reserves	400,000	472,038	460,000	455,203	455,203
Bond Reserves	128,863	145,153	347,130	400,686	400,686
KIA Depreciation Reserve	0	0	0	0	22,600
Total Restricted Assets	852,894	967,331	909,278	952,258	974,858
Utility Plant					
Land, System, Building and Equipment	10,925,745	12,599,854	18,066,694	24,308,748	27,779,496
Construction in Process	836,130	4,290,291	5,045,178	50,564	0
Total	11,761,875	16,890,145	23,111,872	24,359,312	27,779,496
Less Accumulated Depreciation ( )	(3,137,843)	(3,436,537)	(3,814,938)	(4,255,129)	(5,280,129)
Net Fixed Assets	8,624,032	13,453,608	19,296,934	20,104,183	22,499,367
Other Assets					
Unamortized Bond Costs and Discount, Net	58,764	48,719	38,674	61,873	36,873
Total Other Assets	58,764	48,719	38,674	61,873	36,873
Total Assets	10,010,108	15,160,227	20,616,922	21,651,247	24,568,803
LIABILITIES					
Current Liabilities					
Current Portion Long Term Debt	136,048	157,170	169,556	160,600	131,745
Accounts Payable and Accrued Expenses	177,061	322,085	151,175	337,198	175,000
Accrued Interest	2,510	2,191	41,960	30,825	35,000
Customer Deposits	8,810	29,635	15,610	22,915	22,500
Other	0	0	0	31,990	0
Total Current Liabilities	324,429	511,081	378,301	583,528	364,245
Long Term Liabilities					
Notes Payable	1,047,906	3,256,012	3,440,501	2,284,001	2,023,611
Revenue Bonds	2,119,500	2,080,000	2,043,500	3,521,500	3,847,384
Proposed KIA Loan	0	0	0	0	3,025,300
Total Long Term Liabilities	3,167,406	5,336,012	5,484,001	5,805,501	8,896,295
Total Liabilities	3,491,835	5,847,093	5,862,302	6,389,029	9,260,540
Retained Earnings:					
Invested in Capital Assets Net of Related Debt	5,320,578	7,960,426	13,643,377	14,138,082	13,471,327
Restricted	435,755	936,100	462,303	606,317	624,858
Unrestricted - Unreserved	361,940	(43,392)	159,727	171,225	862,078
Unrestricted - Board Designated	400,000	460,000	489,213	346,594	350,000
Total Retained Earnings	6,518,273	9,313,134	14,754,620	15,262,218	15,308,263
Total Liabilities and Equities	10,010,108	15,160,227	20,616,922	21,651,247	24,568,803
Balance Sheet Analysis					
Current Ratio	1.5	1.4	1.0	0.9	2.9
Debt to Equity	0.5	0.6	0.4	0.4	0.6
Working Capital	149,989	179,488	(6,265)	(50,595)	693,460
Percent of Total Assets in Working Capital	1.5%	1.2%	0.0%	-0.2%	2.8%
Days Sales in Accounts Receivable	17.5	24.8	19.5	20.0	20.0

EXHIBIT 1													
JESSAMINE SOUTH-ELKHORN WATER DISTRICT													
CASH FLOW ANALYSIS (DECEMBER YEAR END)													
	Audited	**%**	**Audited**	**%**	**Audited**	**%**	**Audited**	**%**	**Projected**	**Projected**	**Projected**	**Projected**	**Projected**
Operating Revenues	**2007**	**Change**	**2008**	**Change**	**2009**	**Change**	**2010**	**Change**	**2011**	**2012**	**2013**	**2014**	**2015**
Water Revenues	1,768,087	5%	1,862,297	-7%	1,736,749	17%	2,031,373	12%	2,269,044	2,402,920	2,489,430	2,579,050	2,671,900
Sewer Revenues	79,603	94%	154,387	-9%	140,822	95%	274,507	3%	282,742	291,220	298,790	306,560	314,530
Penalties	24,442	0%	24,450	-10%	22,123	19%	26,359	-5%	25,000	25,000	25,000	25,000	25,000
Service Charges	41,124	7%	43,931	-71%	12,882	-5%	12,246	-18%	10,000	10,000	10,000	10,000	10,000
Other	0		0		25,411		63,046		25,000	25,000	25,000	25,000	25,000
Total Revenues	1,913,256	9%	2,085,065	-7%	1,937,987	24%	2,407,531	8%	2,611,786	2,754,140	2,848,220	2,945,610	3,046,430
Operating Expenses													
Purchased Water	664,133	26%	835,313	10%	918,563	19%	1,093,845	5%	1,148,540	1,205,970	1,266,270	1,329,580	1,396,060
Water Operating Expenses	528,592	16%	611,382	6%	647,337	-13%	563,854	5%	592,050	621,650	652,730	685,370	719,640
Sewer Operating Expenses	75,000	83%	137,593	39%	190,934	53%	292,373	5%	306,990	322,340	338,460	355,380	373,150
Depreciation	302,800	-1%	298,694	12%	333,250	52%	505,445	1%	510,000	515,000	615,800	615,800	615,800
Replacement Reserve	0		0		0		0		0	0	22,600	22,600	22,600
Total Expenses	1,570,525	20%	1,882,982	11%	2,090,084	17%	2,455,517	4%	2,557,580	2,664,960	2,895,860	3,008,730	3,127,250
Net Operating Income	342,731	-41%	202,083	-175%	(152,097)	-68%	(47,986)	-213%	54,206	89,180	(47,640)	(63,120)	(80,820)
Non-Operating Income and Expenses													
Interest Income	24,240		22,938		12,333		6,791		3,500	3,500	3,500	3,500	3,500
Connection Fees	168,146		70,670		239,120		141,266		125,000	75,000	75,000	75,000	75,000
Total Non-Operating Income & Expenses	192,386	-51%	93,608	169%	251,453	-41%	148,057	-13%	128,500	78,500	78,500	78,500	78,500
Add Non-Cash Expenses													
Depreciation	302,800	-1%	298,694	12%	333,250	52%	505,445	1%	510,000	515,000	615,800	615,800	615,800
Cash Available for Debt Service	**837,917**	**-29%**	**594,385**	**-27%**	**432,606**	**40%**	**605,516**	**14%**	**692,706**	**682,680**	**646,660**	**631,180**	**613,480**
Debt Service (enter as positive #'s)													
Existing Principal	133,211		341,136		156,120		169,556		160,445	168,945	131,745	73,845	76,445
Existing Interest	170,741		197,942		280,800		301,981		226,410	218,973	210,896	205,000	202,236
KIA F07-02									30,000	40,000	100,685	121,370	121,370
Proposed KIA Loan (F11-12)										25,000	104,909	209,817	209,817
Total Debt Service	303,952		539,078		436,920		471,537		416,855	452,918	548,235	610,032	609,868
Income After Debt Service	533,965		55,307		(4,314)		133,979		275,851	229,762	98,425	21,148	3,612
Debt Coverage Ratio	2.8		1.1		1.0		1.3		1.7	1.5	1.2	1.0	1.0

