



**Board Meeting Booklet**  
**for**  
**January 5, 2012**

**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  
January 5, 2012 – 1:00 p.m.

## Call to Order:

Chair Tony Wilder

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

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

### A. Minutes

- |  |                   |   |
|--|-------------------|---|
| 1. Consideration of Approval of the <b>Minutes</b> of the <b>Kentucky Infrastructure Authority Regular Board Meeting of December 8, 2011</b><br><i>(Attachment I.A.1.)</i> | Chair Tony Wilder | 9 |
|--|-------------------|---|

### B. New Projects/Action Items

- |  |  |    |
|--|--|----|
| 1. Resolution and Order of the Board of Directors for Authorizing an <b>Amendment</b> to the <b>Conditional Commitment</b> for a <b>Fund A loan (A10-05)</b> in the amount of <b>\$1,000,000</b> to the <b>Oldham County Environmental Authority, Oldham County, Kentucky</b> (SX21185029)<br><i>(Attachment I.B.1.)</i>                               | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA     | 19 |
| 2. Resolution and Order of the Board of Directors for Authorizing an <b>Amendment</b> to the <b>Conditional Commitment</b> for a <b>Fund A loan (A10-06)</b> in the amount of <b>\$250,000</b> to the <b>Oldham County Environmental Authority, Oldham County, Kentucky</b> (SX21185028)<br><i>(Attachment I.B.2.)</i>                                 | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA     | 33 |
| 3. Resolution and Order of the Board of Directors for Authorizing an <b>Amendment</b> to the <b>Conditional Commitment and Scope</b> and an <b>Increase</b> to <b>Fund A loan (A10-07)</b> to the amount of <b>\$2,123,000</b> to the <b>Oldham County Environmental Authority, Oldham County, Kentucky</b> (SX21185050)<br><i>(Attachment I.B.3.)</i> | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA     | 47 |
| 4. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A12-01)</b> in the amount of <b>\$1,161,700</b> to the <b>Grant County Sanitary Sewer District, Grant County, Kentucky</b> (SX21081307, SX21081308)<br><i>(Attachment I.B.4.)</i>  | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA | 63 |
| 5. Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F12-01)</b> in the amount of <b>\$2,600,000</b> to the <b>City of Mount Vernon, Rockcastle County, Kentucky</b> (WX21203523)<br><i>(Attachment I.B.5.)</i>   | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA     | 77 |



6. Resolution and Order of the Board of Directors for Approval of a **Fund F loan (F12-02)** in the amount of **\$2,000,000** to the **Lyon County Water District, Lyon County, Kentucky** (WX21143007)  
**(Attachment I.B.6.)**

Mr. Shafiq Amawi, DOW 91  
Ms. Sandy Williams, KIA

7. 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.7.)**

Ms. Sandy Williams, KIA 105

**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 109

**IV. ANNOUNCEMENTS/NOTIFICATIONS**

Mr. John Covington, KIA

*Next KIA Board Meeting:  
**Tentatively** set for **Thursday, February 2, 2012**  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340, Frankfort*

**V. ADJOURN**

Chair Tony Wilder



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**I.A.1.**



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

**Meeting Date/Location: December 8, 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. Hank List, Energy and Environment Cabinet  
(permanent 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  
Mr. Damon Talley, representing the Kentucky Rural Water Association  
Mr. David W. Cartmell, Mayor, City of Maysville, representing the Kentucky League of Cities  
Mr. Jody Jenkins, Union County Judge/Executive, representing the Kentucky  
Association of Counties

**Guests:**

Mr. Shafiq Amawi, Division of Water  
Ms. Rachael Dever, Office of Financial Management  
Mr. Joe Britt, Wells Fargo  
Mr. Emmett Wood, Bowling Green Municipal Utilities  
Mr. Mike Gardner, Bowling Green Municipal Utilities  
Ms. Laura Gilkerson, GRW Engineers  
Mr. Clay Kelley, Strand and Associates  
Mr. Bill Osborne, Carrollton Utilities  
Ms. Chas Robbins, Carrollton Utilities  
Mr. Terry Roach, Carrollton Utilities  
Ms. Jennifer Miloszewski, Blue & Co., Inc.  
Mr. Allen Norvell, Blue & Co., Inc.

**PROCEEDINGS**

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

Mr. Rusty Anderson, KIA, made maps available for viewing via the Water Resource Information

System (WRIS) which showed an overview of the water and sewer projects that were to be considered at this board meeting.

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

**A. 1. APPROVAL OF MINUTES**

**For: KIA Regular Board Meeting of November 10, 2011**

*Mr. Damon Talley moved to approve the minutes of the November 10, 2011 regular board meeting. Mr. Ron Lovan seconded, and the motion carried unanimously.*

**B. NEW PROJECTS/ACTION ITEMS**

**1. CONSIDERATION OF THE FISCAL YEAR END JUNE 30, 2011 KENTUCKY INFRASTRUTURE AUTHORITY AUDIT REPORT**

Mr. Allen Norvell, CPA, Director of Blue & Co., LLC., presented the Fiscal Year End June 30, 2011 KIA Audit Report to the Board. Mr. Norvell thanked KIA staff for being very helpful throughout the 2011 audit process. KIA received a clean unqualified opinion from the auditors and no significant deficiencies or weaknesses were found.

*Mr. Damon Talley moved to accept the KIA Audit Report. Mr. Hank List seconded, and the motion carried unanimously.*

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

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

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

The City of Harrodsburg requested a Fund A loan in the amount of \$418,500 for the sewer rehabilitation project. This project includes heavy cleaning of the interceptor sewer, inspection of and replacement and repair of approximately 7100 LF of collector lines and manholes on Greenville and College Streets, Cherokee Heights and other areas. The City experiences overflows in the downtown system due to pipe size restrictions and west weather flows. This rehab will eliminate the overflows, improve hydraulics and increase capacities. The board book on page 32 under "Section VIII. 2011 Capitalization Grant

Equivalencies” will be corrected to read that the project did not qualify for Green Project Reserve (GPR) funding. The project did qualify for additional subsidization in the amount of \$41,850. The unforgiven balance of the loan is \$376,650 to be repaid in 20 years with an interest rate of 1% and an estimated annual debt service payment of \$21,579. DOW and KIA staff recommended approval of the loan with the standard conditions.

The City of Harrodsburg requested a Fund F loan in the amount of \$438,000 for the Water Main Improvements project. This project involves the upgrade of approximately 6400 LF of replaced and rehabilitated lines and 911 LF of extension of water lines to provide adequate connection (looping) of the system, to improve service to customers, and to eliminate old deteriorating lines. Areas to be upgraded include, but are not limited to, Mooreland Avenue, Bellows Mill Road, and Cornishville Road. This will eliminate leaks, line breaks and improve pressure to customers. The project did not qualify for GPR funding. Ms. White did note that this project has the potential to contribute to the green reserve requirement and as the project goes through the loan process the amount will be determined. The project did qualify for additional subsidization in the amount of \$153,000. The unforgiven balance of the loan is \$284,700 to be repaid in 20 years with an interest rate of 1% and an estimated debt service payment of \$16,453. DOW and KIA staff recommended approval of the loan with the standard conditions.

Ms. Laura Gilkerson noted the project profile and project map was amended for the Drinking Water project and will be submitted to the Clearinghouse with those amendments. The upgrade to Cornishville Road was completed; therefore, that work will not be apart of this project. Ms. White and Mr. Shafiq confirmed that the project would still qualify for the loan with the amendment.

***Mr. Hank List moved to approve the Fund A (A11-21) resolution with the standard conditions. Mayor David Cartmell seconded, and the motion carried unanimously.***

***Mr. Tom Calkins moved to approve the Fund F (F11-17) resolution with the standard conditions. Mr. Jamie Link seconded, and the motion carried unanimously.***

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

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

Ms. Sandy Williams, KIA, presented the Fund B project to the Board. The City of Carrollton requested a \$150,000 increase to their Fund B loan for a revised amount of \$900,000. The loan was originally approved for \$750,000 for the Eagle Creek sewer expansion. During sanitary sewer construction a sewer main was installed through a road embankment that provides the only access for a majority of the homes in the community. The area in the vicinity of the sewer line is failing structurally and threatening the integrity of the sewer system and the roadway. Preliminary engineering analysis has indicated that the most cost effective solution to protecting the sewer system is removal of the fill material placed in the embankment during construction of the system, replacing a culvert, and recompacting the fill in the roadway in the vicinity of the sewer main. The loan is to be repaid in 20 years with an interest rate of 1.07% and an estimated annual debt service payment of \$51,906. KIA staff recommended approval of the loan with the standard conditions.

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the Fund F project to the Board. The City of Carrollton requested a Fund F loan in the amount of \$1,850,270 for completion of the unfunded portions of the Countywide Underserved Project. This regional solution to Carroll County's source water, water treatment, and distribution needs involves various construction components that will benefit Carrollton Utilities (CU), the Carroll County Water District #1 (CCWD) and the West Carroll Water District (WCWD) affecting over 5650 customers. The project phases constructed with KIA SRF funds include the following: CU will be replacing aging infrastructure at the water treatment plant as well as making source water and distribution improvements including a lime dewatering system, a new mixed media filtration unit, a SCADA system to control and monitor the system, and a finished water transmission supply line to General Butler State Park. WCWD will be installing 2 new booster pump stations and a parallel line to boost pressure to underserved customers and augment filling of the 100,000 gallon tank. Also included are several small extensions to serve all of the known unserved customers (18) in the district. The project will ensure a more reliable supply of drinking water for all three systems and will reduce hours of plant operation by 30%. Initially, the project was not analyzed for components that qualified for Green Project Reserve (GPR) funding. However, the utility will perform an analysis of the trucking cost savings, reduced hours of plant operation and the beneficial re-use of waste lime to determine if portions of the project could be green compliant. The project qualified for additional subsidization in the amount of \$647,595. The unforgiven balance of the loan is \$1,202,676 to be repaid in 30 years with an interest rate of 1% and an estimated annual debt service payment of \$49,509. Both DOW and KIA staff recommended approval of the loan with the standard conditions.

***Ms. Linda Bridwell moved to approve the Fund B (B08-06) resolution with the standard conditions. Mr. Ron Lovan seconded, and the motion carried unanimously.***

***Mayor David Cartmell moved to approve the Fund F (F11-15) resolution with the standard conditions. Mr. Damon Talley seconded, and the motion carried unanimously.***

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

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The City of City of Bowling Green f/b/o Bowling Green Municipal Utilities requested a Fund F loan in the amount of \$1,316,378 for the Small Waterline Replacement project. This project involves replacement of approximately 10,344 linear feet of small diameter water lines that have greatly reduced inner diameters and are susceptible to breaks and water loss with eight inch PVC lines. This will reduce water loss and the chemicals and power cost that would have been required to treat the additional water. The project qualified for \$912,037 of Green Project Reserve (GPR) funding under the category of Water Efficiency. The project did not qualify for additional subsidization. The term of the loan is 20 years with an interest rate of 2% and an estimated annual debt service payment of \$83,473. DOW and KIA staff recommended approval of the loan with the standard conditions.

***Mr. Tom Calkins moved to approve the Fund F (F11-16) resolution with the standard conditions. Mr. Ron Lovan seconded, and the motion carried unanimously.***

**5. 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
City of Harrodsburg	A	\$ 418,500
City of Carrollton	B	\$ 900,000
City of Harrodsburg	F	\$ 438,000
City of Carrollton	F	\$ 1,850,270
City of Bowling Green f/b/o Bowling Green Municipal Utilities	F	\$ 1,316,378
City of Hopkinsville f/b/o Hopkinsville Water Environment Authority (≤10% Increase)	F	\$ 8,800,000

***Ms. Linda Bridwell moved to approve the resolution. Mr. Damon Talley***

***seconded, and the motion carried unanimously.***

**6. CONSIDERATION OF THE KENTUCKY INFRASTRUCTURE AUTHORITY BUDGET REQUEST FOR FISCAL YEARS 2012-2013 AND 2013-2014**

Mr. John Covington, KIA, presented the Agency Budget Request Overview Report to the board. KIA is requesting \$65 million for 2012-2013 and \$88 million for 2013-2014. He summarized the operating budget and the capital budget that will be submitted to the Governor for fiscal years 2012-2013 and 2013-2014. Authorization is being requested to issue additional bonds and the continuation of the SRF program to issue state match bonds in the amount of \$6 million for Fund A and \$3 million for Fund F. Authorization is also being requested to issue leverage bonds in the amount of \$100 million for Fund A and \$25 million for Fund F. The biannual request is being made to recapitalize Fund B in the amount of \$100 million. A request is also being made for an increase of \$140,000 in general fund appropriation in each year to increase the contracts with the fifteen Area Development Districts.

***Mr. Tom Calkins moved to adopt the KIA Budget Request for Fiscal Years 2012-2013 and 2013-2014. Mr. Hank List seconded, and the motion carried unanimously.***

**II. EXECUTIVE DIRECTOR'S REPORT**

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

- A. Mr. Covington informed the Board there were 34 loan applications remaining to be approved by the Board including for Funds B and C.
- B. The first and second round of invitations for the SRF programs have been sent out and completed. There are enough applications received to distribute all the money in Fund F. There is money still remaining in Fund A and staff will be sending out third round invitations that will have a deadline of January 31, 2012, for applications. Once third round invitations are sent, that will represent the entire priority list. After that, staff will look at additional projects that were not on the priority list that would be seeking funding and would qualify for the Fund A program.
- C. Prior to the 2009 American Recovery and Reinvestment Act, KIA was looking at purchasing a software database for the loan program. The software will not only help to track loan information, but will integrate with the databases for the grant information and will hopefully integrate and flow from the project profile. There has been discussion with a couple of vendors. KIA has submitted an EO1 to the Exceptions Committee and was approved in the amount of approximately \$300,000. A Request for Proposal will be released in the near future.

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

**IV. ANNOUNCEMENTS/NOTIFICATIONS**

- Next scheduled KIA board meeting:  
Tentatively scheduled for  
Thursday, January 5, 2012  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky

***There being no further business Ms. Linda Bridwell moved to adjourn. Mr. Tom Calkins seconded and the motion carried unanimously. The December 8, 2011, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.***

Submitted by:

Sandy Williams  
Sandy Williams, Secretary  
Kentucky Infrastructure Authority

12-20-11  
Date



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**I.B.1.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN FOR \$1,000,000 (A10-05), REVISING THE SPECIAL CONDITION TO THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY, KENTUCKY**

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

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

**WHEREAS**, the Authority previously approved a Federally Assisted Waste Water Revolving Fund Loan (A10-05) to the Oldham County Environmental Authority on May 6, 2010, with a Special Condition to pass a rate increase ordinance; and the Oldham County Environmental Authority has requested the Special Condition for the rate increase be revised; 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 Oldham County Environmental Authority, 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 reaffirms 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 Oldham County Environmental Authority for the Inflow and Infiltration Corrections and S.R. 1793 Lift Station 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 Authority hereby authorizes the Amendment of a conditional Federally Assisted Wastewater Revolving Fund loan revising the Special Condition.

Section 4. The loan shall be repayable over 20 years at an interest rate of 3.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$2,500 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$25,000 and maintained for the life of the loan. 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 5th day of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Kasi White	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	1/5/2012 (Condition Revision)	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number:	<b>A10-05</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>SX21185029</b>	
		HUC Code:	05140101170	
<b>BORROWER:</b>	<b>OLDHAM COUNTY ENVIRONMENTAL AUTHORITY</b>			
	<b>OLDHAM COUNTY</b>			
<b>BRIEF DESCRIPTION:</b>				
<p>The Oldham County Environmental Authority (formerly known as the Oldham County Sewer District) is requesting a revision to the Special Conditions for the Fund A base loan in the amount of \$1,000,000 for construction of the Inflow and Infiltration Corrections &amp; S.R. 1793 Lift Station Replacement Project. Construction will include upgrades to three existing lift stations: Highway 1793, Crosshill Court and Pebble Point. The lift stations are undersized and beyond their useful life but still must be used to pump effluent from lines that are inundated by infiltration and inflows. Overflows are frequent during moderate to heavy rain events allowing raw sewage to enter the environment either at the lift station or at the WWTPs. In addition, a undersized 6" leaking forcemain off of Hwy 1793 will be replaced with approximately 5200 LF of 12" PVC C900 forcemain. Due to project delays and additional financial information made available, the Special Condition regarding the rate increase is being modified.</p>				
<b>PROJECT FINANCING:</b>			<b>PROJECT BUDGET</b>	
Fund A Loan	\$	1,000,000	Administrative Expenses	\$ 26,300
SPAP		477,000	Engineering Fees	156,000
			Construction	1,142,000
			Contingency	152,700
<b>TOTAL</b>	<b>\$</b>	<b>1,477,000</b>	<b>TOTAL</b>	<b>\$ 1,477,000</b>
<b>REPAYMENT</b>			Est. Annual	
	Rate	3.00%	Payment	\$68,854
	Term	20 years	1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	Tetra Tech		
	Bond Counsel	Peck, Shaffer, & Williams		
<b>PROJECT SCHEDULE</b>				
	Bid Opening:	November, 2011		
	Construction Start:	January, 2012		
	Construction Stop:	January, 2013		
<b>DEBT PER CUSTOMER</b>	Existing:	\$	1,879	
	Proposed:	\$	2,824	
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>			<u>Users</u>	<u>Avg. Bill</u>
	Current	6,117	\$	37.83 (for 4,000 gallons)
	Additional	0	\$	41.71 (for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	<b>Cash Available for</b>		<b>Income after Debt</b>	
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2007	1,427,565	966,560	461,005	1.48
Audited 2008	704,073	1,148,186	(444,113)	0.61
Audited 2009	20,288	1,499,530	(1,479,242)	0.01
Audited 2010	(282,158)	473,429	(755,587)	(0.60)
Unaudited 2011	461,604	526,804	(65,200)	0.88
Projected 2012	884,957	897,083	(12,126)	0.99
Projected 2013	1,109,405	1,102,378	7,027	1.01
Projected 2014	1,297,584	1,207,000	90,585	1.08
Projected 2015	1,320,620	1,204,365	116,255	1.10

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY  
PROJECT REVIEW  
SX21185029**

**I. PROJECT DESCRIPTION**

The Oldham County Environmental Authority (formerly known as the Oldham County Sewer District) is requesting a revision to the Special Conditions for the Fund A base loan in the amount of \$1,000,000 for construction of the Inflow and Infiltration Corrections & S.R. 1793 Lift Station Replacement Project. Construction will include upgrades to three existing lift stations: Highway 1793, Crosshill Court and Pebble Point. The lift stations are undersized and beyond their useful life but still must be used to pump effluent from lines that are inundated by infiltration and inflows. Overflows are frequent during moderate to heavy rain events allowing raw sewage to enter the environment either at the lift station or at the WWTPs. In addition, a undersized 6" leaking forcemain off of Hwy 1793 will be replaced with approximately 5200 LF of 12" PVC C900 forcemain.