ATTACHMENT

I.B.8.

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 (F11-14) OF $4,000,000 TO THE CITY OF NICHOLASVILLE, JESSAMINE 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 Nicholasville, 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 $4,000,000 of project expense including capitalized interest for the construction period, to the City of Nicholasville for the Nicholasville Water Storage Tank & 20” Backbone 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, $10,000 must be set aside in a borrower held replacement reserve. 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 10th day of November 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
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

November 7, 2011

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

Re: DWL1150 Fund F
Nicholasville Water Treatment Plant--2300
Activity ID: FGL20110004
Watershed Name: Kentucky River, near Valley View
Watershed Code (HUC11): 05100205060

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Nicholasville is entitled to receive priority for funding for water system improvements and is eligible to receive $4,000,000 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 August, 2012.

2. Construction bids are expected to be opened in January, 2013 .

3. Project specific environmental information is expected to be submitted to DOW in July, 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.

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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 Russell A. Meyer, Mayor
Thomas P. Calkins, Director of Public Utilities
Laura Gilkerson, GRW Engineers, Inc.

EXECUTIVE SUMMARY
KENTUCKY INFRASTRUCTURE AUTHORITY
FUND F, FEDERALLY ASSISTED DRINKING WATER
REVOLVING LOAN FUND

Reviewer:	Sandy Williams
Date:	November 10, 2011
KIA Loan Number:	**F11-14**
WRIS Numbers:	**WX21113027, WX21113040**

BORROWER:	**CITY OF NICHOLASVILLE**
	JESSAMINE COUNTY

BRIEF DESCRIPTION:

This project involves the installation of approximately 18,350 linear feet (lf) 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 lf 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.

PROJECT FINANCING:		PROJECT BUDGET	
Fund F Loan	$ 4,000,000	Administrative Expenses	$ 15,000
General Obligation Bonds	2,351,000	Legal Expenses	33,000
		Land, Easements	313,000
		Engineering Fees	729,000
		Construction	4,790,000
		Contingency	471,000
TOTAL	$ 6,351,000	TOTAL	$ 6,351,000

REPAYMENT				
	Rate	2.00%	Est. Annual Payment	$ 253,645
	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:	January 2013
	Construction Start:	April 2013
	Construction Stop:	April 2014

DEBT PER CUSTOMER	Existing:	$ 3,596
	Proposed:	$ 3,140

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

RESIDENTIAL RATES		Users		Avg. Bill	
	Current	13,191	$	18.69	(for 4,000 gallons)
	Additional	0	$	18.69	(for 4,000 gallons)

REGIONAL COORDINATION	This project is consistent with regional planning recommendations.

CASHFLOW	Cash Available for Debt Service	Debt Service	Income after Debt Service	Coverage Ratio
Audited 2007	3,302,239	2,534,248	767,991	1.3
Audited 2008	3,329,693	2,513,771	815,922	1.3
Audited 2009	3,641,506	2,984,507	656,999	1.2
Audited 2010	5,511,995	3,764,978	1,747,017	1.5
Projected 2011	5,567,996	4,428,148	1,139,848	1.3
Projected 2012	5,741,936	4,421,163	1,320,773	1.3
Projected 2013	5,921,364	4,850,410	1,070,954	1.2
Projected 2014	6,096,461	3,988,645	2,107,816	1.5
Projected 2015	6,287,414	4,377,616	1,909,799	1.4
Projected 2016	6,484,418	4,365,936	2,118,482	1.5

Reviewer: Sandy Williams
Date: November 10, 2011
Loan Number: F11-14

KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER REVOLVING LOAN FUND (FUND "F")
CITY OF NICHOLASVILLE, JESSAMINE COUNTY
PROJECT REVIEW
WX21113027 and WX2113040

I. PROJECT DESCRIPTION

The City of Nicholasville is requesting a Fund “F” loan of $4,000,000 for the Water System Improvements project. The project is part of a 1990 master plan of improvements for the transmission / distribution system and will include the installation of approximately 18,350 linear feet (lf) 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. It will also improve water quality for approximately 170 customers in the Tates Creek Road area. Approximately 19,800 lf 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.