Due to project delays and additional financial information made available, the OCEA has requested the Special Condition regarding the rate increase be modified.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 26,300
Engineering Fees	156,000
Construction	1,142,000
Contingency	152,700
<b>Total</b>	<b>\$ 1,477,000</b>

**III. PROJECT FUNDING**

	Amount	%
Fund A Loan	\$ 1,000,000	68%
Special Appropriation	477,000	32%
<b>Total</b>	<b>\$ 1,477,000</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 1,000,000
Interest Rate	3.00%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 66,854
Administrative Fee (0.20%)	2,000
<b>Total Estimated Annual Debt Service</b>	<b>\$ 68,854</b>

**V. PROJECT SCHEDULE**

Bid Opening:	November, 2011
Construction Start:	January, 2012
Construction Stop:	January, 2013

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

Customers

	<u>Current</u>
Residential	5,933
Commercial	184
Industrial	0
Total	6,117

No additional customers are anticipated as a result of this project.

Rates

OCEA implemented an 8% increase in September 2011. The current monthly charge for wastewater utility service is:

	<u>Current</u>	<u>Previous (as of original approval)</u>	<u>Previous (Increase #1)</u>
Date of Last Rate Increase	9/1/11	1/1/2009	9/1/10
% of Rate Increase	8%		23.9%
Monthly Service Charge	\$14.43	\$10.63	\$13.17
Rate Per 1,000 Gallons	\$5.85	\$4.31	\$5.34
Cost for 4,000 gallons	\$37.83	\$27.87	\$34.53
Affordability Index (Rate/MHI)	0.7%	0.5%	0.7%

The original special condition required the following increases to be passed no later than June 15, 2010 effective as of July 1 of each year as designated below:

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
33.96%	17.83%	2.26%	2.13%	2.13%

## **VII. DEMOGRAPHICS**

In 2000, the population of Oldham County was 46,178 with a Median Household Income (MHI) level of \$63,229. The median household income for the Commonwealth is \$33,672. Based on MHI, the project qualifies for the standard interest rate of 3%.

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

Financial information for the legacy Oldham County Sewer District ("OCSD") was obtained from the audited financial statements for the years ended June 30, 2007 through 2010. Financial information for the Storm Water Management Entity is not included.

### **HISTORICAL**

OCSD was established by the Oldham County Fiscal Court in December 1996 as a county wide sewer district for the purpose of acquiring, constructing, operating and maintaining sanitary sewer systems. OCSD's jurisdictional boundaries included all of Oldham County with the exception of the incorporated cities of LaGrange and Crestwood. Since OCSD's creation, Pewee Valley has been removed from OCSD's territory. On August 1, 2005, the City of Crestwood merged its sewer assets with the OCSD. On December 1, 2008 the City took back the management of its sewer system and the District transferred related assets back to the City. On August 10, 2010 OCSD and Oldham County Storm Water Management were merged to form the Oldham County Environmental Authority.

On November 15, 2008, Veolia assumed the operations and maintenance under a ten year contract. The monthly fee is guaranteed to cover all costs of operations except for maintenance, repairs and utilities which are trued up annually. The contract contains numerous performance metrics that are required to be reported to the Authority Board.

### **HISTORICAL**

Revenues increased by 6% from \$2,502,282 in 2007 to \$2,628,693 in 2010. A 25% rate increase in mid fiscal 2009 was offset by the loss of Crestwood sewer revenues (\$250,000) and a change in accounting treatment for a transaction with the Kentucky State Reformatory (\$327,000). Operating expenses increased by 37% from \$2,203,118 in 2007 to \$3,018,829 in 2010. During 2009 Authority incurred an additional \$495,000 in expenses for removal of an eighteen month backlog of sludge, catch up maintenance at the plants, and delinquent line repairs.

Interest income has decreased due to both a decrease in cash and investments and decreases in interest rates. Capacity charges have decreased as a result of weak demand for new construction and tap-in bans in some areas due to treatment plants being at or over their designed capacity.

Cash available for debt service declined from \$1,427,565 in 2007 to \$(282,158) in 2010. The debt coverage ratio declined from 1.48 to (0.60) during the same period. During 2009, the District fell out of compliance with loan covenants on a KLC lease agreement. While wastewater rates were increased by 25%, the increase was not sufficient to meet cash flow requirements. The debt was subsequently refinanced through the Oldham County Fiscal Court.

As a condition of borrowing funds from KIA on projects A10-04, A10-05, A10-06 and A10-07 in mid 2010 the Authority agreed to increase rates by June 15, 2010 as follows:

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
33.96%	17.83%	2.26%	2.13%	2.13%

These increases were not implemented; however a single rate increase of 23.9% was passed on July 17, 2010 to be effective September 1, 2010 and an additional rate increase of approximately 8% was passed in May, 2011 to become effective in early FY2012. Higher than anticipated revenues for 2010, as well as a significant decrease in expenses for 2011 alleviated the need for higher rate increases.

#### PROJECTED

Projections are based on the following assumptions:

1. Revenues will increase by 3% volume annually. In addition, a minimum of two (2) 5% rate increases will be required to be effective on or before July 1, 2012 and July 1, 2013.
2. Expenses will increase 4% annually
3. Negative cash flow after debt service is projected at \$65,200 for 2011. Debt service costs on KIA loans (interest only) are projected at zero for 2011 and \$86,230 for 2012.
4. A replacement reserve of \$2,500 will be funded annually. Annual replacement reserve funding including previously approved KIA projects (A10-04, A10-05, A10-06, A10-07 and A11-15) will be \$15,425.
5. Debt service on the proposed loan, four previously approved loans (A10-04, A10-06, A10-07 and A11-15) is estimated at \$394,293 annually. Total annual debt service will increase from \$526,804 in 2011 to approximately \$1,204,365 in 2015.

Based on the assumptions, the utility can maintain a minimum debt service ratio of 1.0.

#### 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.

**IX. DEBT OBLIGATIONS**

	<b>Outstanding (6/30/10)</b>	<b>Maturity</b>
Oldham County Fiscal Court	\$3,340,000	2031
Series 2009 Bonds	7,153,207	2030
KIA A10-04 (i/a/o \$2.4MM)	0	TBD (*)
KIA A10-05 i/a/o \$1MM	0	TBD (*)
KIA A10-06 i/a/o \$250m	0	TBD (*)
KIA A10-07 i/a/o \$1.93MM	0	TBD (*)
KIA A11-15 i/a/o \$400m	0	TBD (*)
<b>Total</b>	<b>\$10,493,207</b>	

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

<b>Project Title</b>	<b>Funding Source</b>	<b>Amount</b>	<b>Type</b>
Buckner Interceptor	HB608	50,000	Grant
Ohio River WWTP	HB380	750,000	Grant
Sewer System Upgrades	HB608	950,000	Grant
<b>Total</b>		<b>\$1,750,000</b>	

**XI. CONTACTS**

**Applicant**

Name Oldham County Environmental Authority  
 Address 700 West Jefferson Street  
 LaGrange, KY 40031  
 County Oldham  
 Contact Horace Harrod  
 Phone (502) 225-9477  
 Email horace.harrod@farmcreditbank.com

**Applicant Contact**

Name Community & Economic Development Associates, Inc. (CEDA)  
 Address PO Box 855  
 Richmond, KY 40476  
 Contact Bryan Kirby, CGA  
 Phone (859) 624-3396  
 Email bryan@cedainc.net

**Engineer**

Name Mark Ralph  
Firm Tetra Tech  
Address 2000 Warrington Way, Suite 245  
Louisville, KY 40222  
Phone (502) 584-5555  
Email Mark.ralph@tetrattech.com

**XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following **revised** special conditions.

The Oldham County Environmental Authority shall pass the necessary resolution and/or ordinance no later than October 1, 2011 that will enact rate increases of at least 5% annually effective on each date designated below:

Effective Date	7/1/2012	7/1/2013
(Approximate rate calculations)		
Monthly Meter Charge	\$ 15.15	\$ 15.91
Rate Per 1,000 Gallons	6.14	6.45
Cost for 4,000 gallons	\$ 39.71	\$ 41.71
Affordability Index (Rate/MHI)	0.8%	0.8%

**OLDHAM COUNTY SEWER DISTRICT  
BALANCE SHEETS**

<b>ASSETS</b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>Project Completion</u></b>
<b>Current Assets</b>					
Cash	555,758	1,614,830	841,165	637,764	644,791
Accounts Receivable	615,858	533,132	537,685	572,371	560,000
Other Receivables	858,955	112,562	438,366	234,992	250,000
<b>Total Current Assets</b>	<b>2,030,571</b>	<b>2,260,524</b>	<b>1,817,216</b>	<b>1,445,127</b>	<b>1,454,791</b>
<b>Restricted Assets</b>					
Cash	3,418,983	1,704,562	294,248	281,193	302,748
<b>Total Restricted Assets</b>	<b>3,418,983</b>	<b>1,704,562</b>	<b>294,248</b>	<b>281,193</b>	<b>302,748</b>
<b>Utility Plant</b>					
Utility Systems	22,677,627	30,514,651	25,611,919	25,784,193	32,863,300
Construction in Progress	5,959,228	393,776	301,325	429,107	300,000
<b>Total</b>	<b>28,636,855</b>	<b>30,908,427</b>	<b>25,913,244</b>	<b>26,213,300</b>	<b>33,163,300</b>
<b>Less Accumulated Depreciation ( )</b>	<b>(2,330,407)</b>	<b>(3,097,553)</b>	<b>(3,276,697)</b>	<b>(3,959,883)</b>	<b>(4,166,550)</b>
<b>Net Fixed Assets</b>	<b>26,306,448</b>	<b>27,810,874</b>	<b>22,636,547</b>	<b>22,253,417</b>	<b>28,996,750</b>
<b>Other Assets</b>					
Other Assets	47,466	41,966	0	62,070	40,000
<b>Total Other Assets</b>	<b>47,466</b>	<b>41,966</b>	<b>0</b>	<b>62,070</b>	<b>40,000</b>
<b>Total Assets</b>	<b>31,803,468</b>	<b>31,817,926</b>	<b>24,748,011</b>	<b>24,041,807</b>	<b>30,794,289</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Line of Credit	1,467	0	0	0	0
Accounts Payable	319,710	157,714	295,972	84,530	150,000
Accrued Liabilities	116,980	284,929	54,188	135,525	125,000
Current Portion of Long-Term Debt	385,479	1,165,991	236,657	90,000	543,991
Current Portion of Unearned Tap Fees			59,840	8,092	0
<b>Total Current Liabilities</b>	<b>823,636</b>	<b>1,608,634</b>	<b>646,657</b>	<b>318,147</b>	<b>818,991</b>
<b>Long Term Liabilities</b>					
Long Term Debt, Less Current Portion	16,099,338	14,936,524	10,235,000	10,403,207	16,032,216
Notes Payable - KIA					
Unearned Tap Fees			1,018,855	995,279	695,279
<b>Total Long Term Liabilities</b>	<b>16,099,338</b>	<b>14,936,524</b>	<b>11,253,855</b>	<b>11,398,486</b>	<b>16,727,495</b>
<b>Total Liabilities</b>	<b>16,922,974</b>	<b>16,545,158</b>	<b>11,900,512</b>	<b>11,716,633</b>	<b>17,546,486</b>
<b>Retained Earnings:</b>					
Invested in Capital Assets Net of Related Debt	13,239,147	14,849,798	11,938,620	11,730,210	12,730,166
Restricted					
Unrestricted	1,641,347	422,970	908,879	594,964	517,638
<b>Total Retained Earnings</b>	<b>14,880,494</b>	<b>15,272,768</b>	<b>12,847,499</b>	<b>12,325,174</b>	<b>13,247,804</b>
<b>Total Liabilities and Equities</b>	<b>31,803,468</b>	<b>31,817,926</b>	<b>24,748,011</b>	<b>24,041,807</b>	<b>30,794,290</b>
<b>Balance Sheet Analysis</b>					
Current Ratio	2.47	1.41	2.81	4.54	1.78
Debt to Equity	1.14	1.08	0.93	0.95	1.32
Working Capital	1,206,935	651,890	1,170,559	1,126,980	635,800
Percent of Total Assets in Working Capital	3.79%	2.05%	4.73%	4.69%	2.06%

**EXHIBIT 1  
OLDHAM COUNTY SEWER DISTRICT  
CASH FLOW ANALYSIS**

	Audited		Audited		Audited		Audited		Unaudited	Rate Increases			
	2007	% Change	2008	% Change	2009	% Change	2010	% Change	2011	8.00%	5.00%	5.00%	5.00%
<b>Operating Revenues</b>													
Service Charges	2,481,298	8%	2,680,354	-9%	2,440,636	8%	2,628,576	21%	3,172,620	3,686,063	4,035,456	4,351,662	4,469,157
Other	20,984	-56%	9,317		14,480		117		23,557	10,000	10,000	10,000	10,000
<b>Total Revenues</b>	<b>2,502,282</b>	<b>7%</b>	<b>2,689,671</b>	<b>-9%</b>	<b>2,455,116</b>	<b>7%</b>	<b>2,628,693</b>	<b>22%</b>	<b>3,196,177</b>	<b>3,696,063</b>	<b>4,045,456</b>	<b>4,361,662</b>	<b>4,479,157</b>
<b>Operating Expenses</b>													
Service and Administrative Costs	2,203,118	12%	2,459,015	12%	2,761,526	9%	3,018,829	-6%	2,834,573	2,911,106	3,027,551	3,148,653	3,243,112
Depreciation	605,245	27%	767,146	-6%	722,728	0%	726,340	0%	726,340	751,340	813,840	851,340	876,880
Replacement Reserve											8,500	15,425	15,425
<b>Total Expenses</b>	<b>2,808,363</b>	<b>15%</b>	<b>3,226,161</b>	<b>8%</b>	<b>3,484,254</b>	<b>7%</b>	<b>3,745,169</b>	<b>-5%</b>	<b>3,560,913</b>	<b>3,662,446</b>	<b>3,849,891</b>	<b>4,015,418</b>	<b>4,135,418</b>
<b>Net Operating Income</b>	<b>(306,081)</b>	<b>75%</b>	<b>(536,490)</b>	<b>92%</b>	<b>(1,029,138)</b>	<b>8%</b>	<b>(1,116,476)</b>	<b>-67%</b>	<b>(364,736)</b>	<b>33,617</b>	<b>195,565</b>	<b>346,244</b>	<b>343,739</b>
	88.8%		91.7%										
<b>Non-Operating Income and Expenses</b>													
Interest on Investments	288,750	-46%	155,300	-41%	90,858	-64%	32,654	-8%	30,000	30,000	30,000	30,000	30,000
Other Income	0		0										
Capacity Charges	839,651	-62%	318,117		235,840		75,324		70,000	70,000	70,000	70,000	70,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>1,128,401</b>	<b>-58%</b>	<b>473,417</b>	<b>-31%</b>	<b>326,698</b>	<b>-67%</b>	<b>107,978</b>	<b>-7%</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Add Non-Cash Expenses</b>													
Depreciation	605,245	27%	767,146	-6%	722,728	0%	726,340	0%	726,340	751,340	813,840	851,340	876,880
<b>Cash Available for Debt Service</b>	<b>1,427,565</b>	<b>-51%</b>	<b>704,073</b>	<b>-97%</b>	<b>20,288</b>	<b>-1491%</b>	<b>(282,158)</b>	<b>-264%</b>	<b>461,604</b>	<b>884,957</b>	<b>1,109,405</b>	<b>1,297,584</b>	<b>1,320,620</b>
<b>Debt Service</b>													
Existing Principal	616,813		762,569		1,020,054		236,657		90,000	385,000	400,000	410,000	420,000
Existing Interest	349,747		385,617		479,476		236,772		436,804	425,853	414,495	402,707	390,072
KIA Loan (A10-04 - Buckner)							0		0	36,000	150,987	150,987	150,987
KIA Loan (A10-05 - I & I)							0		0	22,500	68,854	68,854	68,854
KIA Loan (A10-06 - Green Valley)							0		0	2,500	5,000	15,728	15,728
KIA Loan (A10-07 - Orchard/Willow)							0		0	21,230	42,460	133,560	133,560
KIA Loan (A11-15 - Covered Bridge)							0		0	4,000	20,582	25,164	25,164
<b>Total Debt Service</b>	<b>966,560</b>		<b>1,148,186</b>		<b>1,499,530</b>		<b>473,429</b>		<b>526,804</b>	<b>897,083</b>	<b>1,102,378</b>	<b>1,207,000</b>	<b>1,204,365</b>
<b>Income After Debt Service</b>	<b>461,005</b>		<b>(444,113)</b>		<b>(1,479,242)</b>		<b>(755,587)</b>		<b>(65,200)</b>	<b>(12,126)</b>	<b>7,027</b>	<b>90,585</b>	<b>116,255</b>
<b>Debt Coverage Ratio</b>	<b>1.48</b>		<b>0.61</b>		<b>0.01</b>		<b>(0.60)</b>		<b>0.88</b>	<b>0.99</b>	<b>1.01</b>	<b>1.08</b>	<b>1.10</b>



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**I.B.2.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN FOR \$250,000 (A10-06), REVISING THE SPECIAL CONDITION TO THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY, KENTUCKY**

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

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

**WHEREAS**, the Authority previously approved a Federally Assisted Waste Water Revolving Fund Loan (A10-06) to the Oldham County Environmental Authority on July 1, 2010, with a Special Condition to pass a rate increase ordinance; and the Oldham County Environmental Authority has requested the Special Condition for the rate increase be revised; 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 Oldham County Environmental Authority, 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 reaffirms the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$250,000 of project expense including capitalized interest for the construction period, to the Oldham County Environmental Authority for the Green Valley WWTP Elimination and LaGrange Connection 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 Authority hereby authorizes the Amendment of a conditional Federally Assisted Wastewater Revolving Fund loan revising the Special Condition.

Section 4. 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, \$625 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$6,250 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Kasi White		
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	January 5, 2012		
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number:	<b>A10-06 (Condition Revision)</b>		
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>SX21185028</b>		
		HUC Code:	05140102180		
<b>BORROWER:</b>	<b>OLDHAM COUNTY ENVIRONMENTAL AUTHORITY</b>				
	<b>OLDHAM COUNTY</b>				
<b>BRIEF DESCRIPTION:</b>	<p>The Oldham County Environmental Authority (formerly known as the Oldham County Sewer District) is requesting a revision to the Special Condition of the Fund A base loan in the amount of \$250,000 for construction of the Green Valley WWTP Elimination &amp; LaGrange Connection Project. The Green Valley wastewater treatment plant (WWTP) serves a residential area and has had numerous (86) violations of the Clean Water Act due to bypasses and overflows. This project involves the elimination of the plant by replacing it with a lift station that will pump wastewater via 2,161 LF of 4" inch force main, a precast manhole, 47 LF of 8" PVC gravity sewer, 1 road bore and 1 air/vacuum valves to the LaGrange Utilities Commission's WWTP. Construction activities will include removal of the WWTP. Due to project delays and additional financial information made available, the Special Condition regarding the rate increase is being modified.</p>				
<b>PROJECT FINANCING:</b>			<b>PROJECT BUDGET</b>		
Fund A Loan	\$	250,000	Administrative Expenses	\$	26,928
2005 Unobligated Tobacco Grant (approved by CPBOC 02/17/2009) (Grant ID 24UT-2005)		250,000	Legal Expenses		2,525
			Land, Easements		3,000
			Engineering Fees		95,996
			Construction		209,891
			Equipment		1,000
			Contingency		21,000
			Other		139,660
<b>TOTAL</b>	<b>\$</b>	<b>500,000</b>	<b>TOTAL</b>	<b>\$</b>	<b>500,000</b>
<b>REPAYMENT</b>			Est. Annual		
	Rate	2.00%	Payment	\$15,728	
	Term	20 years	1st Payment	6 Mo. after first draw	
<b>PROFESSIONAL SERVICES</b>	Engineer	ERH, Inc.			
	Bond Counsel	Peck, Shaffer, & Williams			
<b>PROJECT SCHEDULE</b>	Bid Opening:		December, 2011		
	Construction Start:		January, 2012		
	Construction Stop:		January, 2013		
<b>DEBT PER CUSTOMER</b>	Existing:	\$	1,879		
	Proposed:	\$	2,824		
<b>OTHER DEBT</b>	See Attached				
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached				
<b>RESIDENTIAL RATES</b>			<u>Users</u>	<u>Avg. Bill</u>	
	Current	6,117	\$	37.83 (for 4,000 gallons)	
	Additional	0	\$	41.71 (for 4,000 gallons)	
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.				
<b>CASHFLOW</b>	<b>Cash Available for</b>		<b>Income after Debt</b>		
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>	
Audited 2007	1,427,565	966,560	461,005	1.48	
Audited 2008	704,073	1,148,186	(444,113)	0.61	
Audited 2009	20,288	1,499,530	(1,479,242)	0.01	
Audited 2010	(282,158)	473,429	(755,587)	(0.60)	
Unaudited 2011	461,604	526,804	(65,200)	0.88	
Projected 2012	884,957	897,083	(12,126)	0.99	
Projected 2013	1,109,405	1,102,378	7,027	1.01	
Projected 2014	1,297,584	1,207,000	90,585	1.08	
Projected 2015	1,320,620	1,204,365	116,255	1.10	

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY  
 PROJECT REVIEW  
 SX21185028**

**I. PROJECT DESCRIPTION**

The Oldham County Environmental Authority (formerly known as the Oldham County Sewer District) is requesting a revision to the Special Condition of the Fund A base loan in the amount of \$250,000 for construction of the Green Valley WWTP Elimination & LaGrange Connection Project. The Green Valley wastewater treatment plant (WWTP) serves a residential area and has had numerous (86) violations of the Clean Water Act due to bypasses and overflows. This project involves the elimination of the plant by replacing it with a lift station that will pump wastewater via 2,161 LF of 4" inch force main, a precast manhole, 47 LF of 8" PVC gravity sewer, 1 road bore and 1 air/vacuum valves to the LaGrange Utilities Commission's WWTP. Construction activities will include removal of the WWTP.

Due to project delays and additional financial information made available, the Special Condition regarding the rate increase is being modified.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 26,928
Legal Expenses	2,525
Land, Easements	3,000
Engineering Fees	95,996
Construction	209,891
Equipment	1,000
Contingency	21,000
Other	139,660
<b>Total</b>	<b>\$ 500,000</b>

**III. PROJECT FUNDING**

	Amount	%
Fund A Loan	\$ 250,000	50%
2005 Unobligated Tobacco Grant	250,000	50%
<b>Total</b>	<b>\$ 500,000</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$	250,000
Interest Rate		2.00%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	15,228
Administrative Fee (0.20%)		500
<b>Total Estimated Annual Debt Service</b>	<b>\$</b>	<b>15,728</b>

#### V. PROJECT SCHEDULE

Bid Opening:	December 2011
Construction Start:	January 2012
Construction Stop:	January 2013

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### Customers

	Total
Residential	5,933
Commercial	184
Industrial	0
Total	6,117

##### Rates

OCEA implemented an 8% increase in September 2011. The current monthly charge for wastewater utility service is:

	Current	Previous (as of original approval)	Previous (Increase #1)
Date of Last Rate Increase	9/1/11	1/1/2009	9/1/10
% of Rate Increase	8%		23.9%
Monthly Service Charge	\$14.43	\$10.63	\$13.17
Rate Per 1,000 Gallons	\$5.85	\$4.31	\$5.34
Cost for 4,000 gallons	\$37.83	\$27.87	\$34.53
Affordability Index (Rate/MHI)	0.7%	0.5%	0.7%

The original special condition required the following increases to be passed no later than June 15, 2010 effective as of July 1 of each year as designated below:

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
33.96%	17.83%	2.26%	2.13%	2.13%

## **VII. DEMOGRAPHICS**

In 2000, the population of Oldham County was 46,178 with a Median Household Income (MHI) level of \$63,229. The median household income for the Commonwealth is \$33,672.

The Green Valley project can be considered regional as defined in 200 KIA 17:050. The project complies under three areas of the definition.

1) Utilization of Inter-local Cooperation Agreements - The District has entered into an inter-local agreement with the City of LaGrange to provide treatment services for the District. The project will decommission the Green Valley WWTP and pump the flow to the City of LaGrange WWTP.

2) Consolidation of Operations or Management of Multiple Systems which may include Regional Facilities, Smaller Systems or Onsite Systems – This project will consolidate the operations of a smaller system at 0.03 mgd Green Valley with the City of LaGrange 0.75 mgd WWTP.

3) Combination of Two or More Existing Facilities or Systems – This project will include the decommissioning of the Green Valley WWTP by pumping the flow into the City of LaGrange facility.

Based on the regional nature of the project as defined in 200 KAR 17:050, the project qualifies for the non-standard interest rate of 2%.

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

Financial information for the legacy Oldham County Sewer District (“OCSD”) was obtained from the audited financial statements for the years ended June 30, 2007 through 2010. Financial information for the Storm Water Management Entity is not included.

### **HISTORICAL**

OCSD was established by the Oldham County Fiscal Court in December 1996 as a county wide sewer district for the purpose of acquiring, constructing, operating and maintaining sanitary sewer systems. OCSD’s jurisdictional boundaries included all of Oldham County with the exception of the incorporated cities of LaGrange and Crestwood. Since OCSD’s creation, Pewee Valley has been removed from OCSD’s territory. On August 1, 2005, the City of Crestwood merged its sewer assets with the OCSD. On December 1, 2008 the City took back the management of its sewer system and the District transferred related assets back to the City. On August 10, 2010 OCSD and Oldham County Storm Water Management were merged to form the Oldham County Environmental Authority.

On November 15, 2008, Veolia assumed the operations and maintenance under a ten year contract. The monthly fee is guaranteed to cover all costs of operations except for maintenance, repairs and utilities which are trued up annually. The contract contains numerous performance metrics that are required to be reported to the Authority Board.

## HISTORICAL

Revenues increased by 6% from \$2,502,282 in 2007 to \$2,628,693 in 2010. A 25% rate increase in mid fiscal 2009 was offset by the loss of Crestwood sewer revenues (\$250,000) and a change in accounting treatment for a transaction with the Kentucky State Reformatory (\$327,000). Operating expenses increased by 37% from \$2,203,118 in 2007 to \$3,018,829 in 2010. During 2009 Authority incurred an additional \$495,000 in expenses for removal of an eighteen month backlog of sludge, catch up maintenance at the plants, and delinquent line repairs.

Interest income has decreased due to both a decrease in cash and investments and decreases in interest rates. Capacity charges have decreased as a result of weak demand for new construction and tap-in bans in some areas due to treatment plants being at or over their designed capacity.

Cash available for debt service declined from \$1,427,565 in 2007 to \$(282,158) in 2010. The debt coverage ratio declined from 1.48 to (0.60) during the same period. During 2009, the District fell out of compliance with loan covenants on a KLC lease agreement. While wastewater rates were increased by 25%, the increase was not sufficient to meet cash flow requirements. The debt was subsequently refinanced through the Oldham County Fiscal Court.

As a condition of borrowing funds from KIA on projects A10-04, A10-05, A10-06 and A10-07 in mid 2010 the Authority agreed to increase rates by June 15, 2010 as follows:

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
33.96%	17.83%	2.26%	2.13%	2.13%

These increases were not implemented; however a single rate increase of 23.9% was passed on July 17, 2010 to be effective September 1, 2010 and an additional rate increase of approximately 8% was passed in May, 2011 to become effective in early FY2012. Higher than anticipated revenues for 2010, as well as a significant decrease in expenses for 2011 alleviated the need for higher rate increases.

## PROJECTED

Projections are based on the following assumptions:

1. Revenues will increase by 3% volume annually. In addition, a minimum of two (2) 5% rate increases will be required to be effective on or before July 1, 2012 and July 1, 2013.
2. Expenses will increase 4% annually

3. Negative cash flow after debt service is projected at \$65,200 for 2011. Debt service costs on KIA loans (interest only) are projected at zero for 2011 and \$86,230 for 2012.
4. A replacement reserve of \$625 will be funded annually. Annual replacement reserve funding including previously approved KIA projects (A10-04, A10-05, A10-06, A10-07 and A11-15) will be \$15,425.
5. Debt service on the proposed loan, four previously approved loans (A10-04, A10-05, A10-07 and A11-15) is estimated at \$394,293 annually. Total annual debt service will increase from \$526,804 in 2011 to approximately \$1,204,365 in 2015.

Based on the assumptions, the utility can maintain a minimum debt service ratio of 1.0.

#### REPLACEMENT RESERVE

The annual replacement cost is \$625. This amount should be added to the replacement account each December 1 until the balance reaches \$6,250 and maintained for the life of the loan.

#### IX. DEBT OBLIGATIONS

	<b>Outstanding (6/30/10)</b>	<b>Maturity</b>
Oldham County Fiscal Court	\$3,340,000	2031
Series 2009 Bonds	7,153,207	2030
KIA A10-04 (i/a/o \$2.4MM)	0	TBD (*)
KIA A10-05 i/a/o \$1MM	0	TBD (*)
KIA A10-06 i/a/o \$250m	0	TBD (*)
KIA A10-07 i/a/o \$1.93MM	0	TBD (*)
KIA A11-15 i/a/o \$400m	0	TBD (*)
<b>Total</b>	<b>\$10,493,207</b>	

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Buckner Interceptor	HB608	50,000	Grant
Ohio River WWTP	HB380	750,000	Grant
Sewer System Upgrades	HB608	950,000	Grant
<b>Total</b>		<b>\$1,750,000</b>	

**XI. CONTACTS**

**Applicant**

Name Oldham County Environmental Authority  
Address 700 West Jefferson Street  
LaGrange, KY 40031  
County Oldham  
Contact Horace Harrod  
Phone (502) 225-9477  
Email horace.harrod@farmcreditbank.com

**Applicant Contact**

Name Community & Economic Development Associates, Inc. (CEDA)  
Address PO Box 855  
Richmond, KY 40476  
Contact Bryan Kirby, CGA  
Phone (859) 624-3396  
Email bryan@cedainc.net

**Engineer**

Name Ernie Hall  
Firm ERH, Inc.  
Address 3155 Hifner Road  
Versailles, KY 40383  
Phone (859) 221-5200  
Email erhall1@windstream.net

**XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following revised special condition.

1. The Oldham County Environmental Authority shall pass the necessary resolution and/or ordinance no later than October 1, 2011 that will enact rate increases of at least 5% annually effective on each date designated below:

Effective Date	7/1/2012	7/1/2013
(Approximate rate calculations)		
Monthly Meter Charge	\$ 15.15	\$ 15.91
Rate Per 1,000 Gallons	6.14	6.45
Cost for 4,000 gallons	\$ 39.71	\$ 41.71
Affordability Index (Rate/MHI)	0.8%	0.8%

2. The remaining special conditions, (1) agreement from LaGrange Utilities Commission to accept new flow and (2) the Energy and Environment Cabinet approval of LaGrange's acceptance of the flow, have been satisfied.

**OLDHAM COUNTY SEWER DISTRICT  
BALANCE SHEETS**

<b>ASSETS</b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>Project Completion</u></b>
<b>Current Assets</b>					
Cash	555,758	1,614,830	841,165	637,764	644,791
Accounts Receivable	615,858	533,132	537,685	572,371	560,000
Other Receivables	858,955	112,562	438,366	234,992	250,000
<b>Total Current Assets</b>	<b>2,030,571</b>	<b>2,260,524</b>	<b>1,817,216</b>	<b>1,445,127</b>	<b>1,454,791</b>
<b>Restricted Assets</b>					
Cash	3,418,983	1,704,562	294,248	281,193	302,748
<b>Total Restricted Assets</b>	<b>3,418,983</b>	<b>1,704,562</b>	<b>294,248</b>	<b>281,193</b>	<b>302,748</b>
<b>Utility Plant</b>					
Utility Systems	22,677,627	30,514,651	25,611,919	25,784,193	32,863,300
Construction in Progress	5,959,228	393,776	301,325	429,107	300,000
<b>Total</b>	<b>28,636,855</b>	<b>30,908,427</b>	<b>25,913,244</b>	<b>26,213,300</b>	<b>33,163,300</b>
<b>Less Accumulated Depreciation ( )</b>	<b>(2,330,407)</b>	<b>(3,097,553)</b>	<b>(3,276,697)</b>	<b>(3,959,883)</b>	<b>(4,166,550)</b>
<b>Net Fixed Assets</b>	<b>26,306,448</b>	<b>27,810,874</b>	<b>22,636,547</b>	<b>22,253,417</b>	<b>28,996,750</b>
<b>Other Assets</b>					
Other Assets	47,466	41,966	0	62,070	40,000
<b>Total Other Assets</b>	<b>47,466</b>	<b>41,966</b>	<b>0</b>	<b>62,070</b>	<b>40,000</b>
<b>Total Assets</b>	<b>31,803,468</b>	<b>31,817,926</b>	<b>24,748,011</b>	<b>24,041,807</b>	<b>30,794,289</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Line of Credit	1,467	0	0	0	0
Accounts Payable	319,710	157,714	295,972	84,530	150,000
Accrued Liabilities	116,980	284,929	54,188	135,525	125,000
Current Portion of Long-Term Debt	385,479	1,165,991	236,657	90,000	543,991
Current Portion of Unearned Tap Fees			59,840	8,092	0
<b>Total Current Liabilities</b>	<b>823,636</b>	<b>1,608,634</b>	<b>646,657</b>	<b>318,147</b>	<b>818,991</b>
<b>Long Term Liabilities</b>					
Long Term Debt, Less Current Portion	16,099,338	14,936,524	10,235,000	10,403,207	16,032,216
Notes Payable - KIA					
Unearned Tap Fees			1,018,855	995,279	695,279
<b>Total Long Term Liabilities</b>	<b>16,099,338</b>	<b>14,936,524</b>	<b>11,253,855</b>	<b>11,398,486</b>	<b>16,727,495</b>
<b>Total Liabilities</b>	<b>16,922,974</b>	<b>16,545,158</b>	<b>11,900,512</b>	<b>11,716,633</b>	<b>17,546,486</b>
<b>Retained Earnings:</b>					
Invested in Capital Assets Net of Related Debt	13,239,147	14,849,798	11,938,620	11,730,210	12,730,166
Restricted					
Unrestricted	1,641,347	422,970	908,879	594,964	517,638
<b>Total Retained Earnings</b>	<b>14,880,494</b>	<b>15,272,768</b>	<b>12,847,499</b>	<b>12,325,174</b>	<b>13,247,804</b>
<b>Total Liabilities and Equities</b>	<b>31,803,468</b>	<b>31,817,926</b>	<b>24,748,011</b>	<b>24,041,807</b>	<b>30,794,290</b>
<b>Balance Sheet Analysis</b>					
Current Ratio	2.47	1.41	2.81	4.54	1.78
Debt to Equity	1.14	1.08	0.93	0.95	1.32
Working Capital	1,206,935	651,890	1,170,559	1,126,980	635,800
Percent of Total Assets in Working Capital	3.79%	2.05%	4.73%	4.69%	2.06%

**EXHIBIT 1**  
**Oldham County Environmental Authority**  
**CASH FLOW ANALYSIS**

	Audited 2007		Audited 2008		Audited 2009		Audited 2010		Unaudited 2011	Rate Increases			
		% Change		% Change		% Change		% Change		8.00%	5.00%	5.00%	5.00%
<b>Operating Revenues</b>													
Service Charges	2,481,298	8%	2,680,354	-9%	2,440,636	8%	2,628,576	21%	3,172,620	3,686,063	4,035,456	4,351,662	4,469,157
Other	20,984	-56%	9,317		14,480		117		23,557	10,000	10,000	10,000	10,000
<b>Total Revenues</b>	<b>2,502,282</b>	<b>7%</b>	<b>2,689,671</b>	<b>-9%</b>	<b>2,455,116</b>	<b>7%</b>	<b>2,628,693</b>	<b>22%</b>	<b>3,196,177</b>	<b>3,696,063</b>	<b>4,045,456</b>	<b>4,361,662</b>	<b>4,479,157</b>
<b>Operating Expenses</b>													
Service and Administrative Costs	2,203,118	12%	2,459,015	12%	2,761,526	9%	3,018,829	-6%	2,834,573	2,911,106	3,027,551	3,148,653	3,243,112
Depreciation	605,245	27%	767,146	-6%	722,728	0%	726,340	0%	726,340	751,340	813,840	851,340	876,880
Replacement Reserve											8,500	15,425	15,425
<b>Total Expenses</b>	<b>2,808,363</b>	<b>15%</b>	<b>3,226,161</b>	<b>8%</b>	<b>3,484,254</b>	<b>7%</b>	<b>3,745,169</b>	<b>-5%</b>	<b>3,560,913</b>	<b>3,662,446</b>	<b>3,849,891</b>	<b>4,015,418</b>	<b>4,135,418</b>
<b>Net Operating Income</b>	<b>(306,081)</b>	<b>75%</b>	<b>(536,490)</b>	<b>92%</b>	<b>(1,029,138)</b>	<b>8%</b>	<b>(1,116,476)</b>	<b>-67%</b>	<b>(364,736)</b>	<b>33,617</b>	<b>195,565</b>	<b>346,244</b>	<b>343,739</b>
	88.8%		91.7%										
<b>Non-Operating Income and Expenses</b>													
Interest on Investments	288,750	-46%	155,300	-41%	90,858	-64%	32,654	-8%	30,000	30,000	30,000	30,000	30,000
Other Income	0		0										
Capacity Charges	839,651	-62%	318,117		235,840		75,324		70,000	70,000	70,000	70,000	70,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>1,128,401</b>	<b>-58%</b>	<b>473,417</b>	<b>-31%</b>	<b>326,698</b>	<b>-67%</b>	<b>107,978</b>	<b>-7%</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Add Non-Cash Expenses</b>													
Depreciation	605,245	27%	767,146	-6%	722,728	0%	726,340	0%	726,340	751,340	813,840	851,340	876,880
<b>Cash Available for Debt Service</b>	<b>1,427,565</b>	<b>-51%</b>	<b>704,073</b>	<b>-97%</b>	<b>20,288</b>	<b>-1491%</b>	<b>(282,158)</b>	<b>-264%</b>	<b>461,604</b>	<b>884,957</b>	<b>1,109,405</b>	<b>1,297,584</b>	<b>1,320,620</b>
<b>Debt Service</b>													
Existing Principal	616,813		762,569		1,020,054		236,657		90,000	385,000	400,000	410,000	420,000
Existing Interest	349,747		385,617		479,476		236,772		436,804	425,853	414,495	402,707	390,072
KIA Loan (A10-04 - Buckner)							0		0	36,000	150,987	150,987	150,987
KIA Loan (A10-05 - I & I)							0		0	22,500	68,854	68,854	68,854
KIA Loan (A10-06 - Green Valley)							0		0	2,500	5,000	15,728	15,728
KIA Loan (A10-07 - Orchard/Willow)							0		0	21,230	42,460	133,560	133,560
KIA Loan (A11-15 - Covered Bridge)							0		0	4,000	20,582	25,164	25,164
<b>Total Debt Service</b>	<b>966,560</b>		<b>1,148,186</b>		<b>1,499,530</b>		<b>473,429</b>		<b>526,804</b>	<b>897,083</b>	<b>1,102,378</b>	<b>1,207,000</b>	<b>1,204,365</b>
<b>Income After Debt Service</b>	<b>461,005</b>		<b>(444,113)</b>		<b>(1,479,242)</b>		<b>(755,587)</b>		<b>(65,200)</b>	<b>(12,126)</b>	<b>7,027</b>	<b>90,585</b>	<b>116,255</b>
<b>Debt Coverage Ratio</b>	<b>1.48</b>		<b>0.61</b>		<b>0.01</b>		<b>(0.60)</b>		<b>0.88</b>	<b>0.99</b>	<b>1.01</b>	<b>1.08</b>	<b>1.10</b>



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**I.B.3.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A10-07) INCREASING THE AMOUNT TO \$2,123,000 AND REVISING THE SCOPE AND SPECIAL CONDITION TO THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY, KENTUCKY**

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

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

**WHEREAS**, the Authority previously approved a Federally Assisted Waste Water Revolving Fund Loan (A10-07) to the Oldham County Environmental Authority on May 6, 2010 in the amount of \$1,930,000, with a Special Condition to pass a rate increase ordinance; and the Oldham County Environmental Authority has requested an increase to the Federally Assisted Wastewater Revolving Loan (A10-07) in the amount of \$193,000; and the Oldham County Environmental Authority has requested the Scope of the Project and Special Condition for the rate increase be revised; 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 Oldham County Environmental Authority, 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 reaffirms the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$2,123,000 of project expense including capitalized interest for the construction period, to the Oldham County Environmental Authority for the Orchard Grass and Willow Creek WWTP 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 Authority hereby authorizes the Amendment of a conditional Federally Assisted Wastewater Revolving Fund loan revising the Scope and Special Condition.