II. PROJECT BUDGET

	Total
Administrative Expenses	$ 15,000
Legal Expenses	33,000
Land, Easements	313,000
Engineering Fees	729,000
Construction	4,790,000
Contingency	471,000
Total	**$ 6,351,000**

III. PROJECT FUNDING

	Amount	%
Fund F Loan	$ 4,000,000	63%
General Obligation Bonds	2,351,000	37%
Total	**$ 6,351,000**	**100%**

IV. KIA DEBT SERVICE

Construction Loan	$ 4,000,000
Interest Rate	2.00%
Loan Term (Years)	20
Estimated Annual Debt Service	$ 243,645
Administrative Fee (0.25%)	$ 10,000
Total Estimated Annual Debt Service	**$ 253,645**

V. PROJECT SCHEDULE

Bid Opening:	January 2013
Construction Start:	April 2013
Construction Stop:	April 2014

VI. CUSTOMER COMPONSITION AND RATE STRUCTURE

A. Customers

Customers	Current
Residential	12,470
Commercial	695
Industrial	26
	13,191

B. Rate Structure

Monthly residential rates for drinking water utility service are as follows:

	Inside City Rates		
Effective Date	1/1/2009	7/1/2009	7/1/2010
Service Charge	$4.25	$4.25	$4.25
First 10,000 gallons (per 1000 gal)	3.16	3.61	4.05
All Over 10,000 gal, per 1000 gal)	3.03	3.48	3.92
Residential Bill for 4,000 gallons	$16.89	$18.69	$20.45
Percent Increase		10.7%	9.4%
Affordability Index (Rate/MHI)	0.5%	0.5%	0.6%

	Outside City Rates		
Effective Date	1/1/2009	7/1/2009	7/1/2010
Service Charge	$6.35	$6.35	$6.35
First 10,000 gallons (per 1000 gal)	4.69	5.37	6.03
All Over 10,000 gal, per 1000 gal)	4.50	5.17	5.83
Residential Bill for 4,000 gallons	$25.11	$27.83	$30.47
Percent Increase		10.8%	9.5%
Affordability Index (Rate/MHI)	0.7%	0.8%	0.8%

VII. DEMOGRAPHICS

The US Census estimated the 2010 population at 28,015, a 42% increase from the 2000 Census of 19,680. In 2010, the City's Median Household Income (MHI) was $44,064. The median household income for the Commonwealth is $41,197. The project will qualify for a 2% interest rate as it meets the Kentucky Administrative Regulations' definition for regionalization.

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 does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the Utilities Fund was obtained from the audited financial statements of the City of Nicholasville for the years ended June 30, 2007 through 2010. Amounts for 2011 are estimated. The fund includes electric, water and sewer services operations.

HISTORICAL

Charges for services increased 20.4% from $17.2 million in 2007 to $20.8 million 2010 due to increases in rates, customers and customer volume. Operating and administrative expenses increased 10.8% from $15.3 million to $17.0 million during the same period. Other income (penalties, tap fees, and assessments, interest income) increased from $1.4 million to $1.7 million. The debt coverage ratio improved from 1.3 in 2007 to 1.5 in 2010. The 2003A and 2003B bond ordinances require the utility to maintain a minimum 1.20 debt coverage ratio. Additionally, the utility is required to maintain various reserve accounts. The total balance for the Depreciation Fund and the Renewal, Replacement and Extension Funds at the end of 2010 was $2.6 million.

PROJECTED

Projections are based on the following assumptions:

- Revenues and expenses will each increase by 3%. A decrease in purchased water cost will offset some general expense inflation.
- The analysis does not project a rate increase, however, rates will be adjusted as required to maintain the required minimum 1.2 debt coverage ratio.

Based on the above assumptions, the City of Nicholasville will meet the required cash flow through the projected years with a debt coverage ratio range of 1.3 to 1.5.

REPLACEMENT RESERVE

The annual replacement cost is estimated at $10,000. This amount should be added to the replacement account each December 1 until the balance reaches $100,000. The balance should be maintained for the life of the loan.

X. DEBT OBLIGATIONS

Description	Outstanding	Maturity
KIA Fund A (A95-11)	$7,473,324	Jun 2018
KIA Fund C (C02-02)	3,068,651	Dec 2023
KIA Fund A (A06-07)	11,194,890	Jun 2028
KIA Fund F (F07-08)	8,800,000	Jun 2030
KIA Fund A (A08-06) (approved $7,494,225)	4,361,369	Dec 2032 (est)
Series 2009 Bond Anticipation Note	630,411	Jul-11
Series 2003 A Revenue Bonds	2,660,000	Oct 2023
Series 2003 B Revenue Bonds	2,515,000	Oct 2012
Series 2009 General Obligation Bonds	6,905,000	Oct 2030
Capital Lease (Pitney Bowes)	24,622	Mar 2015
Total	**$47,633,267**	

XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Megee Lane Water Extension	HB267	$180,000	Grant
Dragstrip Sanitary Sewer Extension	HB267	220,000	Grant
Bethany Road Water Extension	HB380	220,000	Grant
Old Railroad Rd. - Union Mill Rd. to Loganna Rd.	HB380	500,000	Grant
Union Mill Rd. Extension	HB380	330,000	Grant
Crenshaw Lane Waterline Extension	HB608	150,000	Grant
Alta Avenue Parallel Sewer Project	HB608	200,000	Grant
Brookview Sewer Replacement	HB608	400,000	Grant
Dragstrip Sanitary Sewer Extension	EPA SPAP	1,425,400	Grant

XII. CONTACTS

Applicant	
Name	City of Nicholasville
Address	517 North Main Street, P.O. Box 450
	Nicholasville, KY 40356
County	Jessamine
Contact	Russell A. Meyer
Phone	(859) 885-1121
Email	russ_meyer@nicholasville.org

Applicant Contact	
Name	City of Nicholasville
Address	517 North Main Street, P.O. Box 450
	Nicholasville, KY 40356
Contact	Thomas P. Calkins
Phone	(859) 885-9473
Email	tom_calkins@nicholasville.org

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

XIII. RECOMMENDATIONS

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

CITY OF NICHOLASVILLE
BALANCE SHEETS

ASSETS	Audited 2007	Audited 2008	Audited 2009	Audited 2010	Projected 2011	Upon Completion 2014
Current Assets						
Cash and Cash Equivalents	381,408	737,516	547,539	1,571,006	1,913,000	2,939,000
Investments	6,472	0	0	0	0	0
Receivables	2,592,225	2,773,960	3,710,527	3,421,136	3,514,300	3,840,100
Other Current Assets		7,970	20,117	17,498	17,500	17,500
Total Current Assets	2,980,105	3,519,446	4,278,183	5,009,640	5,444,800	6,796,600
Restricted Assets						
Cash and Cash Equivalents	1,375,389	2,005,131	2,353,426	2,842,549	2,842,549	2,842,549
Investments	4,923,469	5,179,943	4,098,511	4,271,833	4,351,833	4,601,833
Total Restricted Assets	6,298,858	7,185,074	6,451,937	7,114,382	7,194,382	7,444,382
Utility Plant						
Utility Systems	43,596,256	57,173,382	71,275,888	77,465,406	76,928,306	78,252,706
Net Fixed Assets	43,596,256	57,173,382	71,275,888	77,465,406	76,928,306	78,252,706
Other Assets						
Other	0	162,895	142,626	317,803	150,000	150,000
Total Other Assets	0	162,895	142,626	317,803	150,000	150,000
Total Assets	52,875,219	68,040,797	82,148,634	89,907,231	89,717,488	92,643,688
LIABILITIES						
Current Liabilities						
Accounts Payable	2,557,058	3,061,376	3,874,254	2,361,650	2,500,000	2,500,000
Accrued Liabilities	329,107	348,115	377,612	447,262	450,000	450,000
Meter Deposits and Other Liabilities	615,439	1,500,281	1,679,803	1,078,902	1,000,000	1,000,000
Due to Other Funds	264,495	227,940	211,594	220,169	225,000	225,000
Total Current Liabilities	3,766,099	5,137,712	6,143,263	4,107,983	4,175,000	4,175,000
Liabilities Payable - Restricted Assets						
Current Portion of Long Term Debt	1,827,214	3,194,240	5,263,692	3,048,512	3,138,487	2,811,984
Total Liabilities Payable - Restricted Assets	1,827,214	3,194,240	5,263,692	3,048,512	3,138,487	2,811,984
Long Term Liabilities						
Long Term Debt & Capital Leases, Less Current Pc	19,878,146	27,758,948	36,531,444	44,364,345	42,320,616	35,067,612
Notes Payable - KIA (F11-14)	0	0	0	0	0	4,000,000
General Obligation Bonds (F11-14)	0	0	0	0	0	2,351,000
Other	0	28,613	33,047	28,338	25,000	17,500
Total Long Term Liabilities	19,878,146	27,787,561	36,564,491	44,392,683	42,345,616	41,436,112
Total Liabilities	25,471,459	36,119,513	47,971,446	51,549,178	49,659,103	48,423,096
Retained Earnings:						
Invested in Capital Assets, Net	21,703,861	26,220,194	29,480,752	30,052,549	31,469,203	40,373,110
Restricted for:						
Debt Service	1,371,785	691,938	609,512	558,521	558,521	558,521
Capital Projects	2,588,987	3,067,801	1,131,346	2,339,408	2,339,408	2,339,408
Depreciation Reserve	448,287	503,190	377,830	507,000	507,000	507,000
Operation and Maintenance Reserve	1,118,772	1,384,875	1,068,608	1,472,302	1,472,302	1,472,302
Other Purposes	0	35,483	911,215	2,237,152	2,317,151	2,567,151
Unrestricted (deficit)	172,068	17,803	597,925	1,191,121	1,394,800	(3,596,900)
Total Retained Earnings	27,403,760	31,921,284	34,177,188	38,358,053	40,058,385	44,220,592
Total Liabilities and Equities	52,875,219	68,040,797	82,148,634	89,907,231	89,717,488	92,643,688
Balance Sheet Analysis						
Debt to Equity	0.93	1.13	1.40	1.34	1.24	1.10
Days Sales in Accounts Receivable	54.9	54.6	70.2	60.2	60.0	60.0