Section 4. 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, \$5,300 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$53,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

## ENERGY AND ENVIRONMENT CABINET

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

200 FAIR OAKS LANE, 4TH FLOOR

FRANKFORT, KENTUCKY 40601

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

December 27, 2011

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

Re: 2007-26  
Oldham Co Environmental Authority--74156  
Activity ID: FGL20060008  
*HUC11:051410200--HarrodsCreek/Crestwood-  
Prospect*  
Fund A

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Oldham County Environmental Authority (OCEA) is entitled to receive priority for funding for the Orchard Grass WWTP Elimination project, and is eligible to receive \$2,123,000.00 from the Clean Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications were approved by DOW on December 7, 2011.
2. Construction bids were opened on December 1, 2011.
3. Project specific environmental information was approved by DOW on December 5, 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 and conduct a pre-construction and project management conference.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.

4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Documents 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: Horace Harrod, Chairman, OCEA  
Ed Basquill, Project Manager, Veolia Water North America  
Holly Nicholas, Kentucky Engineering Group, PLLC  
James Hagerty, P. E., Gresham, Smith and Partners (Louisville)

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Kasi White	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	January 5, 2012	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number:	<b>A10-07 (Increase/Scope)</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>SX21185050</b>	
		HUC Code:	05140101170	
<b>BORROWER:</b>	<b>OLDHAM COUNTY ENVIRONMENTAL AUTHORITY</b>			
	<b>OLDHAM COUNTY</b>			
<b>BRIEF DESCRIPTION:</b>	<p>The Oldham County Environmental Authority (formerly known as the Oldham County Sewer District) is requesting a scope revision and increase of \$193,000 of the approved Fund A loan in the amount of \$1,930,000 for the Orchard Grass Willow Creek WWTP Elimination project - Phase 1. The Orchard Grass WWTP is in failing condition and the Willow Creek WWTP is extremely undersized for the amount of flow entering the plant. Both plants have had numerous violations in past years. This project will construct a 9,331 LF force main from the Willow Creek WWTP to the Orchard Grass WWTP. The Willow Creek WWTP will be modified into an equalization basin. In addition, correction of I&amp;I in the area will be undertaken to reduce flow into these two plants so that the remaining plan can handle the additional flow. This will be Phase 1 of this project to ultimately eliminate both WWTPs. There are approximately 1,094 customers connected to the 2 plants. The increase is primarily driver by the change to the scope of the project.</p>			
<b>PROJECT FINANCING:</b>	<b>PROJECT BUDGET</b>			
Fund A Loan	\$	2,123,000	Administrative Expenses	\$ 19,500
			Engineering Fees	332,901
			Construction	1,649,574
			Contingency	115,615
			Other	5,410
<b>TOTAL</b>	<b>\$</b>	<b>2,123,000</b>	<b>TOTAL</b>	<b>\$ 2,123,000</b>
<b>REPAYMENT</b>	Rate		2.00%	Est. Annual Payment
	Term		20 years	\$133,560
			1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	Gresham Smith & Partners		
	Bond Counsel	Peck, Shaffer, & Williams		
<b>PROJECT SCHEDULE</b>	Bid Opening:		December, 2011	
	Construction Start:		January, 2012	
	Construction Stop:		September, 2012	
<b>DEBT PER CUSTOMER</b>	Existing:	\$	1,879	
	Proposed:	\$	2,824	
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>			<u>Users</u>	<u>Avg. Bill</u>
	Current	6,117	\$	37.83 (for 4,000 gallons)
	Additional	0	\$	41.71 (for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	<b>Cash Available for</b>		<b>Income after Debt</b>	
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2007	1,427,565	966,560	461,005	1.48
Audited 2008	704,073	1,148,186	(444,113)	0.61
Audited 2009	20,288	1,499,530	(1,479,242)	0.01
Audited 2010	(282,158)	473,429	(755,587)	(0.60)
Unaudited 2011	461,604	526,804	(65,200)	0.88
Projected 2012	884,957	897,083	(12,126)	0.99
Projected 2013	1,109,405	1,102,378	7,027	1.01
Projected 2014	1,297,584	1,207,000	90,585	1.08
Projected 2015	1,320,620	1,204,365	116,255	1.10

**Increase, Scope and Special Condition Revisions**

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY  
 PROJECT REVIEW  
 SX21185050**

**I. PROJECT DESCRIPTION**

The Oldham County Environmental Authority (formerly known as the Oldham County Sewer District) is requesting a revision to the scope and an increase of \$193,000 of the approved Fund A base loan in the amount of \$1,930,000 for the Orchard Grass and Willow Creek WWTP project. The Orchard Grass WWTP is in failing condition and the Willow Creek WWTP is extremely undersized for the amount of flow entering the plant. Both plants have had numerous violations in past years. This project will construct a 9,331 LF force main from the Willow Creek WWTP to the Orchard Grass WWTP. The Willow Creek WWTP will be modified into an equalization basin. In addition, correction of I&I in the area will be undertaken to reduce flow into these two plants so that the remaining plant can handle the additional flow from Willow Creek. This will be Phase 1 of this project to ultimately eliminate both WWTPs. There are approximately 1,094 customers connected to the 2 plants.

Due to project scope changes, delays and additional financial information made available, the increase and Special Conditions of the loan are being modified. The original scope of the project was to take both plants offline and connect with Louisville MSD.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 19,500
Engineering Fees	332,901
Construction	1,649,574
Contingency	115,615
Other	5,410
<b>TOTAL</b>	<b>\$ 2,123,000</b>

**III. PROJECT FUNDING**

	Amount	%
Fund A Loan - Revised	\$ 2,123,000	100%
<b>Total</b>	<b>\$ 2,123,000</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

	<b>ORIGINAL</b>	<b>INCREASE</b>	<b>REVISED</b>
Construction Loan	\$ 1,930,000	\$ 193,000	\$ 2,123,000
Interest Rate	2.00%	2.00%	2.00%
Loan Term (Years)	20	20	20
Estimated Annual Debt Service	\$ 117,559	\$ 11,756	\$ 129,314
Administrative Fee (0.20%)	3,860	385	4,246
<b>Total Estimated Annual Debt Service</b>	<b>\$ 121,419</b>	<b>\$ 12,141</b>	<b>\$ 133,560</b>

**V. PROJECT SCHEDULE**

Bid Opening Date	December 2011
Construction Start	January 2012
Construction Completion	September 2012

**VI. CUSTOMER INFORMATION AND RATE STRUCTURE**

Customers

Residential	5,933
Commercial	184
Industrial	0
	<u>6,117</u>

Rates

OCEA implemented an 8% increase in September 2011. The current monthly charge for wastewater utility service is:

	<u>Current</u>	Previous (as of original approval)	Previous (Increase #1)
Date of Last Rate Increase	9/1/11	1/1/2009	9/1/10
% of Rate Increase	8%		23.9%
Monthly Service Charge	\$14.43	\$10.63	\$13.17
Rate Per 1,000 Gallons	\$5.85	\$4.31	\$5.34
Cost for 4,000 gallons	\$37.83	\$27.87	\$34.53
Affordability Index (Rate/MHI)	0.7%	0.5%	0.7%

The original special condition required the following increases to be passed no later than June 15, 2010 effective as of July 1 of each year as designated below:

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
33.96%	17.83%	2.26%	2.13%	2.13%

## **VII. DEMOGRAPHICS**

In 2000, the population of Oldham County was 46,178 with a Median Household Income (MHI) level of \$63,229. The median household income for the Commonwealth is \$33,672.

The Orchard Grass and Willow Creek projects can be considered regional as defined in 200 KIA 17:050. The project complies under the definition through the Combination of Two or More Existing Facilities or Systems – This project will include the decommissioning of the Willow Creek WWTP's by pumping the flow to Orchard Grass.

Based on the regional nature of the project as defined in 200 KAR 17:050, the project qualifies for the non-standard interest rate of 2%.

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

Financial information for the legacy Oldham County Sewer District (“OCSD”) was obtained from the audited financial statements for the years ended June 30, 2007 through 2010. Financial information for the Storm Water Management Entity is not included.

### **HISTORICAL**

OCSD was established by the Oldham County Fiscal Court in December 1996 as a county wide sewer district for the purpose of acquiring, constructing, operating and maintaining sanitary sewer systems. OCSD’s jurisdictional boundaries included all of Oldham County with the exception of the incorporated cities of LaGrange and Crestwood. Since OCSD’s creation, Pewee Valley has been removed from OCSD’s territory. On August 1, 2005, the City of Crestwood merged its sewer assets with the OCSD. On December 1, 2008 the City took back the management of its sewer system and the District transferred related assets back to the City. On August 10, 2010 OCSD and Oldham County Storm Water Management were merged to form the Oldham County Environmental Authority.

On November 15, 2008, Veolia assumed the operations and maintenance under a ten year contract. The monthly fee is guaranteed to cover all costs of operations except for maintenance, repairs and utilities which are trued up annually. The contract contains numerous performance metrics that are required to be reported to the Authority Board.

### **HISTORICAL**

Revenues increased by 6% from \$2,502,282 in 2007 to \$2,628,693 in 2010. A 25% rate increase in mid fiscal 2009 was offset by the loss of Crestwood sewer revenues (\$250,000) and a change in accounting treatment for a transaction with the Kentucky State Reformatory (\$327,000). Operating expenses increased by 37% from \$2,203,118 in 2007 to \$3,018,829 in 2010. During 2009 Authority incurred an additional \$495,000 in

expenses for removal of an eighteen month backlog of sludge, catch up maintenance at the plants, and delinquent line repairs.

Interest income has decreased due to both a decrease in cash and investments and decreases in interest rates. Capacity charges have decreased as a result of weak demand for new construction and tap-in bans in some areas due to treatment plants being at or over their designed capacity.

Cash available for debt service declined from \$1,427,565 in 2007 to \$(282,158) in 2010. The debt coverage ratio declined from 1.48 to (0.60) during the same period. During 2009, the District fell out of compliance with loan covenants on a KLC lease agreement. While wastewater rates were increased by 25%, the increase was not sufficient to meet cash flow requirements. The debt was subsequently refinanced through the Oldham County Fiscal Court.

As a condition of borrowing funds from KIA on projects A10-04, A10-05, A10-06 and A10-07 in mid 2010 the Authority agreed to increase rates by June 15, 2010 as follows:

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
33.96%	17.83%	2.26%	2.13%	2.13%

These increases were not implemented; however a single rate increase of 23.9% was passed on July 17, 2010 to be effective September 1, 2010 and an additional rate increase of approximately 8% was passed in May, 2011 to become effective in early FY2012. Higher than anticipated revenues for 2010, as well as a significant decrease in expenses for 2011 alleviated the need for higher rate increases.

## PROJECTED

Projections are based on the following assumptions:

1. Revenues will increase by 3% volume annually. In addition, a minimum of two (2) 5% rate increases will be required to be effective on or before July 1, 2012 and July 1, 2013.
2. Expenses will increase 4% annually
3. Negative cash flow after debt service is projected at \$65,200 for 2011. Debt service costs on KIA loans (interest only) are projected at zero for 2011 and \$86,230 for 2012.
4. A replacement reserve of \$5,300 will be funded annually. Annual replacement reserve funding including previously approved KIA projects (A10-04, A10-05, A10-06, A10-07 and A11-15) will be \$15,425.
5. Debt service on the proposed loan, four previously approved loans (A10-04, A10-05, A10-06 and A11-15) is estimated at \$394,293 annually. Total annual debt service will increase from \$526,804 in 2011 to approximately \$1,204,365 in 2015.

Based on the assumptions, the utility can maintain a minimum debt service ratio of 1.0.

## REPLACEMENT RESERVE

The annual replacement cost is \$5,300. This amount should be added to the replacement account each December 1 until the balance reaches \$53,000 and maintained for the life of the loan.

## IX. DEBT OBLIGATIONS

	<b>Outstanding (6/30/10)</b>	<b>Maturity</b>
Oldham County Fiscal Court	\$3,340,000	2031
Series 2009 Bonds	7,153,207	2030
KIA A10-04 (i/a/o \$2.4MM)	0	TBD (*)
KIA A10-05 i/a/o \$1MM	0	TBD (*)
KIA A10-06 i/a/o \$250m	0	TBD (*)
KIA A10-07 i/a/o \$1.93MM	0	TBD (*)
KIA A11-15 i/a/o \$400m	0	TBD (*)
<b>Total</b>	<b>\$10,493,207</b>	

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Buckner Interceptor	HB608	50,000	Grant
Ohio River WWTP	HB380	750,000	Grant
Sewer System Upgrades	HB608	950,000	Grant
<b>Total</b>		<b>\$1,750,000</b>	

## XI. CONTACTS

### **Applicant**

Name Oldham County Environmental Authority  
Address 700 West Jefferson Street  
LaGrange, KY 40031  
County Oldham  
Contact Horace Harrod  
Phone (502) 225-9477  
Email horace.harrod@farmcreditbank.com

**Applicant Contact**

Name Kentucky Engineering Group  
Address PO Box 1034  
Versailles, KY 40383  
Contact Holly Nicholas  
Phone (859) 333-9742  
Email hnicholas@kyengr.com

**Engineer**

Name Jim Hagerty  
Firm Gresham Smith & Partners  
Address 101 S Fifth Street, Ste 1400  
Louisville, KY 40202  
Phone (502) 627-8900  
Email Jim\_hagerty@gspnet.com

**XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following **revised** special conditions.

- 1. The Oldham County Environmental Authority shall pass the necessary resolution and/or ordinance no later than October 1, 2011 that will enact rate increases of at least 5% annually effective on each date designated below:

Effective Date	7/1/2012	7/1/2013
(Approximate rate calculations)		
Monthly Meter Charge	\$ 15.15	\$ 15.91
Rate Per 1,000 Gallons	6.14	6.45
Cost for 4,000 gallons	\$ 39.71	\$ 41.71
Affordability Index (Rate/MHI)	0.8%	0.8%

**DELETED CONDITIONS** – Due to the scope changes of the project the following three Special Conditions will be deleted.

- 1. The Oldham County Sewer District shall enter into an agreement with the Louisville Metropolitan Sewer District (MSD) showing OCSD’s willingness to pay for the treatment of the sewerage and MSD’s willingness to accept and treat the sewerage. This agreement shall be to the satisfaction of the Executive Director of the Kentucky Infrastructure Authority and shall be provided to the Authority fully executed prior to the execution of the Assistance Agreement or the release of any funds.

2. Louisville MSD shall receive permission from the Energy and Environment Cabinet to accept the flow from the Green Valley Plant. This agreement shall be provided to the Kentucky Infrastructure Authority fully executed prior to the execution of the Assistance Agreement or the release of any funds.
3. Another adequately permitted wastewater utility may be substituted for the Louisville Metropolitan Sewer District upon approval by the Executive Director of KIA and the Director of the Division of Water.

**OLDHAM COUNTY SEWER DISTRICT  
BALANCE SHEETS**

<b>ASSETS</b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>Project Completion</u></b>
<b>Current Assets</b>					
Cash	555,758	1,614,830	841,165	637,764	644,791
Accounts Receivable	615,858	533,132	537,685	572,371	560,000
Other Receivables	858,955	112,562	438,366	234,992	250,000
<b>Total Current Assets</b>	<b>2,030,571</b>	<b>2,260,524</b>	<b>1,817,216</b>	<b>1,445,127</b>	<b>1,454,791</b>
<b>Restricted Assets</b>					
Cash	3,418,983	1,704,562	294,248	281,193	302,748
<b>Total Restricted Assets</b>	<b>3,418,983</b>	<b>1,704,562</b>	<b>294,248</b>	<b>281,193</b>	<b>302,748</b>
<b>Utility Plant</b>					
Utility Systems	22,677,627	30,514,651	25,611,919	25,784,193	32,863,300
Construction in Progress	5,959,228	393,776	301,325	429,107	300,000
<b>Total</b>	<b>28,636,855</b>	<b>30,908,427</b>	<b>25,913,244</b>	<b>26,213,300</b>	<b>33,163,300</b>
<b>Less Accumulated Depreciation ( )</b>	<b>(2,330,407)</b>	<b>(3,097,553)</b>	<b>(3,276,697)</b>	<b>(3,959,883)</b>	<b>(4,166,550)</b>
<b>Net Fixed Assets</b>	<b>26,306,448</b>	<b>27,810,874</b>	<b>22,636,547</b>	<b>22,253,417</b>	<b>28,996,750</b>
<b>Other Assets</b>					
Other Assets	47,466	41,966	0	62,070	40,000
<b>Total Other Assets</b>	<b>47,466</b>	<b>41,966</b>	<b>0</b>	<b>62,070</b>	<b>40,000</b>
<b>Total Assets</b>	<b>31,803,468</b>	<b>31,817,926</b>	<b>24,748,011</b>	<b>24,041,807</b>	<b>30,794,289</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Line of Credit	1,467	0	0	0	0
Accounts Payable	319,710	157,714	295,972	84,530	150,000
Accrued Liabilities	116,980	284,929	54,188	135,525	125,000
Current Portion of Long-Term Debt	385,479	1,165,991	236,657	90,000	543,991
Current Portion of Unearned Tap Fees			59,840	8,092	0
<b>Total Current Liabilities</b>	<b>823,636</b>	<b>1,608,634</b>	<b>646,657</b>	<b>318,147</b>	<b>818,991</b>
<b>Long Term Liabilities</b>					
Long Term Debt, Less Current Portion	16,099,338	14,936,524	10,235,000	10,403,207	16,032,216
Notes Payable - KIA			1,018,855	995,279	695,279
Unearned Tap Fees					
<b>Total Long Term Liabilities</b>	<b>16,099,338</b>	<b>14,936,524</b>	<b>11,253,855</b>	<b>11,398,486</b>	<b>16,727,495</b>
<b>Total Liabilities</b>	<b>16,922,974</b>	<b>16,545,158</b>	<b>11,900,512</b>	<b>11,716,633</b>	<b>17,546,486</b>
<b>Retained Earnings:</b>					
Invested in Capital Assets Net of Related Debt	13,239,147	14,849,798	11,938,620	11,730,210	12,730,166
Restricted					
Unrestricted	1,641,347	422,970	908,879	594,964	517,638
<b>Total Retained Earnings</b>	<b>14,880,494</b>	<b>15,272,768</b>	<b>12,847,499</b>	<b>12,325,174</b>	<b>13,247,804</b>
<b>Total Liabilities and Equities</b>	<b>31,803,468</b>	<b>31,817,926</b>	<b>24,748,011</b>	<b>24,041,807</b>	<b>30,794,290</b>
<b>Balance Sheet Analysis</b>					
Current Ratio	2.47	1.41	2.81	4.54	1.78
Debt to Equity	1.14	1.08	0.93	0.95	1.32
Working Capital	1,206,935	651,890	1,170,559	1,126,980	635,800
Percent of Total Assets in Working Capital	3.79%	2.05%	4.73%	4.69%	2.06%

**EXHIBIT 1**  
**Oldham County Environmental Authority**  
**CASH FLOW ANALYSIS**

	Audited		Audited		Audited		Audited		Rate Increases	8.00%	5.00%	5.00%	
	2007	% Change	2008	% Change	2009	% Change	2010	% Change	Unaudited 2011	Projected 2012	Projected 2013	Projected 2014	Projected 2015
<b>Operating Revenues</b>													
Service Charges	2,481,298	8%	2,680,354	-9%	2,440,636	8%	2,628,576	21%	3,172,620	3,686,063	4,035,456	4,351,662	4,469,157
Other	20,984	-56%	9,317		14,480		117		23,557	10,000	10,000	10,000	10,000
<b>Total Revenues</b>	<b>2,502,282</b>	<b>7%</b>	<b>2,689,671</b>	<b>-9%</b>	<b>2,455,116</b>	<b>7%</b>	<b>2,628,693</b>	<b>22%</b>	<b>3,196,177</b>	<b>3,696,063</b>	<b>4,045,456</b>	<b>4,361,662</b>	<b>4,479,157</b>
<b>Operating Expenses</b>													
Service and Administrative Costs	2,203,118	12%	2,459,015	12%	2,761,526	9%	3,018,829	-6%	2,834,573	2,911,106	3,027,551	3,148,653	3,243,112
Depreciation	605,245	27%	767,146	-6%	722,728	0%	726,340	0%	726,340	751,340	813,840	851,340	876,880
Replacement Reserve											8,500	15,425	15,425
<b>Total Expenses</b>	<b>2,808,363</b>	<b>15%</b>	<b>3,226,161</b>	<b>8%</b>	<b>3,484,254</b>	<b>7%</b>	<b>3,745,169</b>	<b>-5%</b>	<b>3,560,913</b>	<b>3,662,446</b>	<b>3,849,891</b>	<b>4,015,418</b>	<b>4,135,418</b>
<b>Net Operating Income</b>	<b>(306,081)</b>	<b>75%</b>	<b>(536,490)</b>	<b>92%</b>	<b>(1,029,138)</b>	<b>8%</b>	<b>(1,116,476)</b>	<b>-67%</b>	<b>(364,736)</b>	<b>33,617</b>	<b>195,565</b>	<b>346,244</b>	<b>343,739</b>
	88.8%		91.7%										
<b>Non-Operating Income and Expenses</b>													
Interest on Investments	288,750	-46%	155,300	-41%	90,858	-64%	32,654	-8%	30,000	30,000	30,000	30,000	30,000
Other Income	0		0										
Capacity Charges	839,651	-62%	318,117		235,840		75,324		70,000	70,000	70,000	70,000	70,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>1,128,401</b>	<b>-58%</b>	<b>473,417</b>	<b>-31%</b>	<b>326,698</b>	<b>-67%</b>	<b>107,978</b>	<b>-7%</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Add Non-Cash Expenses</b>													
Depreciation	605,245	27%	767,146	-6%	722,728	0%	726,340	0%	726,340	751,340	813,840	851,340	876,880
<b>Cash Available for Debt Service</b>	<b>1,427,565</b>	<b>-51%</b>	<b>704,073</b>	<b>-97%</b>	<b>20,288</b>	<b>-1491%</b>	<b>(282,158)</b>	<b>-264%</b>	<b>461,604</b>	<b>884,957</b>	<b>1,109,405</b>	<b>1,297,584</b>	<b>1,320,620</b>
<b>Debt Service</b>													
Existing Principal	616,813		762,569		1,020,054		236,657		90,000	385,000	400,000	410,000	420,000
Existing Interest	349,747		385,617		479,476		236,772		436,804	425,853	414,495	402,707	390,072
KIA Loan (A10-04 - Buckner)							0		0	36,000	150,987	150,987	150,987
KIA Loan (A10-05 - I & I)							0		0	22,500	68,854	68,854	68,854
KIA Loan (A10-06 - Green Valley)							0		0	2,500	5,000	15,728	15,728
KIA Loan (A10-07 - Orchard/Willow)							0		0	21,230	42,460	133,560	133,560
KIA Loan (A11-15 - Covered Bridge)							0		0	4,000	20,582	25,164	25,164
<b>Total Debt Service</b>	<b>966,560</b>		<b>1,148,186</b>		<b>1,499,530</b>		<b>473,429</b>		<b>526,804</b>	<b>897,083</b>	<b>1,102,378</b>	<b>1,207,000</b>	<b>1,204,365</b>
<b>Income After Debt Service</b>	<b>461,005</b>		<b>(444,113)</b>		<b>(1,479,242)</b>		<b>(755,587)</b>		<b>(65,200)</b>	<b>(12,126)</b>	<b>7,027</b>	<b>90,585</b>	<b>116,255</b>
<b>Debt Coverage Ratio</b>	<b>1.48</b>		<b>0.61</b>		<b>0.01</b>		<b>(0.60)</b>		<b>0.88</b>	<b>0.99</b>	<b>1.01</b>	<b>1.08</b>	<b>1.10</b>

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**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 (A12-01) OF \$1,161,700 TO THE GRANT COUNTY SANITARY SEWER DISTRICT, GRANT 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 Grant County Sanitary Sewer 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 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 \$1,161,700 of project expense including capitalized interest for the construction period, to the Grant County Sanitary Sewer District

for the Bingham Pump Station Replacement and Bullock Pen Lake Sewer Extension Projects. 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 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$2,900 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$29,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

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

December 27, 2011

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

Re: CWL#12109 Fund A  
Grant Co Sanitary Sewer District  
WWTP--1480  
Activity ID: FGL20120003  
Watershed Name: Tenmile Creek  
Watershed Code (HUC11): 05100205390

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Grant County Sanitary Sewer District is entitled to receive priority for funding for the Bullock Pen Lake Sewer Extension and is eligible to receive \$1,161,700 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 March 1, 2012.
2. Construction bids are expected to be opened on June 15, 2012.
3. Project specific environmental information is expected to be submitted to DOW on February 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 and conduct a pre-construction and project management conference.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.

4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Documents 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: Bobby Burgess, Chairman, Grant County Sanitary Sewer District  
Kerry Odle, Project Engineer, CMW, Inc.

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Sandy Williams	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	January 5, 2012	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number:	<b>A12-01</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>SX21081307, SX21081308</b>	
		HUC Code:	0	
<b>BORROWER:</b>	<b>GRANT COUNTY SANITARY SEWER DISTRICT</b>			
<b>BRIEF DESCRIPTION:</b>	<b>GRANT COUNTY</b>			
<p>This project involves extending an existing sewer system to serve fifty-three new customers along Violet Road to the crossing of Bullock Pen Lake and relocating and replacing the existing Bingham pump station. The sewer extensions will eliminate septic tanks and possible straight pipes that are in the Bullock Pen watershed which is the sole source of water for the Bullock Pen Water Treatment Plant. Approximately 1.2 miles of pressurized sewer system with individual grinder pumps, 1.22 miles of gravity sewer, a pump station and 1.63 miles of force main will be constructed. The new pump station is needed to handle the increased capacity generated by the new sewer extensions and will provide capacity for future customers.</p>				
<b>PROJECT FINANCING:</b>		<b>PROJECT BUDGET</b>		
Fund A Loan	\$ 1,161,700	Legal Expenses	10,000	
Local Funds	65,000	Land, Easements	85,000	
		Engineering Fees	165,453	
		Construction	833,022	
		Contingency	83,225	
		Other	50,000	
<b>TOTAL</b>	<b>\$ 1,226,700</b>	<b>TOTAL</b>	<b>\$ 1,226,700</b>	
<b>REPAYMENT</b>			Est. Annual	
	Rate	3.0%	Payment	\$ 79,988
	Term	20 years	1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	CMW, Inc.		
	Bond Counsel	Peck, Shaffer, & Williams		
<b>PROJECT SCHEDULE</b>				
	Bid Opening:	June 15, 2012		
	Construction Start:	September 15, 2012		
	Construction Stop:	April 1, 2013		
<b>DEBT PER CUSTOMER</b>	Existing:	\$ 896		
	Proposed:	\$ 1,485		
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>	
	Current	1,467	\$ 37.56	(for 4,000 gallons)
	Additional	53	\$ 37.56	(for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	<b>Cash Available for</b>	<b>Income after Debt</b>		
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2007	332,070	122,826	209,244	2.7
Audited 2008	288,559	124,907	163,652	2.3
Audited 2009	273,080	145,679	127,401	1.9
Audited 2010	245,798	123,912	121,886	2.0
Estimated 2011	241,250	126,123	115,127	1.9
Projected 2012	268,642	132,501	136,141	2.0
Projected 2013	255,658	172,838	82,820	1.5
Projected 2014	258,862	213,944	44,918	1.2
Projected 2015	247,368	211,876	35,492	1.2
Projected 2016	235,194	213,195	21,999	1.1
Projected 2017	222,312	217,795	4,517	1.0

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 GRANT COUNTY SANITARY SEWER DISTRICT, GRANT COUNTY  
 PROJECT REVIEW  
 SX21081307 and SX21081308**

**I. PROJECT DESCRIPTION**

The Grant County Sanitary Sewer District (District) is requesting \$1,161,700 in Clean Water SRF funds for the Bingham Pump Station Replacement and Bullock Pen Lake Sewer Extension projects. The extension project involves extending an existing sewer system to serve fifty-three new customers along Violet Road to the crossing of Bullock Pen Lake. It will eliminate septic tanks and possible straight pipes that are in the Bullock Pen watershed which is the sole source of water for the Bullock Pen Water Treatment Plant. Approximately 1.2 miles of pressurized sewer system with individual grinder pumps, 1.22 miles of gravity sewer, a pump station and 1.63 miles of force main will be constructed. The new pump station project is needed to handle the increased capacity generated by the new sewer extensions and will provide capacity for future customers.

The District is operated by the Bullock Pen Water District. Management fees paid were \$142,093 in 2010 and \$115,665 in 2009. The District is subject to PSC jurisdiction.

**II. PROJECT BUDGET**

	<u>Total</u>
Legal Expenses	\$ 10,000
Land, Easements	85,000
Engineering Fees	165,453
Construction	833,022
Contingency	83,225
Other	50,000
<b>Total</b>	<b>\$ 1,226,700</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	1,161,700	95%
Local Funds	65,000	5%
<b>Total</b>	<b>\$ 1,226,700</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 1,161,700
Interest Rate	3.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 77,665
Administrative Fee (0.20%)	<u>2,323</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 79,988</b>

**V. PROJECT SCHEDULE**

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

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

	Current	Proposed	Total
Residential	1,315	51	1,366
Commercial	147	2	149
Industrial	5	0	5
Total	<u>1,467</u>	<u>53</u>	<u>1,520</u>

Connection to the system is required by ordinance of the Grant County Fiscal Court.

**B) Rates**

The monthly charge for wastewater utility service is:

	<u>Current</u>
Date of Last Rate Increase	4/15/2006
First 2,000 Gallons	\$21.06
Next 3,000 Gallons (per 1,000)	8.25
Next 5,000 Gallons (per 1,000)	6.76
All Over 10,000 (per 1,000)	5.31
Cost for 4,000 gallons	\$37.56
Affordability Index (Rate/MHI)	1.1%

## **VII. DEMOGRAPHICS**

In 2010, the County's population was 25,088 with a Median Household Income (MHI) of \$42,405. The median household income for the Commonwealth is \$41,197. The loan qualifies for a 3% interest rate.

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

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR).
- 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 December 31, 2007 through 2010. Amounts for 2011 are estimated.

### **HISTORICAL**

The utility has not had a rate increase since April 2006. Revenues have risen nominally from \$619,249 in 2007 to \$630,000 in 2011 while operating expenses have risen 33% from \$292,173 to \$390,000. The major components of the expense increase are management fees, other contracted services and electricity cost. Cash available for debt service has declined from \$332,070 in 2007 to an estimated \$241,250 in 2011. Debt service cost has been in the mid \$120,000 range with the exception of 2009 when it increased to \$145,679. The debt coverage ratio has declined from 2.7 in 2007 to 1.9 in 2011.

The utility has a strong balance sheet with a debt to equity ratio of 0.2. Unrestricted cash is equal to approximately sixteen months of operating expenses. Restricted assets are comprised of a bond sinking fund, construction funds, customer deposits and grants receivable.

### **PROJECTIONS**

Projections are based on the following assumptions:

- The utility will realize a full year of revenues in 2012 from the addition of 128 customers from a prior sewer expansion that was partially funded with KIA loan A2 09-35. Revenues from customer growth (53) from this proposed project will be realized in 2014.
- Other revenue growth will be 1%
- Operating expenses will increase 4% per year
- The new debt service is estimated at \$79,988
- Debt service coverage is 1.5 in 2013 when principal and interest repayments begin and will remain above 1.0 through the last year projected which is 2017.

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 \$2,900. This amount should be added to the replacement account each December 1 until the balance reaches \$29,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
Kentucky Rural Finance Corporation Bonds, Series 2001D	\$ 1,176,000	Jan-23
KIA (A2 09-35)	138,700	Dec-31
<b>Total</b>	<b>\$ 1,314,700</b>	

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Sewer Line Extension - Phase I	HB608	250,000	Grant
Sewer Line Extension - Phase I	HB608	400,000	Grant

**XII. CONTACTS**

<b>Applicant</b>	
Name	Grant County Sanitary Sewer District
Address	P.O. Box 460 Crittenden, KY 41030
County	Grant
Contact	Bobby Burgess
Phone	(859) 428-2112
Email	bullockpen@fuse.net

<b>Applicant Contact</b>	
Name	CMW, Inc.
Address	400 East Vine Street, Suite 400 Lexington, KY 40507
Contact	Kerry Odle
Phone	(859) 254-6623
Email	kodle@cmwaec.com

<b>Engineer</b>	
Name	Kerry Odle
Firm	CMW, Inc.
Address	400 East Vine Street, Suite 400 Lexington, KY 40507
Phone	(859) 254-6623
Email	kodle@cmwaec.com

**XIII. RECOMMENDATIONS**

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

**GRANT COUNTY SANITARY SEWER DISTRICT  
BALANCE SHEETS (DECEMBER YEAR END)**

ASSETS	Audited <u>2007</u>	Audited <u>2008</u>	Audited <u>2009</u>	Audited <u>2010</u>	Estimated <u>2011</u>	Upon Completion <u>2013</u>
<b>Current Assets</b>						
Cash	227,873	351,378	430,879	500,041	515,168	734,129
Accounts Receivable	88,211	84,005	84,005	88,977	89,500	99,600
Other Current Assets	15,730	10,009	31,359	6,926	6,500	6,500
<b>Total Current Assets</b>	<b>331,814</b>	<b>445,392</b>	<b>546,243</b>	<b>595,944</b>	<b>611,168</b>	<b>840,229</b>
<b>Restricted Assets</b>						
Bond Sinking Fund	99,058	101,055	101,594	100,449	100,500	100,500
Construction Funds	0	100	259,102	6,638	0	0
Customer Deposits	73,314	75,187	74,487	92,816	93,000	93,000
Grants Receivable	0	73,707	0	267,471	0	0
KIA Reserve	0	0	0	0	750	5,150
<b>Total Restricted Assets</b>	<b>172,372</b>	<b>250,049</b>	<b>435,183</b>	<b>467,374</b>	<b>194,250</b>	<b>198,650</b>
<b>Utility Plant</b>						
Land, System, Building and Equipment	5,208,595	5,339,217	5,616,398	7,072,534	7,250,000	8,476,700
Less Accumulated Depreciation ( )	(456,797)	(607,613)	(759,269)	(916,100)	(1,112,100)	(1,504,100)
<b>Net Fixed Assets</b>	<b>4,751,798</b>	<b>4,731,604</b>	<b>4,857,129</b>	<b>6,156,434</b>	<b>6,137,900</b>	<b>6,972,600</b>
<b>Other Assets</b>						
Other	9,282	4,431	1,108	0	0	0
Unamortized Bond Costs and Discount, Net	34,299	31,863	29,428	26,993	24,558	44,246
<b>Total Other Assets</b>	<b>43,581</b>	<b>36,294</b>	<b>30,536</b>	<b>26,993</b>	<b>24,558</b>	<b>44,246</b>
<b>Total Assets</b>	<b>5,299,565</b>	<b>5,463,339</b>	<b>5,869,091</b>	<b>7,246,745</b>	<b>6,967,876</b>	<b>8,055,725</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts Payable	27,410	47,645	50,943	45,933	47,500	50,000
Note Payable	21,000	21,000	0	0	0	0
Other	2,562	2,304	2,304	2,290	2,250	2,250
<b>Total Current Liabilities</b>	<b>50,972</b>	<b>70,949</b>	<b>53,247</b>	<b>48,223</b>	<b>49,750</b>	<b>52,250</b>
<b>Liabilities Payable - Restricted Assets</b>						
Bonds Payable	60,000	62,000	64,000	64,000	69,000	78,000
Notes Payable - KIA	0	0	0	2,648	5,416	5,748
Customer Deposits	64,305	59,684	58,058	57,744	58,000	60,000
Accrued Interest Payable	27,359	26,459	25,675	24,922	25,000	25,000
Construction Accounts Payable	0	69,207	252,468	267,471	0	0
<b>Total Liabilities Payable - Restricted Assets</b>	<b>151,664</b>	<b>217,350</b>	<b>400,201</b>	<b>416,785</b>	<b>157,416</b>	<b>168,748</b>
<b>Long Term Liabilities</b>						
Bonds	1,302,000	1,240,000	1,176,000	1,112,000	1,043,000	892,000
Notes Payable - KIA	0	0	0	136,052	130,636	119,309
Unamortized Bond Premium	19,742	18,340	16,939	15,537	14,135	11,331
Proposed KIA Loan	0	0	0	0	0	1,161,700
<b>Total Long Term Liabilities</b>	<b>1,321,742</b>	<b>1,258,340</b>	<b>1,192,939</b>	<b>1,263,589</b>	<b>1,187,771</b>	<b>2,184,340</b>
<b>Total Liabilities</b>	<b>1,524,378</b>	<b>1,546,639</b>	<b>1,646,387</b>	<b>1,728,597</b>	<b>1,394,937</b>	<b>2,405,338</b>
<b>Retained Earnings:</b>						
Invested in Capital Assets Net of Related Debt	3,384,389	3,423,162	3,630,652	4,854,224	4,889,848	4,715,843
Restricted	71,699	79,196	82,699	82,163	194,250	198,650
Unrestricted	319,099	414,342	509,353	581,761	488,841	735,894
<b>Total Retained Earnings</b>	<b>3,775,187</b>	<b>3,916,700</b>	<b>4,222,704</b>	<b>5,518,148</b>	<b>5,572,939</b>	<b>5,650,387</b>
<b>Total Liabilities and Equities</b>	<b>5,299,565</b>	<b>5,463,339</b>	<b>5,869,091</b>	<b>7,246,745</b>	<b>6,967,876</b>	<b>8,055,725</b>
<b>Balance Sheet Analysis</b>						
Current Ratio	6.5	6.3	10.3	12.4	12.3	16.1
Debt to Equity	0.4	0.4	0.4	0.3	0.3	0.4
Working Capital	280,842	374,443	492,996	547,721	561,418	787,979
Percent of Total Assets in Working Capital	5.3%	6.9%	8.4%	7.6%	8.1%	9.8%
Days Sales in Accounts Receivable	52.0	49.9	51.7	51.8	51.9	51.9