EXHIBIT 1
CITY OF NICHOLASVILLE
CASH FLOW ANALYSIS

	Audited 2007	% Change	Audited 2008	% Change	Audited 2009	% Change	Audited 2010	% Change	Projected 2011	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016
Operating Revenues														
Charges for Services	17,243,344	7%	18,530,174	4%	19,287,347	8%	20,756,152	3%	21,378,837	22,020,202	22,680,808	23,361,232	24,062,069	24,783,931
Total Revenues	17,243,344	7%	18,530,174	4%	19,287,347	8%	20,756,152	3%	21,378,837	22,020,202	22,680,808	23,361,232	24,062,069	24,783,931
Operating Expenses														
Administrative & Operating Expense	15,314,970	8%	16,529,120	4%	17,119,476	-1%	16,969,015	3%	17,478,085	18,002,428	18,542,501	19,098,776	19,671,739	20,261,891
Depreciation	1,581,017	5%	1,657,657	3%	1,707,087	19%	2,035,660	12%	2,287,100	2,394,200	2,501,400	2,630,000	2,630,000	2,630,000
Replacement Reserve	0								80,000	80,000	80,000	90,000	90,000	90,000
Total Expenses	16,895,987	8%	18,186,777	4%	18,826,563	1%	19,004,675	4%	19,845,185	20,476,628	21,123,901	21,818,776	22,391,739	22,981,891
Net Operating Income	347,357	-1%	343,397	34%	460,784	280%	1,751,477	-12%	1,533,651	1,543,574	1,556,907	1,542,456	1,670,330	1,802,040
	2.0%		1.9%		2.4%		8.4%							
Non-Operating Income and Expenses														
Interest on Investments	281,165	2%	287,053	-33%	191,384	-9%	174,135	-14%	150,000	159,000	168,540	178,652	189,372	200,734
Other Income	1,092,700	-5%	1,041,586	23%	1,282,251	21%	1,550,723	3%	1,597,245	1,645,162	1,694,517	1,745,352	1,797,713	1,851,644
Total Non-Operating Income & Expenses	1,373,865	-3%	1,328,639	11%	1,473,635	17%	1,724,858	1%	1,747,245	1,804,162	1,863,057	1,924,005	1,987,085	2,052,378
Add Non-Cash Expenses														
Depreciation	1,581,017	5%	1,657,657	3%	1,707,087	19%	2,035,660	12%	2,287,100	2,394,200	2,501,400	2,630,000	2,630,000	2,630,000
Cash Available for Debt Service	**3,302,239**	**1%**	**3,329,693**	**9%**	**3,641,506**	**51%**	**5,511,995**	**1%**	**5,567,996**	**5,741,936**	**5,921,364**	**6,096,461**	**6,287,414**	**6,484,418**
Debt Service														
Existing Debt	2,534,248		2,513,771		2,984,507		3,764,978		1,634,309	1,631,184	1,635,054	747,383	752,485	745,000
KIA - Amortizing Loans									2,793,839	2,789,979	2,786,004	2,781,910	2,777,695	2,773,500
KIA - A08-06											429,352	429,352	429,352	429,352
Proposed KIA Loan (F11-14)												30,000	253,645	253,645
General Obligation Bonds (F11-14)													164,439	164,439
Total Debt Service	2,534,248		2,513,771		2,984,507		3,764,978		4,428,148	4,421,163	4,850,410	3,988,645	4,377,616	4,365,936
Income After Debt Service	767,991		815,922		656,999		1,747,017		1,139,848	1,320,773	1,070,954	2,107,816	1,909,799	2,118,482
Debt Coverage Ratio	1.3		1.3		1.2		1.5		1.3	1.3	1.2	1.5	1.4	1.5

A T T A C H M E N T

I.B.9.

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 10th of November, 2011.

_____
TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

_____
SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

EXHIBIT A

APPLICANT	FUND	AMOUNT
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

FUNDS A, A1, A2, B, B1, C, F, F1, 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	$45,369,201
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	$20,646,201
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	$36,259,607
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	$29,497,769
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	$28,376,620
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	$17,607,384
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	$18,184,570
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	$29,786,981
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	$9,178,152
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	$19,880,297
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	$19,881,905
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	$19,814,494
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	$19,638,329
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	$19,682,084
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	$19,554,151
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	$19,565,981
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	$15,909,016
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	$12,928,344
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	$15,801,410
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	$10,031,796
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	$10,031,796
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	$30,081,120
NET FY 1989-2010 SRF FUNDS	**$467,707,208**
CURRENT REVOLVING/SURPLUS FUND BALA	**$284,723,479**
2010 A - Leverage - Balance	**$0**
Balance Available for Loan	**$1,806,001**

		TOTAL PROJECT AMOUNT	KIA LOAN AMOUNT		DATE APPROVED	
	PROJECTS APPROVED IN SFY 1989:					
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	
	TOTALS	**$10,223,395**	**$7,063,116**			
	PROJECTS APPROVED IN SFY 1990:					
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)
	TOTALS	**$12,882,851**	**$8,388,968**			
	PROJECTS APPROVED IN SFY 1991:					
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	
	TOTALS	**$38,664,447**	**$31,883,950**			
	PROJECTS APPROVED IN SFY 1992:					
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)
	TOTALS	**$36,975,208**	**$27,495,029**			
	PROJECTS APPROVED IN SFY 1993:					
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)
	TOTALS	**$36,291,393**	**$29,923,350**			
	PROJECTS APPROVED IN SFY 1994:					
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)
	TOTALS	**$49,144,500**	**$38,480,065**			

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	
	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)
67	PADUCAH-MCCRACKEN JOINT SEWER AGENCY	$3,798,069	$3,516,117	(c)	11-29-94	(AMD.6-19-97)(ASSUMED FROM REIDLAND)
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
	TOTALS	**$59,704,120**	**$46,773,907**			
	PROJECTS APPROVED IN SFY 1996:					
	NONE	$0	$0			
	TOTALS	**$0**	**$0**			
	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	
		$30,417,531	**$22,690,683**			
	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
	TOTALS	**$30,908,982**	**$20,869,733**			
	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	WURTLAND, 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
	TOTALS	**$19,975,429**	**$15,583,941**			
	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	
	TOTALS	**$33,687,179**	**$28,225,886**			

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	
	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	WURTLAND, 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	
	TOTALS	**$17,114,829**	**$9,981,890**			
	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	WURTLAND, CITY OF	$1,782,900	$1,782,872	(c)	6/6/02	
	TOTALS	**$42,537,535**	**$31,483,629**			
	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	
	TOTALS	**$25,272,304**	**$13,977,246**			
	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		05/06/04; 3/2/06	
137	SOUTHERN WAT & SEW DIST	$3,750,000	$68,037	(c)	05/06/04	
	TOTALS	**$38,511,624**	**$22,738,183**			
	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		6/23/05	
	TOTALS	**$89,632,500**	**$68,794,469**			
	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		3/2/06	
149	RICHMOND, CITY OF	$2,152,200	$2,152,200		6/1/06	
	TOTALS	**$24,515,128**	**$11,807,835**			

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	
	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	
	TOTAL	**$66,469,881**	**$43,478,046**			
	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	
	TOTAL	**$299,435,449**	**$262,488,430**			
	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	
	TOTAL	**$107,886,200**	**$80,456,288**			
	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	
	Total	**$101,489,106**	**$88,185,367**			

		TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
	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
	Total	**$139,514,607**	**$122,755,622**	
	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***
	Total	**$9,911,579**	**$6,080,635**	
	GRAND TOTALS - COMMITMENTS	**$1,321,165,777**	**$1,039,606,269**	

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%)	($1,995,124)
NET ARRA FUNDS	$47,882,976

		TOTAL PROJECT AMOUNT	KIA AMOUNT		FIRST USE FUNDS	DATE APPROVED	
	PROJECTS APPROVED IN SFY 2009:						
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	
	TOTALS	**$19,563,325**	**$13,369,041**		**$13,369,041**		
	PROJECTS APPROVED IN SFY 2010:						
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	
	TOTALS	**$59,272,630**	**$34,475,552**		**$34,475,552**		
	GRAND TOTALS - COMMITMENTS	**$78,835,955**	**$47,844,593**		**$47,844,593**		
	BALANCE AVAILABLE FOR LOAN				**$38,383**		

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	**$2,581,867**

		TOTAL INFRASTRUCTURE AMOUNT	KIA GRANT AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
	PROJECTS APPROVED IN FY 1989:							
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	
	TOTALS	**$10,130,869**		**$7,388,294**	**$126,342,070**	**1,489**		
	PROJECTS APPROVED IN FY 1990:							
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	
	TOTALS	**$10,189,956**		**$4,819,914**	**$43,929,320**	**1,899**		
	PROJECTS APPROVED IN FY 1991:							
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	$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)
	TOTALS	**$5,764,079**		**$2,662,259**	**$46,900,000**	**1,487**		
	PROJECTS APPROVED IN FY 1992:							
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 ('	$121,000		$92,809 (c)	$32,000,000	200	02-25-92	
26	WARREN COUNTY WATER DISTRICT (	$297,000		$203,233 (c)	$0		02-25-92	
27	LIVERMORE, CITY OF	$86,039		$86,039 (c)	$0	12	06-26-92	
	TOTALS	**$11,509,856**		**$7,585,339**	**$35,331,899**	**708**		
	PROJECTS APPROVED IN FY 1993:							
28	MARION, CITY OF	$1,218,460		$379,510 (c)	$1,412,000	40	12-17-92	
29	DAVIESS 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)
	TOTALS	**$12,188,789**		**$7,474,447**	**$359,412,000**	**1,320**		
	PROJECTS APPROVED IN FY 1994:							
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)
		TOTALS	**$17,455,502**		**$8,710,618**	**$404,485,434**	**1,043**		
		PROJECTS APPROVED IN FY 1995:							
	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	
		TOTALS	**$8,713,832**		**$4,408,243**	**$0**	**1,558**		
		PROJECTS APPROVED IN FY 1996:							
*	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	
		TOTALS	**$3,254,999**		**$2,965,304**	**$0**	**534**		
		PROJECTS APPROVED IN FY 1997:							
	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)
		TOTALS	**$1,611,878**		**$828,000**	**$0**	**125**		
		PROJECTS APPROVED IN FY 1998:							
*	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)
		TOTALS	**$12,463,450**		**$2,372,800**	**$0**	**477**		
		PROJECTS APPROVED IN FY 1999:							
*	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)		400	4-27-99	
		TOTALS	**$6,830,880**		**$926,831**	**$0**	**414**		
		PROJECTS APPROVED IN FY 2000:							
*	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	
		TOTALS	**$1,284,300**		**$856,996**	**$170,000,000**	**122**		
		PROJECTS APPROVED IN FY2005:							
*	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
		TOTALS	**$9,027,038**		**$4,677,117**	**$0**			
		PROJECTS APPROVED IN FY2006:							
*	43	GRAVES CO WATER DISTRICT	$596,776		$596,776 (c)	$0	NA	005; 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	
		TOTALS	**$11,415,953**		**$3,062,225**	**$0**			
		PROJECTS APPROVED IN FY2007:							
*	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	06;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
		TOTALS	**$28,687,403**		**$7,185,103**	**$0**			