**EXHIBIT 1  
GRANT COUNTY SANITARY SEWER DISTRICT  
CASH FLOW ANALYSIS (DECEMBER YEAR END)**

	Audited 2007	% Change	Audited 2008	% Change	Audited 2009	% Change	Audited 2010	% Change	Estimated 2011	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Operating Revenues</b>															
User Fees	602,830	-1%	594,793	1%	598,787	2%	613,285	0%	615,000	678,842	685,630	716,386	723,550	730,786	738,094
Other	16,419	18%	19,401	-127%	(5,195)	-352%	13,074	15%	15,000	15,150	15,302	15,455	15,610	15,766	15,924
<b>Total Revenues</b>	<b>619,249</b>	<b>-1%</b>	<b>614,194</b>	<b>-3%</b>	<b>593,592</b>	<b>6%</b>	<b>626,359</b>	<b>1%</b>	<b>630,000</b>	<b>693,992</b>	<b>700,932</b>	<b>731,841</b>	<b>739,160</b>	<b>746,552</b>	<b>754,018</b>
<b>Operating Expenses</b>															
Operating Expenses	292,173	13%	330,127	-2%	322,987	19%	384,598	1%	390,000	425,600	442,624	470,329	489,142	508,708	529,056
Depreciation	146,955	8%	158,724	1%	159,744	0%	160,154	22%	196,000	196,000	196,000	231,049	231,049	231,049	231,049
Replacement Reserve									750	750	3,650	3,650	3,650	3,650	3,650
<b>Total Expenses</b>	<b>439,128</b>	<b>11%</b>	<b>488,851</b>	<b>-1%</b>	<b>482,731</b>	<b>13%</b>	<b>544,752</b>	<b>8%</b>	<b>586,750</b>	<b>622,350</b>	<b>642,274</b>	<b>705,028</b>	<b>723,841</b>	<b>743,407</b>	<b>763,755</b>
<b>Net Operating Income</b>	<b>180,121</b>	<b>-30%</b>	<b>125,343</b>	<b>-12%</b>	<b>110,861</b>	<b>-26%</b>	<b>81,607</b>	<b>-47%</b>	<b>43,250</b>	<b>71,642</b>	<b>58,658</b>	<b>26,813</b>	<b>15,319</b>	<b>3,145</b>	<b>(9,737)</b>
<b>Non-Operating Income and Expenses</b>															
Interest Income	4,994	-10%	4,492	-45%	2,475	63%	4,037	-50%	2,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>4,994</b>	<b>-10%</b>	<b>4,492</b>	<b>-45%</b>	<b>2,475</b>	<b>63%</b>	<b>4,037</b>	<b>-50%</b>	<b>2,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Add Non-Cash Expenses</b>															
Depreciation	146,955	8%	158,724	1%	159,744	0%	160,154	22%	196,000	196,000	196,000	231,049	231,049	231,049	231,049
<b>Cash Available for Debt Service</b>	<b>332,070</b>	<b>-13%</b>	<b>288,559</b>	<b>-5%</b>	<b>273,080</b>	<b>-10%</b>	<b>245,798</b>	<b>-2%</b>	<b>241,250</b>	<b>268,642</b>	<b>255,658</b>	<b>258,862</b>	<b>247,368</b>	<b>235,194</b>	<b>222,312</b>
<b>Debt Service</b> (enter as positive #'s)															
Existing Principal	56,000		60,000		83,000		64,000		66,648	74,416	78,579	83,748	85,922	91,101	99,285
Existing Interest	66,826		64,907		62,679		59,912		59,475	58,085	54,265	50,208	45,966	42,106	38,522
Proposed KIA Loan											39,994	79,988	79,988	79,988	79,988
<b>Total Debt Service</b>	<b>122,826</b>		<b>124,907</b>		<b>145,679</b>		<b>123,912</b>		<b>126,123</b>	<b>132,501</b>	<b>172,838</b>	<b>213,944</b>	<b>211,876</b>	<b>213,195</b>	<b>217,795</b>
<b>Income After Debt Service</b>	<b>209,244</b>		<b>163,652</b>		<b>127,401</b>		<b>121,886</b>		<b>115,127</b>	<b>136,141</b>	<b>82,820</b>	<b>44,918</b>	<b>35,492</b>	<b>21,999</b>	<b>4,517</b>
<b>Debt Coverage Ratio</b>	<b>2.7</b>		<b>2.3</b>		<b>1.9</b>		<b>2.0</b>		<b>1.9</b>	<b>2.0</b>	<b>1.5</b>	<b>1.2</b>	<b>1.2</b>	<b>1.1</b>	<b>1.0</b>

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**I.B.5.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F12-01) OF \$2,600,000 TO THE CITY OF MOUNT VERNON, ROCKCASTLE 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 Mount Vernon, 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 \$2,600,000 of project expense including capitalized interest for the construction period, to the City of Mount Vernon for the Phase #2 Potable Water Storage Tanks and Lines 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 \$1,690,000 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, \$6,500 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$65,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

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

December 27, 2011

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

Re: DWL12016 Fund F  
Mount Vernon Water Works--3859  
Activity ID: FGL20110003  
Watershed Name: Roundstone Creek  
Watershed Code (HUC11): 05130102060

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the city of Mount Vernon is entitled to receive priority for funding for the Phase 2 Potabe Water Storage Tanks and Lines and is eligible to receive \$2,600,000.00 from the Drinking Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on March 30, 2012.
2. Construction bids are expected to be opened on May 28, 2012.
3. Project specific environmental information is expected to be submitted to DOW on February 15, 2012.

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

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

4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Documents 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 Mike Bryant, Mayor  
Tim Schwendeman, Cumberland Valley ADD  
Eddie W. Brown, P.E., Kenvirons, Inc.

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Kasi White
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	January 5, 2012
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number:	<b>F12-01</b>
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>WX21203523</b>
<b>BORROWER:</b>	<b>CITY OF MOUNT VERNON</b>		
	<b>ROCKCASTLE COUNTY</b>		
<b>BRIEF DESCRIPTION:</b>	<p>This project involves the construction of one 500,000 gallon water storage tank, one 1.5 million gallon tank, one pump station and removal of some of the existing tanks. Additionally, a pump station will be modified, approximately 6,750 feet of sixteen inch and 2,250 feet of twelve inch ductile iron transmission lines will be constructed for interconnection of the tanks and distribution flows. The water storage system is undersized to meet demands and some of the tanks are beyond repair.</p>		
<b>PROJECT FINANCING:</b>		<b>PROJECT BUDGET</b>	
Fund F Loan	\$ 2,600,000	Administrative Expenses	\$ 30,000
		Legal Expenses	8,000
		Land, Easements	10,000
		Engineering Fees	289,200
		Construction	2,062,800
		Contingency	200,000
<b>TOTAL</b>	<b>\$ 2,600,000</b>	<b>TOTAL</b>	<b>\$ 2,600,000</b>
<b>REPAYMENT</b>		Rate	1.0%
		Term	20 years
		Est. Annual Payment	\$ 97,667
		1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	Kenvirons, Inc.	
	Bond Counsel	Peck, Shaffer, & Williams	
<b>PROJECT SCHEDULE</b>		Bid Opening:	May, 2012
		Construction Start:	July, 2012
		Construction Stop:	December, 2012
<b>DEBT PER CUSTOMER</b>	Existing:	\$ 2,380	
	Proposed:	\$ 3,023	
<b>OTHER DEBT</b>	See Attached		
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached		
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>
	Current	2,001	\$ 18.12 (for 4,000 gallons)
	Additional	0	\$ 24.14 (for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.		
<b>CASHFLOW</b>	<b>Cash Available for</b>	<b>Income after Debt</b>	
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service Coverage Ratio</b>
Audited 2008	727,837	557,074	170,763 1.3
Audited 2009	459,551	457,722	1,829 1.0
Audited 2010	381,224	474,317	(93,093) 0.8
Estimated 2011	304,324	335,283	(30,959) 0.9
Projected 2012	323,768	355,552	(31,784) 0.9
Projected 2013	521,669	370,579	151,090 1.4
Projected 2014	534,427	450,395	84,032 1.2
Projected 2015	550,935	453,348	97,587 1.2

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND "F")  
 CITY OF MOUNT VERNON, ROCKCASTLE COUNTY  
 PROJECT REVIEW  
 WX21203523**

**I. PROJECT DESCRIPTION**

The City of Mount Vernon is requesting a \$2,600,000 Fund F loan for the Phase #2 Potable Water Storage Tanks and Lines project. This project involves the construction of one 500,000 gallon water storage tank, one 1.5 million gallon tank, one pump station and removal of some of the existing tanks. Additionally, a pump station will be modified, approximately 6,750 feet of sixteen inch and 2,250 feet of twelve inch ductile iron transmission lines will be constructed for interconnection of the tanks and distribution flows. The water storage system is undersized to meet demands and some of the tanks are beyond repair.

The City sources its water from Lake Linville and provides water to the Western Rockcastle Water Association, Eastern Rockcastle Water Association and the City of Brodhead. Approximately 31% of water revenues are derived from these sales.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 30,000
Legal Expenses	8,000
Land, Easements	10,000
Engineering Fees	289,200
Construction	2,062,800
Contingency	200,000
<b>Total</b>	<b>\$ 2,600,000</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 2,600,000	100%
<b>Total</b>	<b>\$ 2,600,000</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 2,600,000
Less: Principal Forgiveness (35%)	<u>\$ 910,000</u>
Amortized Loan Amount	\$ 1,690,000
Interest Rate	1.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 93,442
Administrative Fee (0.25%)	<u>\$ 4,225</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 97,667</b>

#### V. PROJECT SCHEDULE

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

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

Customers	<u>Current</u>
Residential	1,694
Commercial	294
Industrial	<u>13</u>
Total	2,001

##### B) Rates

	<u>City</u>	<u>Outside City</u>
Date of Last Rate Increase	1/8/2009	1/8/2009
Minimum	\$7.04	\$9.99
First 8,000 Gallons	2.77	3.88
Next 40,000 Gallons	2.74	3.84
Over 48,000 Gallons	<u>2.68</u>	<u>3.75</u>
Cost for 4,000 gallons	\$18.12	\$25.51
Percent Increase (from previous)	3.4%	25.2%
Affordability Index (Rate/MHI)	1.0%	

Rates had not been increased since October 2005.

## **VII. DEMOGRAPHICS**

In 2010, the City had a population of 2,571 with a Median Household Income (MHI) of \$22,028. The median household income for the Commonwealth is \$41,197. Based on median household income falling below 80% of that of the Commonwealth, the project will qualify for a 1% interest rate.

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

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$910,000.

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

Financial information was obtained from audited financial statements for the years ended June 30, 2008 through 2010. Amounts for 2011 are estimated.

### HISTORICAL

Revenues have been virtually flat increasing 1.3% from \$1,864,463 in 2008 to \$1,888,231 in 2011 while expenses increased 35% from \$1,181,231 to \$1,588,907. Significant increases have been in the areas of compensation and benefits (pension) costs, utilities, and repairs and maintenance. Cash available for debt service has decreased by more than half from \$727,837 in 2008 to \$204,324 in 2011. The debt coverage ratio declined from 1.3 in 2008 to an estimated 0.9 in 2011. It was 0.8 for 2010. Negative cash flow after debt service was approximately \$93,000 in 2010 and \$31,000 in 2011.

The balance sheet reflects a current ratio of 3.0 and a debt to equity ratio of 0.7. Unrestricted cash represents approximately seven months of operating expenses. The City maintains various restricted accounts for sinking funds, loan covenant requirements, depreciation, maintenance and replacement reserve accounts.

### PROJECTED

Revenues will be flat for volume

- 1) Expenses will increase 4% per year
- 2) Water rate increases will be required to be increased based on recommendations from a rate review that was conducted for the city. Increased annual revenues of approximately 88,000 will be needed to meet the cashflow needs of the city. These increases are necessary to restore the utility's debt service coverage to above 1.0 and to cover approximately \$104,000 (debt service plus reserve) related to the KIA Fund F loan.
- 3) Debt service on the proposed loan is estimated at \$97,667 per year.
- 4) Debt service coverage is 1.1 in 2014 when principal and interest repayments begin and will remain at that level through the last year projected which is 2015.

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 \$6,500. This amount should be added to the replacement account each December 1 until the balance reaches \$65,000 and maintained for the life of the loan.

## **X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
1999 Revenue Bonds	\$ 1,483,000	2038
2010 Revenue Bonds	2,428,000	2028
KIA (A94-12)	292,825	Jun-18
KIA (B07-01)	873,797	Dec-37
<b>Total</b>	<b>\$ 5,077,622</b>	

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Lake Linville Sewer Extension	HB380	1,100,000	Grant
Sewer Line Extension	HB608	913,700	Grant
Phase I Sewer Line Extension	NOAA	756,549	Grant

## **XII. CONTACTS**

### **Applicant**

Name City of Mount Vernon  
Address P.O. Box 1465  
Mount Vernon, Kentucky 40456  
County Rockcastle  
Contact Mike Bryant  
Phone (606) 256-3437

### **Applicant Contact**

Name Cumberland Valley Area Development District  
Address 342 Old Whitley Road, P.O. Box 1740  
London, KY 40744  
Contact Timothy M. Schwendeman  
Phone (606) 864-7391  
Email timsch@cvadd.org

**Engineer**

Name Eddie W. 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 and the following special conditions.

- 1) No later than January 31, 2012, KIA shall receive a copy of the rate review conducted for the City.
- 2) No later than April 1, 2012 KIA shall receive proof of the passage of a resolution and/or ordinance by the city implementing a rate increase that will generate sufficient revenue to adequately meet all outstanding bond debt service coverage requirements as well as pay the debt service on the KIA Fund F12-01 loan.
- 3) The Division of Water will not give the city authority to advertise for bids until the ordinance affecting the rate increases is received and to KIA's satisfaction.

**CITY OF MOUNT VERNON  
BALANCE SHEETS (JUNE YEAR END)**

ASSETS	Audited <u>2008</u>	Audited <u>2009</u>	Audited <u>2010</u>	Upon Completion <u>2013</u>
<b>Current Assets</b>				
Cash	929,085	1,013,153	923,177	1,126,515
Accounts Receivable	236,479	246,527	235,847	279,800
Grant Receivable	137,000	0	0	0
Inventory	300,000	113,052	104,132	100,000
Prepaid	35,983	9,252	10,658	10,000
<b>Total Current Assets</b>	<b>1,638,547</b>	<b>1,381,984</b>	<b>1,273,814</b>	<b>1,516,315</b>
<b>Restricted Assets</b>				
Bond Interest and Sinking Fund	523,042	453,272	310,614	310,000
Depreciation, Maintenance and Replacement	772,736	636,194	0	0
Construction	8,672	0	0	0
Other Bond Funds	433,577	681,088	977,836	977,836
Loan Covenants	0	0	208,381	240,000
<b>Total Restricted Assets</b>	<b>1,738,027</b>	<b>1,770,554</b>	<b>1,496,831</b>	<b>1,527,836</b>
<b>Utility Plant</b>				
Land, System, Building and Equipment	16,680,338	16,849,660	17,020,957	19,961,376
Less Accumulated Depreciation ( )	(5,874,173)	(6,234,698)	(6,656,251)	(7,983,351)
<b>Net Fixed Assets</b>	<b>10,806,165</b>	<b>10,614,962</b>	<b>10,364,706</b>	<b>11,978,025</b>
<b>Total Assets</b>	<b>14,182,739</b>	<b>13,767,500</b>	<b>13,135,351</b>	<b>15,022,176</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	177,213	60,973	80,339	85,000
Refundable Deposits	63,982	65,208	65,821	67,500
Accrued Expenses	107,994	105,528	56,674	65,000
Compensated Absences	23,317	23,597	25,791	32,500
Bonds, Notes and Loans Payable	232,502	202,715	202,172	206,716
<b>Total Current Liabilities</b>	<b>605,008</b>	<b>458,021</b>	<b>430,797</b>	<b>456,716</b>
<b>Long Term Liabilities</b>				
Bonds, Notes and Loans Payable	5,407,312	5,209,048	4,762,452	4,152,856
Proposed KIA Loan	0	0	0	1,690,000
<b>Total Long Term Liabilities</b>	<b>5,407,312</b>	<b>5,209,048</b>	<b>4,762,452</b>	<b>5,842,856</b>
<b>Total Liabilities</b>	<b>6,012,320</b>	<b>5,667,069</b>	<b>5,193,249</b>	<b>6,299,572</b>
<b>Retained Earnings:</b>				
Invested in Capital Assets Net of Related Debt	5,166,351	5,203,199	5,400,082	5,928,453
Restricted	1,304,450	1,089,466	518,995	550,000
Unrestricted	1,699,618	1,807,766	2,023,025	2,244,151
<b>Total Retained Earnings</b>	<b>8,170,419</b>	<b>8,100,431</b>	<b>7,942,102</b>	<b>8,722,604</b>
<b>Total Liabilities and Equities</b>	<b>14,182,739</b>	<b>13,767,500</b>	<b>13,135,351</b>	<b>15,022,176</b>
<b>Balance Sheet Analysis</b>				
Current Ratio	2.7	3.0	3.0	3.3
Debt to Equity	0.7	0.7	0.7	0.7
Working Capital	1,033,539	923,963	843,017	1,059,599
Percent of Total Assets in Working Capital	7.3%	6.7%	6.4%	7.1%
Days Sales in Accounts Receivable	46.3	47.7	45.6	45.6

<b>EXHIBIT 1</b>											
<b>CITY OF MOUNT VERNON</b>											
<b>CASH FLOW ANALYSIS (JUNE YEAR END)</b>											
	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Audited</b>	<b>%</b>	<b>Estimated</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
	<b>2008</b>	<b>Change</b>	<b>2009</b>	<b>Change</b>	<b>2010</b>	<b>Change</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Operating Revenues</b>											
Water Revenues	1,417,571	1%	1,434,498	1%	1,446,401	0%	1,446,401	1,446,401	1,710,401	1,798,401	1,886,401
Sewer Revenues	446,892	2%	453,602	-3%	441,830	0%	441,830	441,830	441,830	441,830	441,830
Rate Increase								88,000	88,000	88,000	88,000
<b>Total Revenues</b>	<b>1,864,463</b>	<b>1%</b>	<b>1,888,100</b>	<b>0%</b>	<b>1,888,231</b>	<b>0%</b>	<b>1,888,231</b>	<b>1,976,231</b>	<b>2,240,231</b>	<b>2,328,231</b>	<b>2,416,231</b>
<b>Operating Expenses</b>											
Operating Expenses	1,181,167	24%	1,462,561	4%	1,527,795	4%	1,588,907	1,652,463	1,718,562	1,787,304	1,858,796
Depreciation	390,257	6%	414,657	2%	421,552	1%	425,000	430,000	472,100	509,300	509,300
Reserves	10,000		10,000		10,000		10,000	10,000	10,000	16,500	16,500
<b>Total Expenses</b>	<b>1,581,424</b>	<b>19%</b>	<b>1,887,218</b>	<b>4%</b>	<b>1,959,347</b>	<b>3%</b>	<b>2,023,907</b>	<b>2,092,463</b>	<b>2,200,662</b>	<b>2,313,104</b>	<b>2,384,596</b>
<b>Net Operating Income</b>	<b>283,039</b>	<b>-100%</b>	<b>882</b>	<b>-8163%</b>	<b>(71,116)</b>	<b>91%</b>	<b>(135,676)</b>	<b>(116,232)</b>	<b>39,569</b>	<b>15,127</b>	<b>31,635</b>
<b>Non-Operating Income and Expenses</b>											
Interest Income	54,541	-19%	44,012	-30%	30,788	-51%	15,000	10,000	10,000	10,000	10,000
<b>Total Non-Operating Income &amp; Expenses</b>	<b>54,541</b>	<b>-19%</b>	<b>44,012</b>	<b>-30%</b>	<b>30,788</b>	<b>-51%</b>	<b>15,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Add Non-Cash Expenses</b>											
Depreciation	390,257	6%	414,657	2%	421,552	1%	425,000	430,000	472,100	509,300	509,300
<b>Cash Available for Debt Service</b>	<b>727,837</b>	<b>-37%</b>	<b>459,551</b>	<b>-17%</b>	<b>381,224</b>	<b>-20%</b>	<b>304,324</b>	<b>323,768</b>	<b>521,669</b>	<b>534,427</b>	<b>550,935</b>
<b>Debt Service</b> (enter as positive #'s)											
Existing Principal	286,134		228,051		203,313		202,171	200,019	202,861	206,716	214,584
Existing Interest	270,940		229,671		271,004		133,112	155,533	150,818	146,012	141,097
Proposed KIA Loan Before Forgiveness									16,900	97,667	97,667
<b>Total Debt Service</b>	<b>557,074</b>		<b>457,722</b>		<b>474,317</b>		<b>335,283</b>	<b>355,552</b>	<b>370,579</b>	<b>450,395</b>	<b>453,348</b>
<b>Income After Debt Service</b>	<b>170,763</b>		<b>1,829</b>		<b>(93,093)</b>		<b>(30,959)</b>	<b>(31,784)</b>	<b>151,090</b>	<b>84,032</b>	<b>97,587</b>
<b>Debt Coverage Ratio</b>	<b>1.3</b>		<b>1.0</b>		<b>0.8</b>		<b>0.9</b>	<b>0.9</b>	<b>1.4</b>	<b>1.2</b>	<b>1.2</b>

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**I.B.6.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F12-02) OF \$2,000,000 TO THE LYON COUNTY WATER DISTRICT, LYON 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 Lyon 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 \$2,000,000 of project expense including capitalized interest for the construction period, to the Lyon County Water District for the Water Quality & System 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 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$5,000 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$50,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

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



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

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

December 19, 2011

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

Re: DWL12072, Fund F  
Lyon Co Water District--33997  
*HUC-11#05130205230*  
*Eddy Creek Watershed*  
Activity ID: FGL20120001

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Lyon County Water District is entitled to receive priority for funding for the Water Quality and System Improvements and is eligible to receive \$2,000,000.00 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 March 2012.
2. Construction bids are expected to be opened in June 2012.
3. Project specific environmental information is expected to be submitted to DOW by 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 and approve executed contract documents.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must 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 State Environmental Review Process before bidding the project.

The SRF application has been completed 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: Terry McKinney, Chairman, Lyon Co. Water District  
John Herring, Pennyrile ADD  
John S. Tapp, Florence & Hutcheson, Inc.

<b>EXECUTIVE SUMMARY</b>		Reviewer:	Sandy Williams	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	January 5, 2012	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number:	<b>F12-02</b>	
<b>REVOLVING LOAN FUND</b>		WRIS Number	<b>WX21143007</b>	
<b>BORROWER:</b>	<b>LYON COUNTY WATER DISTRICT</b>			
	<b>LYON COUNTY</b>			
<b>BRIEF DESCRIPTION:</b>	<p>This project involves various water system improvements that are scattered throughout the county. Each component will improve water quality and reduce maintenance costs and water loss for the system. The projects include 1) water storage tank rehabilitation, 2) KY 903 Loop, and 3) KY 93 South Loop and are described in detail in the credit analysis. Water loss exceeded 25% for years 2006 through 2010.</p>			
<b>PROJECT FINANCING:</b>	<b>PROJECT BUDGET</b>			
Fund F Loan	\$	2,000,000	Administrative Expenses	\$ 62,500
			Legal Expenses	25,000
			Engineering Fees	280,500
			Construction	1,432,000
			Other	200,000
<b>TOTAL</b>	<b>\$</b>	<b>2,000,000</b>	<b>TOTAL</b>	<b>\$ 2,000,000</b>
<b>REPAYMENT</b>			Est. Annual	
	Rate	2.0%	Payment	\$ 126,822
	Term	20 years	1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	Florence & Hutcheson, Inc.		
	Bond Counsel	Peck, Shaffer, & Williams		
<b>PROJECT SCHEDULE</b>				
	Bid Opening:	June 1, 2012		
	Construction Start:	July 1, 2012		
	Construction Stop:	December 31, 2012		
<b>DEBT PER CUSTOMER</b>	Existing:	\$	693	
	Proposed:	\$	1,483	
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>	
	Current	2,489	\$ 36.06	(for 4,000 gallons)
	Additional	0	\$39.58	(for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	<b>Cash Available for</b>	<b>Income after Debt</b>		
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service</b>	<b>Coverage Ratio</b>
Audited 2006	182,547	168,598	13,949	1.1
Audited 2007	254,529	168,589	85,940	1.5
Audited 2008	182,227	162,770	19,457	1.1
Audited 2009	240,443	155,294	85,149	1.5
Compiled 2010	141,241	153,440	(12,199)	0.9
Estimated 2011	132,601	145,969	(13,368)	0.9
Projected 2012	143,137	137,540	5,597	1.0
Projected 2013	208,822	201,059	7,763	1.0
Projected 2014	254,487	243,843	10,644	1.0
Projected 2015	258,998	223,295	35,703	1.2
Projected 2016	264,131	217,722	46,409	1.2

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER STATE REVOLVING FUND (FUND "F")  
LYON COUNTY WATER DISTRICT, LYON COUNTY  
PROJECT REVIEW  
WX21143007**

**I. PROJECT DESCRIPTION**

The Lyon County Water District ("District") is requesting a \$2,000,000 Fund F loan for the Water Quality and System Improvements project. This project involves various water system improvements that are scattered throughout the county. Each component will improve water quality and reduce maintenance costs and water loss for the system. Water loss exceeded 25% for years 2006 through 2010. The projects include 1) water storage tank rehabilitation, 2) KY 903 Loop, and 3) KY 93 South Loop.

The **water storage tank project** involves maintenance and rehabilitation of existing equipment. The Lamasco glass lined standpipe needs to be coated on the interior to mitigate a rust problem that was observed during the last inspection. The Jack Thompson 100,000 gallon elevated storage tank also requires interior and exterior coating improvements. The **KY 903 loop project** will provide a redundant line under Interstate 24 in the southern part of the District's service area. The project also loops a dead end line. There is only one water line that crosses the interstate to serve the entire area south of the highway. If service were lost in this line a large number of customers would be without water. Additionally, the long travel distance of the water under the current flow scheme provides the opportunity for the dissipation of chlorine and the chance of low chlorine residuals which would be a violation of the Safe Drinking Water Act. The **KY 93 south loop project** is a major loop across the Eddy Creek embayment with the upsizing of water lines that are part of the loop. This project will greatly improve the reliability of service and the protection of health in the area by allowing a redundant pump station to provide backup in the event of an outage at the Lamasco pump station. It will allow an increase in the circulation of water in the area and thereby improve water quality.

The District purchases water from the Princeton Water and Wastewater Commission, Kuttawa Water Department, Crittenden/Livingston Water District, Eddyville Water Department, and the Barkley Lake Water District and is under the jurisdiction of the Kentucky Public Service Commission.

## II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 62,500
Legal Expenses	25,000
Engineering Fees	280,500
Construction	1,432,000
Other	200,000
<b>Total</b>	<b>\$ 2,000,000</b>

## III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 2,000,000	100%
<b>Total</b>	<b>\$ 2,000,000</b>	<b>100%</b>

## IV. KIA DEBT SERVICE

Construction Loan	\$ 2,000,000
Interest Rate	2.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 121,822
Administrative Fee (0.25%)	\$ 5,000
<b>Total Estimated Annual Debt Service</b>	<b>\$ 126,822</b>

## V. PROJECT SCHEDULE

Bid Opening	June 1, 2012
Construction Start	July 1, 2012
Construction Stop	December 31, 2012

## VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

<u>Customers</u>	<u>Current</u>
Residential	2,449
Commercial	40
Industrial	0
<b>Total</b>	<b>2,489</b>

## B) Rates

Date of Last Rate Increase	Prior	Current	Projected			Total Increase
	Nov 2004	8/1/2011	2012	2013	2014	
Minimum (2,000 gallons)	\$19.12	\$19.54	\$19.94	\$20.76	\$21.45	
Next 3,000 Gallons	8.05	8.26	8.43	8.78	9.07	
Next 5,000 Gallons	6.02	6.23	6.36	6.62	6.84	
Next 10,000 Gallons	3.99	4.20	4.29	4.46	4.61	
Next 20,000 Gallons	3.49	3.70	3.78	3.93	4.06	
Cost for 4,000 gallons	\$35.22	\$36.06	\$36.81	\$38.31	\$39.58	
Increase \$		\$0.84	\$0.75	\$1.50	\$1.27	\$ 3.52
Increase %		2.4%	2.1%	4.1%	3.3%	9.5%
Affordability Index (Rate/MHI)		1.1%				

## VII. DEMOGRAPHICS

In 2010, the County had a population of 8,325 with a Median Household Income (MHI) of \$39,934. The median household income for the Commonwealth is \$41,197. Based on median household income the project will qualify for a 2% interest rate.

## VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for \$312,000. The breakdown of the GPR to the respective "green" categories is listed below:
  - a. Green Infrastructure - \$0
  - b. Water Efficiency - \$312,000
  - 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 June 30, 2006 through 2009. A compilation was provided for 2010 and 2011.

### HISTORICAL

Revenues increased 17% from \$796,783 in 2006 to \$930,885 in 2010. All of the increase is the result of customer growth of 20% as rates did not change during the period. Average water usage per customer per month was 3,200 gallons during 2010. Water loss has ranged from a low of 26% in 2006 to a high of almost 38% in 2007.

Purchased water cost has declined 8% since 2006. Operating expenses, however, increased 67% from \$297,056 to \$497,201. In general, the cost increases are associated with higher compensation and benefits costs and system repairs. The debt coverage ratio has declined from a high of 1.8 in 2007 to a low of 0.8 in 2010. Rates were increased \$0.21 per 1,000 gallons in August 2011 to offset an increase in purchased water cost and will generate about \$21,000 per year.

The current ratio exceeded 1.0 from 2006 through 2010 however it declined from 1.6 to 1.1 during the period. The debt to equity ratio was 0.6 at the end of 2010.

### PROJECTIONS

1. Revenues are expected to increase 2% each year beginning in 2013 as a result of customer growth.
2. Purchased water unit costs are assumed to be flat as any increase will be offset by a corresponding revenue increase.
3. The amount of purchased water is assumed to decrease 2.5% each year in 2013 and 2014 as a result of decreases in water loss.
4. Expenses will increase 3% per year.
5. Debt service on the proposed loan is estimated at \$126,822
6. Based on the assumptions, the utility will need to generate approximately \$108,000 in additional revenue from increased rates. The analysis assumes that the rates will be phased in over a three year period based on the following schedule:

Effective Date	04/01/12	01/01/13	01/01/14
% Increase	2.1%	4.1%	3.3%

7. Debt service coverage is 1.0 in 2014 when principal and interest repayments begin and will remain above 1.2 through the last year projected which is 2016.

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 \$5,000. This amount should be added to the replacement account each December 1 until the balance reaches \$50,000 and maintained for the life of the loan.

## **X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
KIA (C89-26)	\$ 360,000	Jun-14
KACO Leasing Trust	46,000	Jan-16
RD Water Revenue Bond Series 1995	839,000	Jan-35
RD Water Revenue Bond Series 2002	556,500	Jan-23
Lyon County Fiscal Court (1993)	24,287	Demand
<b>Total</b>	<b>\$ 1,825,787</b>	

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

<b>Project Title</b>	<b>Funding Source</b>	<b>Amount</b>	<b>Type</b>
Sewer Line Extensions	HB380	125,000	Grant
Sewer Line Extensions	HB380	200,000	Grant
Regional Water Project	HB608	300,000	Grant
Sewer Line Extensions	HB608	400,000	Grant

**XII. CONTACTS**

<b>Applicant</b>	
Name	Lyon County Water District
Address	P.O. Box 489 Kuttawa, KY 42055
County	Lyon
Contact	Terry McKinney
Phone	(270) 388-0271
Email	lyoncountywater24787@bellsouth.net

<b>Applicant Contact</b>	
Name	Pennyrile Area Development District
Address	300 Hammond Drive Hopkinsville, KY 42240
Contact	John Herring
Phone	(270) 886-9484
Email	Johnm.Herring@ky.gov

<b>Engineer</b>	
Name	John S. Tapp
Firm	Florence & Hutcheson, Inc.
Address	P.O. Box 7267 Paducah, KY 42002
Phone	(270) 444-9691
Email	jtapp@flohut.com

**XIII. RECOMMENDATIONS**

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

1. KIA shall receive from the Lyon County Water District by February 28, 2012, proof of the passage of a resolution by the district agreeing to file a rate case with the Public Service Commission (PSC) for a rate increase that will generate sufficient revenue to adequately pay the debt service on the KIA Fund F12-02 loan.
2. The Division of Water will not give the authority to advertise for bids until the PSC has issued the order for the rate increase and the district has enacted the new rates.

LYON COUNTY WATER DISTRICT  
BALANCE SHEETS (DECEMBER YEAR END)

	Audited 2006	Audited 2007	Audited 2008	Audited 2009	Compiled 2010	Estimated 2011	Upon Completion 2012
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash	164,524	74,499	97,822	176,994	134,157	120,789	126,386
Accounts Receivable	58,376	65,249	69,084	64,096	58,829	59,400	61,000
Grant Receivable	0	122,156	0	0	0	0	0
Inventory	21,036	13,046	13,046	10,444	8,052	8,000	8,000
Prepaid	47,816	5,705	5,705	5,705	5,705	5,705	5,705
<b>Total Current Assets</b>	<b>291,752</b>	<b>280,655</b>	<b>185,657</b>	<b>257,239</b>	<b>206,743</b>	<b>193,894</b>	<b>201,091</b>
<b>Restricted Assets</b>							
Cash	204,602	214,621	183,555	193,035	203,455	205,000	210,000
<b>Total Restricted Assets</b>	<b>204,602</b>	<b>214,621</b>	<b>183,555</b>	<b>193,035</b>	<b>203,455</b>	<b>205,000</b>	<b>210,000</b>
<b>Utility Plant</b>							
Land, System, Building and Equipment	6,678,312	7,130,705	7,526,460	7,717,412	7,877,333	7,977,333	9,977,333
<b>Total</b>	<b>6,678,312</b>	<b>7,130,705</b>	<b>7,526,460</b>	<b>7,717,412</b>	<b>7,877,333</b>	<b>7,977,333</b>	<b>9,977,333</b>
<b>Less Accumulated Depreciation ( )</b>	<b>(2,322,241)</b>	<b>(2,497,786)</b>	<b>(2,677,989)</b>	<b>(2,874,964)</b>	<b>(3,079,740)</b>	<b>(3,289,740)</b>	<b>(3,499,740)</b>
<b>Net Fixed Assets</b>	<b>4,356,071</b>	<b>4,632,919</b>	<b>4,848,471</b>	<b>4,842,448</b>	<b>4,797,593</b>	<b>4,687,593</b>	<b>6,477,593</b>
<b>Other Assets</b>							
Deposits	2,746	2,746	2,746	2,090	1,434	1,434	1,434
Prepaid KIA Principal	77,632	107,375	137,455	167,334	154,450	138,852	162,935
Unamortized Debt Expense	28,819	27,730	26,641	25,552	24,463	23,374	22,285
<b>Total Other Assets</b>	<b>109,197</b>	<b>137,851</b>	<b>166,842</b>	<b>194,976</b>	<b>180,347</b>	<b>163,660</b>	<b>186,654</b>
<b>Total Assets</b>	<b>4,961,622</b>	<b>5,266,046</b>	<b>5,384,525</b>	<b>5,487,698</b>	<b>5,388,138</b>	<b>5,250,147</b>	<b>7,075,338</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Current Portion Long Term Debt	43,209	36,551	33,500	77,500	76,500	33,000	192,500
Note Payable (Lyon County FC 1993)	24,287	24,287	27,287	24,287	24,287	24,287	24,287
Accounts Payable	56,167	22,133	25,796	26,400	29,215	30,000	30,000
Construction	0	122,156	0	0	0	0	0
Withholdings	590	5,994	7,922	5,066	4,887	5,000	5,000
Accrued Taxes	1,951	2,024	2,150	2,071	2,276	2,500	2,500
Interest	57,297	56,475	55,643	54,712	53,770	55,000	55,000
<b>Total Current Liabilities</b>	<b>183,501</b>	<b>269,620</b>	<b>152,298</b>	<b>190,036</b>	<b>190,935</b>	<b>149,787</b>	<b>309,287</b>
<b>Long Term Liabilities</b>							
Long Term Debt	1,948,618	1,912,500	1,879,000	1,801,500	1,725,000	1,692,000	1,499,500
Proposed KIA Loan	0	0	0	0	0	0	2,000,000
<b>Total Long Term Liabilities</b>	<b>1,948,618</b>	<b>1,912,500</b>	<b>1,879,000</b>	<b>1,801,500</b>	<b>1,725,000</b>	<b>1,692,000</b>	<b>3,499,500</b>
<b>Total Liabilities</b>	<b>2,132,119</b>	<b>2,182,120</b>	<b>2,031,298</b>	<b>1,991,536</b>	<b>1,915,935</b>	<b>1,841,787</b>	<b>3,808,787</b>
<b>Retained Earnings:</b>							
Invested in Capital Assets Net of Related Debt	2,364,245	2,683,867	2,935,971	2,963,448	2,996,093	2,962,593	2,785,593
Restricted	204,602	214,621	183,555	193,035	203,455	205,000	210,000
Unrestricted	260,656	185,438	233,701	339,679	272,655	240,767	270,958
<b>Total Retained Earnings</b>	<b>2,829,503</b>	<b>3,083,926</b>	<b>3,353,227</b>	<b>3,496,162</b>	<b>3,472,203</b>	<b>3,408,360</b>	<b>3,266,551</b>
<b>Total Liabilities and Equities</b>	<b>4,961,622</b>	<b>5,266,046</b>	<b>5,384,525</b>	<b>5,487,698</b>	<b>5,388,138</b>	<b>5,250,147</b>	<b>7,075,338</b>
<b>Balance Sheet Analysis</b>							
Current Ratio	1.6	1.0	1.2	1.4	1.1	1.3	0.7
Debt to Equity	0.8	0.7	0.6	0.6	0.6	0.5	1.2
Working Capital	108,251	11,035	33,359	67,203	15,808	44,107	(108,196)
Percent of Total Assets in Working Capital	2.2%	0.2%	0.6%	1.2%	0.3%	0.8%	-1.5%
Daily Sales in Accounts Receivable	26.7	27.7	30.2	26.3	23.1	23.1	23.0