			TOTAL INFRASTRUCTURE AMOUNT	KIA GRANT AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
		PROJECTS APPROVED IN FY2008:							
*	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
		TOTALS	**$23,245,440**		**$11,053,000**	**$0**			
		PROJECTS APPROVED IN FY2009:							
	67	CARROLLTON, CITY OF	$2,350,000		$750,000	$0	NA	08/07/2008	sewer
	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
		TOTALS	**$8,235,707**		**$5,673,883**	**$0**			
		PROJECTS APPROVED IN FY2010:							
	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
		TOTALS	**$7,034,835**	**$800,000**	**$2,264,835**	**$3,000,000**	***40***		
		PROJECTS APPROVED IN FY2011:							
	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
		TOTALS	**$16,310,929**	**$2,893,600**	**$7,886,446**	**$0**	***0***		
		PROJECTS APPROVED IN FY2012:							
	94	Crittenden-Livingston Water District	$300,000	$0	$300,000	$0	NA	08/04/2011	water
		TOTALS	**$300,000**	**$0**	**$300,000**	**$0**	**$0**		
		GRAND TOTALS	**$205,655,695**	**$3,693,600**	**$93,101,655**	**$1,189,400,723**	**11216**		

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	(rlf)
TOTAL AUTHORIZATION FYS 2001-2002	$3,925,000	(rlf)
	$22,846,178	

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

		TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
	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	
	TOTALS	**$14,777,038**	**$5,621,178**			
	PROJECTS APPROVED JULY 1, 1992 THROUGH JUNE 30, 1994:					
10	DAVIESS COUNTY FISCAL COURT	$300,000	$300,000	(c)	11-12-92	(AMD. 9-29-93)
	(East Daviess County Water Association) **TOTALS**	**$300,000**	**$300,000**			
	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	
	TOTALS	**$20,365,196**	**$13,000,000**	(rlf)		
	PROJECTS APPROVED JULY 1, 1998 THROUGH JUNE 30, 1999:					
15	WATER RESOURCE DEV COMMISSION	$1,053,000	753,000	(rlf)	4-27-99	
	TOTALS	**$1,053,000**	**753,000**			
	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 WURTLAND	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)
	TOTALS	**3,925,000.00**	**3,925,000.00**	(rlf)		

			TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
	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	Taylorsville 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** (rlf)		
	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** (rlf)		
	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.
(rlf) - 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
TOTAL 1991 - 1998	**$28,283,414**

			TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT		INTEREST RATE	AREA DEVELOPMENT DISTRICT	DATE APPROVED	COMMENTS
	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	
		TOTALS	**$37,672,835**	**$26,119,616**					
	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	
		TOTALS	**$1,858,645**	**$1,792,633**					
	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)
		TOTALS	**$1,324,000**	**$450,000**					
		GRAND TOTALS	**$40,855,480**	**$28,362,249**					

(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)			**$32,025,000**			
	PROJECTS APPROVED IN FY 1989:					
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 FROMKENTUCKY TURNPIKE WATER DISTRICT 3/7/02
	TOTALS	**$38,061,943**	**$21,411,392**			
	PROJECTS APPROVED IN FY 1990:					
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 #4	$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	
	TOTALS	**$11,576,356**	**$5,695,729**			
	PROJECTS APPROVED IN FY 1991:					
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 DISTRIC	$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 #2	$633,013	$325,000	(c)	06-20-91	
	TOTALS	**$5,263,172**	**$4,350,963**			
	PROJECTS APPROVED IN FY 1992:					
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 DISTRICCT	$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	
	TOTALS	**$4,361,311**	**$2,715,815**			
	PROJECTS APPROVED IN FY 1993:					
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 DISTF	$1,414,199	$1,414,199	(c)	12-17-92	
46	TAYLORSVILLE, CITY OF	$188,000	$188,000	(c)	03-03-93	
47	WURTLAND, CITY OF	$336,885	$264,145	(c)	05-05-93	
	TOTALS	**$3,811,593**	**$2,448,985**			

			TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
		PROJECTS APPROVED IN FY 1994:					
	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 WATEI	$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)
		TOTALS	**$8,349,219**	**$4,547,794**			
		PROJECTS APPROVED IN FY 1995:					
	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	
		TOTALS	**$9,647,100**	**$5,905,194**			
		PROJECTS APPROVED IN FY 1996:					
	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
		TOTALS	**$2,330,900**	**$1,975,226**			
		PROJECTS APPROVED IN FY 1997:					
	58	EAST PENDLETON WATER DISTRICT	$202,004	$219,856	(c)	6-19-97	
		TOTALS	**$202,004**	**$219,856**			
		PROJECTS APPROVED IN FY 1998:					
		TOTALS	**$0**	**$0**			
		PROJECTS APPROVED IN FY 1999:					
	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	
		TOTALS	**$10,757,636**	**$4,850,465**			
		PROJECTS APPROVED IN FY 2001:					
	62	BARLOW, CITY OF	$416,000	$237,714	(c)	3/1/01	
		TOTALS	**$416,000**	**$237,714**			
		PROJECTS APPROVED IN FY 2002:					
	63	OLDHAM COUNTY WATER DISTRICT	$7,043,642	$5,560,339	(c)	7/12/01	
		TOTALS	**$7,043,642**	**$5,560,339**			
		PROJECTS APPROVED IN FY 2003:					
*	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
		TOTAL	**$7,996,000**	**$6,480,000**			
		PROJECTS APPROVED IN FY 2004:					
	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	
		TOTAL	**$6,943,821**	**$1,390,367**			
		PROJECTS APPROVED IN FY 2005:					
*	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	
		TOTAL	**$8,243,900**	**$3,780,179**			
		PROJECTS APPROVED IN FY 2007:					
*	74	MAYFIELD, CITY OF	$393,250	$389,255	(c)	05/10/2007	
		TOTAL	**$393,250**	**$389,255**			

			TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
		PROJECTS APPROVED IN FY 2008:					
*	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
		TOTAL	**$8,598,703**	**$7,744,488**			
		PROJECTS APPROVED IN FY 2009:					
*	78	UNION, CITY OF	$1,147,500	$248,294	(c)	10/02/2008	sewer
		TOTAL	**$1,147,500**	**$248,294**			
		PROJECTS APPROVED IN FY 2010:					
*	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
		TOTAL	**$6,850,000**	**$5,300,000**			
		PROJECTS APPROVED IN FY 2011:					
*	81	Bracken Co Water District	$621,000	$621,000		03/03/2011	water main replacement
		TOTAL	**$621,000**	**$621,000**			
		PROJECTS APPROVED IN FY 2012:					
*	82	Warren Co Water District	$1,114,400	$823,900		10/06/2011	Buchanon Park Sewer Extension
		TOTAL	**$1,114,400**	**$823,900**			
		KIA TOTALS	**$143,729,450**	**$86,696,954**			
		GRAND TOTALS (including KPAA)		**$118,721,954**			
		Funds committed; not issued:		**$30,137,115**			

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
NET FY 97-10 SRF FUNDS	$152,918,117
CURRENT REVOLVING/SURPLUS FUND BALANCE	$ 37,030,717
2010A - Leverage	$0
BALANCE AVAILABLE FOR LOAN	**$ 4,964,383**

		TOTAL PROJECT AMOUNT	KIA LOAN AMOUNT		DATE APPROVED	COMMENTS
	PROJECTS APPROVED IN FY 2000					
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
	TOTALS	**$3,795,165**	**$3,227,254**			
	PROJECTS APPROVED IN FY2001					
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; 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	
	TOTALS	**$37,599,303**	**$18,014,961**			
	PROJECTS APPROVED IN FY2002					
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	
	TOTALS	**$60,854,422**	**$23,652,848**			
	PROJECTS APPROVED IN FY2003					
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	
	TOTALS	**$32,672,680**	**$13,670,733**			
	PROJECTS APPROVED IN FY2004					
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
	TOTALS	**$27,321,108**	**$9,964,599**			
	PROJECTS APPROVED IN FY2005					
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	
	TOTALS	**$19,256,537**	**$9,814,900**			
	PROJECTS APPROVED IN FY 2006					
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	
	TOTALS	**$35,342,460**	**$12,920,000**			

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
	PROJECTS APPROVED IN FY 2007					
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	
	TOTALS	**$11,917,000**	**$6,750,000**			
	PROJECTS APPROVED FY 2008					
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	HARDINSBURG, 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	
	TOTALS	**$101,771,370**	**$54,077,421**			
	PROJECTS APPROVED FY2009					
64	PAINTSVILLE, CITY OF	$29,135,364	$6,519,566		12/4/08	
	TOTALS	**$29,135,364**	**$6,519,566**			
	PROJECTS APPROVED FY2010					
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	
	TOTALS	**$59,204,500**	**$36,445,590**			
	PROJECTS APPROVED FY2011					
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	
	TOTALS	**$27,214,525**	**$23,883,525**			
	PROJECTS APPROVED FY2012					
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***	
	TOTALS	**$15,437,501**	**$13,498,501**			
	GRAND TOTALS - COMMITMENTS	**$461,521,935**	**$232,439,898**			

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	$18,916,250

		TOTAL PROJECT AMOUNT	KIA AMOUNT		FIRST USE FUNDS	DATE APPROVED
	PROJECTS APPROVED IN SFY 2009:					
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
	TOTALS	**$6,866,652**	**$1,172,606**		**$1,172,606**	
	PROJECTS APPROVED IN SFY 2010:					
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
	TOTALS	**$44,563,111**	**$17,684,546**		**$17,684,546**	
	GRAND TOTALS - COMMITMENTS	**$51,429,763**	**$18,857,152**		**$18,857,152**	
	BALANCE AVAILABLE FOR LOAN				**$59,099**	

bold, italics - pending board approval
(c) - Final amounts; Loan has been closed
(s) - Amount represented in the assistance agreement