**EXHIBIT 1  
LYON COUNTY WATER DISTRICT  
CASH FLOW ANALYSIS (DECEMBER YEAR END)**

	Audited 2006	% Change	Audited 2007	% Change	Audited 2008	% Change	Audited 2009	% Change	Compiled 2010	% Change	Estimated 2011	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016
<b>Operating Revenues</b>																
Water Revenues	796,783	8%	859,423	-3%	833,914	6%	881,448	4%	921,080	1%	930,280	943,180	975,044	1,054,545	1,110,636	1,132,849
Sewer Revenues	0		0		0		6,739		9,805		10,000	10,000	10,200	10,404	10,612	10,824
Rate Adjustment												13,000	60,000	35,000	0	0
<b>Total Revenues</b>	796,783	8%	859,423	-3%	833,914	7%	888,187	5%	930,885	1%	940,280	966,180	1,045,244	1,099,949	1,121,248	1,143,673
<b>Operating Expenses</b>																
Purchased Water	325,436	-5%	308,656	-8%	283,668	-1%	279,601	7%	297,812	0%	297,812	297,812	290,367	283,108	283,108	283,108
Operating Expenses	297,056	3%	304,784	21%	368,483	3%	380,513	31%	497,201	3%	512,117	527,481	543,305	559,604	576,392	593,684
Depreciation	180,797	-1%	178,821	1%	181,292	10%	199,320	4%	206,520	2%	210,000	210,000	260,000	260,000	260,000	260,000
Replacement Reserve													5,000	5,000	5,000	5,000
<b>Total Expenses</b>	803,289	-1%	792,261	5%	833,443	3%	859,434	17%	1,001,533	2%	1,019,929	1,035,293	1,098,672	1,107,712	1,124,500	1,141,792
<b>Net Operating Income</b>	(6,506)		67,162		471		28,753		(70,648)		(79,649)	(69,113)	(53,428)	(7,763)	(3,252)	1,881
<b>Non-Operating Income and Expenses</b>																
Interest Income	5,163		6,840		164		277		346		250	250	250	250	250	250
Other	3,093		1,706		300		12,093		5,023		2,000	2,000	2,000	2,000	2,000	2,000
<b>Total Non-Operating Income &amp; Expenses</b>	8,256	4%	8,546	-95%	464	2566%	12,370	-57%	5,369	-58%	2,250	2,250	2,250	2,250	2,250	2,250
<b>Add Non-Cash Expenses</b>																
Depreciation	180,797	-1%	178,821	1%	181,292	10%	199,320	4%	206,520	2%	210,000	210,000	260,000	260,000	260,000	260,000
<b>Cash Available for Debt Service</b>	<b>182,547</b>	<b>39%</b>	<b>254,529</b>	<b>-28%</b>	<b>182,227</b>	<b>32%</b>	<b>240,443</b>	<b>-41%</b>	<b>141,241</b>	<b>-6%</b>	<b>132,601</b>	<b>143,137</b>	<b>208,822</b>	<b>254,487</b>	<b>258,998</b>	<b>264,131</b>
<b>Debt Service</b> (enter as positive #s)																
Existing Principal	38,438		42,776		36,551		33,500		76,500		76,500	33,000	192,500	194,000	38,000	40,000
Existing Interest	98,199		96,070		95,419		91,915		89,824		85,067	80,537	78,958	68,750	58,473	50,900
Adjust KIA C89-26 (refinancing adjustment)	31,961		29,743		30,800		29,879		(12,884)		(15,598)	24,003	(133,810)	(145,729)	0	0
Proposed KIA Loan													63,411	126,822	126,822	126,822
<b>Total Debt Service</b>	168,598		168,589		162,770		155,294		153,440		145,969	137,540	201,059	243,843	223,295	217,722
<b>Income After Debt Service</b>	13,949		85,940		19,457		85,149		(12,199)		(13,368)	5,597	7,763	10,644	35,703	46,409
<b>Debt Coverage Ratio</b>	1.1		1.5		1.1		1.5		0.9		0.9	1.0	1.0	1.0	1.2	1.2

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**I.B.7.**



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

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

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

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

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

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

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

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

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

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

Passed and adopted this 5th of January, 2012.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

**EXHIBIT A**

<b><u>APPLICANT</u></b>	<b><u>FUND</u></b>	<b><u>AMOUNT</u></b>
Oldham County Environmental Authority	A	\$ 2,123,000
Grant County Sanitary Sewer District	A	\$ 1,161,700
City of Mount Vernon	F	\$ 2,600,000
Lyon County Water District	F	\$ 2,000,000



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



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

**AVAILABLE FUNDS FFY 1989:**

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

**AVAILABLE FUNDS FFY 1990:**

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

**AVAILABLE FUNDS FFY 1991:**

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

**AVAILABLE FUNDS FFY 1992:**

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

**AVAILABLE FUNDS FFY 1993:**

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

**AVAILABLE FUNDS FFY 1994:**

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

**AVAILABLE FUNDS FFY 1995:**

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

**AVAILABLE FUNDS FFY 1996:**

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

**ADDITIONAL FUNDS FFY 1997:**

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

**AVAILABLE FUNDS FFY 1998:**

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

**AVAILABLE FUNDS FFY 1999:**

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

**AVAILABLE FUNDS FFY 2000:**

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

**AVAILABLE FUNDS FFY 2001:**

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

**AVAILABLE FUNDS FFY 2002:**

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

**AVAILABLE FUNDS FFY2003:**

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

**AVAILABLE FUNDS FFY2004:**

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

**AVAILABLE FUNDS FFY2005:**

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

**AVAILABLE FUNDS FFY2006:**

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

**AVAILABLE FUNDS FFY2007:**

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

**AVAILABLE FUNDS FFY2008:**

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

**AVAILABLE FUNDS FFY2009:**

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

**AVAILABLE FUNDS FFY2010:**

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

**AVAILABLE FUNDS FFY2011:**

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

**NET FY 1989-2011 SRF FUNDS**

**\$489,508,248**

**CURRENT REVOLVING/SURPLUS FUND BALANCE**

**\$272,186,864**

**2010 A - Leverage - Balance**

**\$0**

**Balance Available for Loan**

**\$26,323,935**

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

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

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

**PROJECTS APPROVED IN SFY 1996:**

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

**PROJECTS APPROVED IN SFY 1997:**

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

**PROJECTS APPROVED IN SFY 1998:**

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

**PROJECTS APPROVED IN SFY 1999:**

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

**PROJECTS APPROVED IN SFY 2000:**

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

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

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

**PROJECTS APPROVED IN SFY2002:**

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

**PROJECTS APPROVED IN SFY 2003**

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

**PROJECTS APPROVED IN SFY 2004**

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

**PROJECTS APPROVED IN SFY 2005**

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

**PROJECTS APPROVED IN SFY 2006**

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

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

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

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

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

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

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

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

183 Kentucky Horse Park	\$1,950,000	\$1,000,000	8/6/09
184 Maysville, City of	\$11,000,000	\$11,000,000	9/3/09
185 Prestonsburg, City of	\$272,000	\$272,000	10/1/09; 2/4/10
186 Prestonsburg, City of	\$786,000	\$786,000	10/1/09; 2/4/10
187 Louisville & Jefferson Co. Metro. Sewer Dist.	\$4,847,095	\$0	10/1/09 withdrawn 10/12/10
188 Hopkinsville, City of	\$7,500,000	\$7,500,000	11/12/09
189 Hardinsburg, City of	\$550,000	\$550,000	11/12/09
190 Princeton, City of	\$2,475,000	\$1,149,256	12/3/09; 2/4/10
191 Ashland, City of	\$7,720,231	\$7,709,331	1/7/10; 2/3/11
192 Winchester, City of	\$37,000,000	\$36,600,000	2/4/10
193 Prestonsburg, City of	\$4,530,405	\$1,860,405	2/4/10
194 Oldham Co Env Auth - SX21185017	\$2,400,000	\$2,400,000	5/6/10; 7/7/11
<b>195 Oldham Co Env Auth - SX21185029</b>	<b>\$1,477,000</b>	<b>\$1,000,000</b>	<b>5/6/10; 1/5/12</b>
<b>196 Oldham Co Env Auth - SX21185024</b>	<b>\$2,123,000</b>	<b>\$2,123,000</b>	<b>5/6/10; 1/5/12</b>
197 Lexington Fayette Urban County Government	\$10,500,000	\$10,500,000	6/3/10; 10/14/10
198 Lexington Fayette Urban County Government	\$7,028,375	\$3,928,375	6/3/10; 10/14/10

<b>Total</b>	<b>\$102,159,106</b>	<b>\$88,378,367</b>	
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TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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**PROJECTS APPROVED IN SFY 2011**

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

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

223	Oldham Co Env Authority	\$400,000	\$400,000	7/7/11
224	Southern Water & Sewer	\$2,505,944	\$850,000	8/4/11
225	Hodgenville, City of	\$1,635,000	\$1,635,000	11/10/11
226	Burkesville, City of	\$1,000,000	\$1,000,000	11/10/11
227	Bloomfield, City of	\$4,370,635	\$2,195,635	11/10/11
228	Harrodsburg, City of	\$418,500	\$418,500	12/8/11
<b>229</b>	<b>Grant Co Sanitary SD</b>	<b>\$872,100</b>	<b>\$822,100</b>	<b>1/5/12</b>

<b>Total</b>	<b>\$11,202,179</b>	<b>\$7,321,235</b>
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<b>GRAND TOTALS - COMMITMENTS</b>	<b>\$1,323,126,377</b>	<b>\$1,041,039,869</b>
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*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(A1) - Planning and Design Loan

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

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

**AVAILABLE FUNDS FFY 2009:**

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

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

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

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

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

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

**Revolving Available to Loan/Grant Before  
Current Meeting \$3,263,072**

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**PROJECTS APPROVED IN FY2008:**

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

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

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

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

(s) - Amount represented in the assistance agreement

(c) - Grant has been closed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\* Bonds have not been sold for these projects.

\*\* Withdrew from bond sale.

(s) - Amount represented in the assistance agreement.

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

(n) - Participating in BAN's

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

**AVAILABLE FUNDS FY 1997:**

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

**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	<u>\$11,502,696</u>

**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	<u>\$12,742,425</u>

**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	<u>\$12,415,578</u>

**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	<u>\$12,106,686</u>

**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	<u>\$10,001,202</u>

**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	<u>\$9,921,632</u>

**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	<u>\$10,059,649</u>

**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	<u>\$9,987,912</u>

**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	<u>\$8,155,633</u>

**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	<u>\$8,414,250</u>

**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	<u>\$8,073,135</u>

**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	<u>\$8,736,100</u>

**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	<u>\$18,161,784</u>

**AVAILABLE FUNDS FY 2011:**

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

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

CURRENT REVOLVING/SURPLUS FUND BALANCE \$ 37,484,880

2010A - Leverage \$0

**BALANCE AVAILABLE FOR LOAN \$ 6,139,201**

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
<b><u>PROJECTS APPROVED IN FY 2007</u></b>				
45	NORTHERN KY WATER DISTRICT	\$6,865,000	\$4,000,000	10/5/06
46	ADAIR CO WATER DISTRICT	\$3,302,000	\$1,000,000	6/21/07
47	JESSAMINE SOUTH ELKHORN WD	\$1,750,000	\$1,750,000	6/21/07
<b>TOTALS</b>		<b>\$11,917,000</b>	<b>\$6,750,000</b>	
<b><u>PROJECTS APPROVED FY 2008</u></b>				
48	LETCHER CO WAT & SEW DISTRICT	\$1,193,000	\$781,000 (c)	10/4/07
49	RICHMOND, CITY OF	\$7,108,951	\$4,000,000	10/4/07
50	MADISON CO UTILITY DIST	\$1,284,510	\$1,105,016	11/1/07; 10/9/08
52	NICHOLASVILLE, CITY OF	\$13,090,400	\$8,800,000 (c)	11/1/07; 4/1/09
53	BULLOCK PEN WATER DISTRICT	\$2,320,700	\$2,192,700 (c)	12/6/07
54	HARDINBURG, CITY OF	\$4,165,000	\$1,999,250 (c)	12/6/07
55	BEREA, CITY OF	\$9,739,630	\$5,000,000 (c)	2/7/08; inc 11/6/08
56	FRANKFORT, CITY OF	\$6,841,000	\$6,841,000	2/7/08
57	MANCHESTER, CITY OF	\$7,849,078	\$1,989,578	2/7/08; 2/5/09
58	MEADE CO WATER DISTRICT	\$2,480,949	\$753,447 (c)	2/7/08
59	WESTERN FLEMING WATER DISTRICT	\$2,568,000	\$2,518,000	2/7/08
60	HOPKINSVILLE, CITY OF	\$14,000,000	\$8,800,000	3/6/08; 5/7/09; 12/1/11
61	NORTHERN KY WATER DISTRICT	\$6,565,000	\$4,000,000	3/6/08
62	OHIO CO WATER DISTRICT	\$19,698,500	\$5,000,000	3/6/08; 6/4/09
63	CENTERTOWN, CITY OF	\$2,866,652	\$1,097,430	3/6/08; 6/25/09
<b>TOTALS</b>		<b>\$101,771,370</b>	<b>\$54,877,421</b>	
<b><u>PROJECTS APPROVED FY2009</u></b>				
64	PAINTSVILLE, CITY OF	\$29,135,364	\$6,519,566	12/4/08
<b>TOTALS</b>		<b>\$29,135,364</b>	<b>\$6,519,566</b>	
<b><u>PROJECTS APPROVED FY2010</u></b>				
65	PADUCAH, CITY OF	\$7,510,000	\$7,500,000	9/3/09
66	HARDINBURG, CITY OF	\$4,700,500	\$3,251,590	11/12/09
67	NORTHERN KY WATER DISTRICT	\$45,300,000	\$24,000,000	12/3/09; 12/9/10; 10/6/11
68	Columbia Adair Water Commission	\$1,694,000	\$1,694,000	6/3/10
<b>TOTALS</b>		<b>\$59,204,500</b>	<b>\$36,445,590</b>	
<b><u>PROJECTS APPROVED FY2011</u></b>				
69	Adair Co Water District	\$4,133,000	\$4,000,000	7/1/10
70	Louisa, City of	\$1,700,000	\$1,700,000	7/1/10
71	Madison County Utilities District	\$940,225	\$940,225	12/9/10
72	Hardinsburg, City of	\$4,198,000	\$4,000,000	2/3/11
73	Williamstown, City of	\$2,250,000	\$2,250,000	3/3/11
74	Bullock Pen Water District	\$1,633,000	\$1,633,000	4/7/11
75	Brandenburg, City of	\$3,080,000	\$2,080,000	4/7/11
76	Barbourville, City of	\$6,000,000	\$4,000,000	5/5/11
77	Barlow, City of	\$230,000	\$230,000	5/5/11
78	West Liberty, City of	\$3,050,300	\$3,050,300	5/5/11
<b>TOTALS</b>		<b>\$27,214,525</b>	<b>\$23,883,525</b>	
<b><u>PROJECTS APPROVED FY2012</u></b>				
79	Breathitt Co Water District	\$2,500,000	\$2,500,000	7/7/11
80	Adair Co WD dba Columbia Adair Utilities	\$3,439,000	\$1,500,000	8/4/11
81	Jessamine South Elkhorn WD	\$3,025,300	\$3,025,300	11/10/11
82	Hodgenville, City of	\$774,183	\$774,183	11/10/11
83	East Casey County WD	\$1,545,000	\$1,545,000	11/10/11
84	Nicholasville, City of	\$4,154,018	\$4,154,018	11/10/11
85	Harrodsburg, City of	\$438,000	\$438,000	12/8/11
86	Bowling Green Municipal Utilities	\$1,316,378	\$1,316,378	12/8/11
87	Carrollton, City of	\$1,850,270	\$1,850,270	12/8/11

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 2012 (Continued)</b>				
<b>88</b> <i>Mount Vernon, City of</i>	<b>\$2,600,000</b>	<b>\$2,600,000</b>	<b>1/5/12</b>	
<b>89</b> <i>Lyon Co WD</i>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>1/5/12</b>	
<b>TOTALS</b>	<b>\$23,642,149</b>	<b>\$21,703,149</b>		
<b>GRAND TOTALS - COMMITMENTS</b>	<b>\$469,726,583</b>	<b>\$241,444,546</b>		

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(F1) - Planning and Design Loan

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

**AVAILABLE FUNDS FFY 2009:**

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

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

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement