



Board Meeting Booklet
for
August 2, 2012

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



AGENDA

KENTUCKY INFRASTRUCTURE AUTHORITY
FULL BOARD MEETING
1024 CAPITAL CENTER DRIVE, SUITE 340
August 2, 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

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| 1. Consideration of Approval of the Minutes of the Kentucky Infrastructure Authority Regular Board Meeting of June 7, 2012 <i>(Attachment I.A.1.)</i> | Chair Tony Wilder | 9 |
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B. Presentation on Special Districts

Mr. Nathan Cryder
Chief Policy Advisor
Auditor of Public Accounts

C. New Projects/Action Items

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| 1. Resolution and Order of the Board of Directors Honoring Thomas P. Calkins in Recognition of Dedicated Service <i>(Attachment I.C.1.)</i> | Mr. John Covington, KIA | 35 |
| 2. Resolution and Order of the Board of Directors of the Kentucky Infrastructure Authority Establishing Fund A Interest Rates for the Period July 1, 2012 through June 30, 2013 <i>(Attachment I.C.2.)</i> | Ms. Sandy Williams, KIA | 39 |
| 3. Resolution and Order of the Board of Directors of the Kentucky Infrastructure Authority Establishing Fund F Interest Rates for the Period July 1, 2012 through June 30, 2013 <i>(Attachment I.C.3.)</i> | Ms. Sandy Williams, KIA | 43 |
| 4. Resolution and Order of the Board of Directors Establishing Fund B Interest Rates for the Period July 1, 2012 through June 30, 2013 <i>(Attachment I.C.4.)</i> | Ms. Sandy Williams, KIA | 47 |
| 5. Resolution and Order of the Board of Directors for Approval of a Fund A loan (A12-30) in the amount of \$500,000 to the City of Jenkins, Letcher County, Kentucky (SX21179008) <i>(Attachment I.C.5.)</i> | Mr. Shafiq Amawi, DOW Ms. Sandy Williams, KIA | 51 |

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| 6. | Resolution and Order of the Board of Directors for Approval of a Fund B loan (B12-05) in the amount of \$160,000 to the East Pendleton Water District, Pendleton County, Kentucky (WX21191002) <i>(Attachment I.C.6.)</i> | Ms. Sandy Williams, KIA | 65 |
| 7. | Resolution and Order of the Board of Directors for Approval of a Fund B loan (B12-06) in the amount of \$548,180 to the Marion County Water District, Marion County, Kentucky (WX21155031) <i>(Attachment I.C.7.)</i> | Ms. Sandy Williams, KIA | 77 |
| 8. | Resolution and Order of the Board of Directors for Approval of a Fund B loan (B12-07) in the amount of \$300,000 to the Symsonia Water District, Graves County, Kentucky (WX21083055) <i>(Attachment I.C.8.)</i> | Ms. Sandy Williams, KIA | 89 |
| 9. | Resolution and Order of the Board of Directors for Approval of a Fund B loan (B12-08) in the amount of \$358,000 to the City of Scottsville, Allen County, Kentucky (SX21003032) <i>(Attachment I.C.9.)</i> | Ms. Sandy Williams, KIA | 101 |
| 10. | Resolution and Order of the Board of Directors for Approval of a Fund B loan (B12-09) in the amount of \$1,600,000 to the City of South Shore, Greenup County, Kentucky <i>(Attachment I.C.10.)</i> | Ms. Sandy Williams, KIA | 113 |
| 11. | 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 <i>(Attachment I.C.11.)</i> | Ms. Sandy Williams, KIA | 125 |

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 129

IV. ANNOUNCEMENTS/NOTIFICATIONS

Mr. John Covington, KIA

*Next KIA Board Meeting:
Tentatively set for **Thursday, September 6, 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: **June 7, 2012 – 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. Jamie Link, Finance and Administration Cabinet
 (permanent proxy for Secretary Lori H. Flanery, FAC)
Mr. George Burgess, 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

Members absent:

Ms. Lona Brewer, Energy and Environment Cabinet
 (permanent proxy for Secretary Leonard K. Peters, EEC)
Mr. Jody Jenkins, Union County Judge/Executive, representing the Kentucky
 Association of Counties

Guests:

Mr. Shafiq Amawi, Division of Water
Mr. Wade Skinner, City of Earlington
Mr. Jerry Hicks, City of Earlington
Mr. J. E. Ellis, Nebo Water District
Mr. David Bowles, Monarch Engineering
Ms. Cheryl Sullivan, Campbellsville Water and Sewer
Mayor Tony Young, City of Campbellsville
Mr. Jim Hilborn, GRW Engineers
Mr. Steven Jones, Water Management Services
Mr. Bryan Kirby, CEDA
Ms. Jennifer Kantner, Office of Financial Management
Mr. Frank Williams, Ronald Johnson & Associates
Mr. Horace Harrod, Oldham County Environmental Authority
Ms. Holly Nicholas, Kentucky Engineering Group
Mr. Ed Basquill, Oldham County Environmental Authority
Ms. Kristi Culpepper, Legislative Research Commission
Mr. George Binder, ACEC-Ky/KSPE
Ms. Laura Gilkerson, GRW Engineers

Mr. Jim Hagerty, Gresham Smith & Partners
Mr. Pete Conrad, Green River Area Development District
Mr. Brad Sullivan, The Corradino Group
Ms. Sandy Dunahoo, Nesbitt Engineering
Mr. Bob Amato, EEC, DEDI

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 May 3, 2012

Mr. Damon Talley moved to approve the minutes of the May 3, 2012 regular board meeting. Ms. Linda Bridwell seconded, and the motion carried unanimously.

B. NEW PROJECTS/ACTION ITEMS

1. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A 2020 WATER SERVICE ACCOUNT GRANT OF \$69,262 TO THE CITY OF SEBREE, WEBSTER COUNTY, KENTUCKY

Ms. Debby Milton, KIA, presented the 2020 Water Service Account project to the Board. The Perry County Fiscal Court requested the approval of a \$69,262 KIA 2020 Grant for the scattered waterlines rehabilitation project. The 2020 grant will fund the initial planning and preliminary engineering design fees associated with the replacement of various water lines throughout the City of Sebree. Sebree is experiencing scattered waterline breaks throughout its system. The City's cast iron lines were primarily built in the 1930's and they are continuing to decay and break leaving the City's population with an unreliable water source. The current water system consists of approximately 33,628 LF of waterlines. The planning and design funds will assist the City in determining the best use of construction dollars. The \$1.7m estimated construction project is expected to begin in mid 2013 and will replace approximately 31,000 linear feet (LF) of 6" and 1,700 of 4" cast iron pipe with PVC at various locations. Funding for the construction phase is expected to come from HB265 Coal Severance Funds, an anticipated CDBG grant and/or an anticipated RD loan/grant and/or an anticipated SRF loan. Replacement will improve the reliability of a clean water supply and reduce water

losses in the system. KIA staff recommended approval of this grant with the standard grant assistance agreement conditions.

Ms. Linda Bridwell moved to approve the 2020 Water Service Account grant resolution presented to the board with the standard conditions. Mr. Tom Calkins 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 (A12-24) IN THE AMOUNT OF \$825,000 TO THE CITY OF EARLINGTON, HOPKINS COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The City Earlington requested a \$825,000 Fund A loan for the Earlington Sewer System Improvements project. This project involves making improvements to the existing collection system by finding, repairing and/or replacing damaged sewer mains and manholes. The project will reduce I&I thus reducing the treatment volume by the Madisonville WWTP. The project will concentrate on clay pipe that is known to be located on the north side of town. Approximately 19,000 linear feet will be replaced. The City's wastewater is treated by the City of Madisonville. The amounts treated during the past three years ranged from a low of 61 million gallons in 2011 to a high of 74 million in 2009. The City purchases about 48 million gallons of water per year from the South Hopkins Water District and has sold about 26 million gallons each of the past three years. The project will not be reported for Green Project Reserve funding. The project qualified for additional subsidization in the amount of \$82,500. The unforgiven balance of the loan is \$742,500 to be repaid in 20 years with an interest rate of 1% and an estimated annual debt service payment of \$42,539. Both DOW and KIA staff recommended approval of the loan with the standard conditions.

Mr. Damon Talley moved to approve the Fund A (A12-24) resolution with the standard conditions. Ms. Linda Bridwell seconded, and the motion carried unanimously.

3. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A12-26) IN THE AMOUNT OF \$2,000,000 TO THE CITY OF LAWRENCEBURG, ANDERSON COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The City of Lawrenceburg requested a \$2,000,000 Fund A loan for the Collection System Inflow and Infiltration Mitigation project. This project is for a sanitary sewer evaluation survey of the waste water collection system to include smoke testing, manhole inspection, flow monitoring and video inspection. Recommendations from the SSES will result in construction of line and manhole replacement or repair, cured in place pipe lining and a possible wet weather flow storage structure. Wet weather induced flows, which can be significant, will be

reduced thus reducing the I&I that is being transported and treated. The funds requested may not resolve all issues and additional funding may be required in the future. The project will not be reported for Green Project Reserve funding and it did not qualify for additional subsidization. The term of the loan is 20 years with a 3% interest rate and an estimated annual debt service payment of \$137,708. Both DOW and KIA staff recommended approval of the loan with the standard conditions.

Ms. Linda Bridwell moved to approve the Fund A (A12-26) resolution with the standard conditions. Mr. Ron Lovan seconded, and the motion carried unanimously.

4. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A12-28) IN THE AMOUNT OF \$875,000 TO THE SANITATION DISTRICT NO. 1 OF PERRY COUNTY, PERRY COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The Sanitation District No. 1 of Perry County requested a \$875,000 Fund A loan for the construction of the Chavies Wastewater Treatment Plant project. The District proposes to construct a 112,000 gallon per day (GPD) wastewater treatment plant, approximately 59,500 linear feet of collection lines and 160 grinder pumps near Chavies, KY which is approximately twelve miles north of Hazard. The plant will initially serve 160 customers and will eliminate failing septic systems, straight pipes and three package treatment plants (Chavies Elementary School, Ron's Mobile Home Park and the Chavies Center) that have a combined flow of approximately 12,000 GPD. Existing users rely on individual wastewater disposal systems which are expensive and subject to high rates of failure. The project will not be reported for Green Project Reserve funding. The project qualified for additional subsidization in the amount of \$87,500. The unforgiven balance of the loan is \$787,500 to be repaid in 20 years with an interest rate of 1% and an estimated annual debt service payment of \$45,117. Both DOW and KIA staff recommended approval of the loan with the standard conditions and the following special condition: The sanitation district shall enact a 20% rate increase to be effective no later than October 1, 2012.

Ms. Linda Bridwell moved to approve the Fund A (A12-28) resolution with the standard conditions and the special condition indicated in the staff recommendations. Mr. Damon Talley seconded, and the motion carried unanimously.

5. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND A LOAN (A10-04) INCREASING THE AMOUNT TO \$2,846,174 TO THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The Oldham County Environmental Authority requested a revision to the scope and a \$446,174 increase to the previously approved \$2,400,000 Fund A base loan for a revised total loan amount of \$2,846,174 for the Buckner Interceptor Sewer & Mockingbird Valley WWTP Elimination projects. The increase will fund a design change to the expanded headworks at the Kentucky State Reformatory WWTP. The headworks will be elevated six feet to permit the proposed future system to be entirely gravity fed. This will require the installation of a new lift station for the prison influent stream along with other modifications to allow a grit chamber to be inserted during a future expansion phase. The new design will eliminate the need for a combined lift station which would be needed to lift the entire influent flow within the WWTP to drive the system. If the design change is not implemented, portions if not all of the proposed headworks will have to be removed later to accommodate the system using the combined lift station. The project will not be reported for Green Project Reserve funding and it did not qualify for additional subsidization. The term of the loan remains the same at 20 years with a 2% interest rate and the estimated annual debt service payment is increased to \$179,056. Both DOW and KIA staff recommended approval of the loan increase with the standard conditions.

Chair Wilder noted that Agenda Item I.B.8 regarding the Oldham County Environmental Authority was stricken from the agenda for today. Ms. Williams informed the Board that the debt service that is included in the credit analyses for this loan increase and the next two Oldham County Environmental Authority proposed loan increases also includes debt service for the project that was removed from the agenda regarding a proposed \$6,500,000 regional wastewater treatment plant. Oldham County Environmental Authority will be doing the project in the future; therefore, leaving the debt service in the analyses enabled KIA staff to give a more complete and conservative analysis to the three proposed projects presented to the Board.

Ms. Linda Bridwell moved to approve the Fund A (A10-04 Increase) resolution with the standard conditions. Mr. Tom Calkins seconded, and the motion carried unanimously.

6. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND A LOAN (A10-07) INCREASING THE AMOUNT TO \$2,601,420 TO THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The Oldham County Environmental Authority requested a revision to the scope and a \$478,420 increase to the previously approved \$2,123,000 Fund A base loan for a revised total loan amount of \$2,601,420 for the Orchard Grass and Willow Creek WWTP project. This increase will facilitate inclusion of I&I reduction efforts in the Ash Avenue collection area and will allow the improvements to proceed concurrently with existing collection system rehabilitation work in the Orchard Grass and Willow Creek areas. 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. The project will not be reported for Green Project Reserve funding and it did not qualify for additional subsidization. The term of the loan remains the same at 20 years with a 2% interest rate and the estimated annual debt service payment is increased to \$163,658. Both DOW and KIA staff recommended approval of the loan increase with the standard conditions.

Mr. Damon Talley moved to approve the Fund A (A10-07 Increase) resolution with the standard conditions. Mr. Ron Lovan seconded, and the motion carried unanimously.

7. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND A LOAN (A11-15) INCREASING THE AMOUNT TO \$670,588 TO THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY, OLDHAM COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The Oldham County Environmental Authority requested a \$270,588 increase to the previously approved \$400,000 Fund A base loan for a revised total loan amount of \$670,588 for the Covered Bridge WWTP Decommissioning project. The original request was for a pump station and approximately 2,200 linear feet of force main be constructed to convey waste from the Covered Bridge subdivision to the Ohio River WWTP. Additionally, the Albrecht pump station would be upgraded to handle the increased flow that would result from this project. During the project design, the engineers determined that the existing gravity line between the Albrecht Drive lift station and the Cross Hill Court lift station was not at a grade sufficient to handle the flows from the Covered Bridge area. The proposed solution is to construct approximately 2,200 linear feet of eight inch force main from an existing six inch force main to the Cross Hill Court lift station. The project will not be reported for Green Project Reserve funding and it did not qualify for additional subsidization. The term of the loan remains the same at 20 years with a 2% interest rate and the estimated annual debt service payment is increased to \$42,187. Both DOW and KIA staff recommended approval of the loan increase with the standard conditions.

Mr. Tom Calkins moved to approve the Fund A (A11-15 Increase) resolution with the standard conditions. Mayor David Cartmell seconded, and the motion carried unanimously.

8. Item I.B.8. was removed from the Agenda but a discussion regarding the planned Oldham County Environmental Authority \$6,500,000 Orchard Grass Regional Wastewater Treatment Project took place and the Board requested that a transcript of the discussion be sent to Louisville MSD. Please see Attachment A to this Agenda for the transcript regarding this project.

Ms. Linda Bridwell moved to have a report submitted to the Board regarding status of the \$6,500,000 Orchard Grass Regional Wastewater Treatment Project in 60 days. Mr. Tom Calkins seconded, and the motion carried unanimously.

9. **RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND (B12-03) LOAN IN THE AMOUNT OF \$92,000 TO THE NEBO WATER DISTRICT, HOPKINS COUNTY, KENTUCKY**

Ms. Sandy Williams, KIA, presented the project to the board. The Nebo Water District requested a \$92,000 Fund B loan for the Tank Upgrade project. The project will add mixing systems to the older rainwater stand pipe and elevated tank in the District's system. The addition will enable the system to meet residual and turnover requirements in 2014. The project ranked sixty-second on the 2012 Drinking Water priority list while the highest ranked project that was invited to apply was thirty-six resulting in the District's decision to pursue a Fund B loan instead. The term of the loan is 20 years with a 2% interest rate and an estimated annual debt service payment of \$5,788. KIA staff recommended approval of the loan with the standard conditions.

Mr. Damon Talley moved to approve the Fund B (B12-03) resolution with the standard conditions. Mr. Ron Lovan seconded, and the motion carried unanimously, with Mr. Jerry Weutcher abstaining due to the fact that the loan will have to come before the PSC for approval.

10. **RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR ASSUMPTION OF THE GOVERNMENTAL AGENCIES PROGRAM LOAN (C91-12) BY THE CITY OF CITY OF PADUCAH f/b/o PADUCAH WATER WORKS, MCCRACKEN COUNTY, KENTUCKY**

Ms. Sandy Williams, KIA, presented the project to the board. The City of Paducah for the benefit of Paducah Water Works requested to assume \$40,000 (as of June 1, 2012) in outstanding Governmental Agencies debt (C91-12) of the Hendron Water District as a result of the merger of the Hendron system into the Paducah system. The merger agreement between the systems was executed on April 16, 2012. The original assistance agreement dated March 1, 1992 in the amount of \$635,543 was utilized to construct a 300,000 gallon elevated water storage tank and approximately five miles of new waterline. KIA staff recommended approval of the loan assumption with the standard conditions.

Mr. Tom Calkins moved to approve the Fund C (C91-12) resolution with the standard conditions. Ms. Linda Bridwell seconded, and the motion carried unanimously, with Mr. Jerry Weutcher abstaining due to the fact that the merger is pending before the PSC for approval.

6. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F12-03) LOAN IN THE AMOUNT OF \$1,875,000 TO THE CITY OF CAMPBELLSVILLE, TAYLOR COUNTY, KENTUCKY

Ms. Sandy Williams, KIA, presented the project to the board. The City of Campbellsville requested an amendment to the conditions attached to this loan that was previously approved by the Board on March 1, 2012, based on additional information that KIA staff received after the March board approval. Based on the new information, the City asked KIA staff to reevaluate their financial position. The financial review reflects a reduction in the inflation assumption from 4% to 3% per year and the elimination of the use of debt service reserves to balance previously projected cash flow shortfalls. Ms. Williams read the special conditions that were previously approved by the board as follows: 1) KIA shall receive a copy of a resolution on or before July 1, 2012 restricting \$300,000 in funds for the Debt Service Reserve for the KIA Loan F12-03. These funds will be made available by released reserve funds from a recently repaid KLC loan; 2) No later than July 1, 2012, the City shall provide documentation reflecting the account number and balance of the location where the \$300,000 in debt service reserve funds are being held. This account should be classified as restricted; 3) Prior to February 1, 2013, the City shall have a User Rate Study for water and sewer rates conducted by an independent third party; 4) Prior to February 1, 2013, the City shall provide a copy of a User Rate Study results to KIA; and 5) The City further covenants and agrees that if such rate study results reflect the need for an increased rate adjustment that they will implement any such adjustments no later than May 1, 2013. The special conditions were removed for board approval. The term of the loan remained the same as previously approved as follows: The unforgiven balance of the loan is \$1,218,750 to be repaid in 20 years with a 1% interest rate and an estimated annual debt service payment of \$70,433. KIA staff recommended approval of the loan with the standard conditions.

Mr. Damon Talley presented to the Board, to the City of Campbellsville and to the project engineer, a handout entitled, "Statutory and Regulatory Basis for Cost of Service Rates". He discussed the value of cost-based rates and the authority given to the Board regarding persuading a utility to make what changes that are needed in order for a utility to receive a low interest loan that is offered through the Clean Water and Drinking Water State Revolving Fund. Mr. Talley expressed that he had no problem if KIA staff recommended that the special conditions be removed; but, when the City of Campbellsville revisited their rates in the future, they do a cost of service study at that time. He suggested a deadline of either February 1, 2014 or 2015, for them to conduct the study. Mr. Ron Lovan also noted that because the City of Campbellsville serves other areas and other water districts, and the length of time from the last rate increase, he did

not think it unreasonable to ask for a cost of service study and suggested that the requirement to conduct the study be added back as a special condition. Mr. John Covington stated that since March 1, 2012, when the project was first presented to the Board, KIA staff had come to an agreement with the City that they didn't need a rate increase. The discrepancy of rates in town and out of town was not addressed. The question now was whether or not the City must incur the additional cost of a rate study when KIA staff didn't feel it was needed currently. Mr. Covington also pointed out that, in the standard conditions of the loan that the City has agreed to, it requires maintaining adequate rates to operate the system and make the debt service payments.

Mr. Tony Young, Mayor of the City of Campbellsville, addressed the Board and stated that the City did not currently need a rate increase. He asked that the Board give him time to evaluate the situation. He agreed that the City may be looking at the need for a rate increase in the next three or four years and he would be willing to proceed, if needed at that time, but asked that the Board not require a cost of service study right now.

Mr. Damon Talley made a motion to adopt the amended Fund F (F12-03) resolution approving the loan with the standard conditions and no special conditions.

Ms. Linda Bridwell stated that she was disappointed and would have to vote against such motion. She believed that the cost of doing a study would be minimal when weighed against the amount of the \$1,875,000 loan request that will also be receiving subsidization of \$600,000.

Mr. Damon Talley withdrew his previous motion and moved to approve the amended Fund F (F12-03) resolution with the standard conditions and add the special condition that at such time that the City needs to raise rates, it would undertake a cost of service rate study performed by a qualified rate consultant.

Chair Wilder asked for a second and the motion failed without a second.

Mr. Jerry Weutcher asked Mr. Talley if he would be willing to modify his motion slightly to put a time limit on it to reflect what has been projected by the KIA staff. He suggested that a cost of service study be performed either when the City deemed one was necessary or that one be started no later than July 1, 2014, so that the Authority could ensure that the City was meeting its conditions under the law.

A discussion between the Board and Mayor Tony Young followed regarding the reason to conduct a cost of service study within a reasonable amount of time and to prevent from placing an undue burden on customers. Members of the Board interjected that to conduct a cost of service study is to ensure that the people who are causing the costs are paying the appropriate amount and that the costs are being properly allocated among the customers. The conclusion of a study may or may not result in a need to raise rates. Mayor Young asked the Board to accept as security for this loan funds that the City already had in debt service reserves but that would be released soon once another loan is paid off.

More discussion followed by the Board and the City of Campbellsville.

Mr. Jamie Link noted to the Board that the state auditor's office is launching an initiative to investigate special taxing districts and wondered how that would apply to KIA. Mr. Weutcher suggested to the Board to consider a study to be conducted by a subset of the board members in consultation with the staff, that would address the issues of whether a new policy be implemented regarding cost of service studies, what is enforceable by the Board, and whether it should be added to KIA's regulations.

Mr. Damon Talley moved to approve the amended Fund F (F12-03) resolution with the standard conditions and one special condition that at such time as it becomes necessary to adjust water rates, the City of Campbellsville shall engage the services of a qualified rate consultant to conduct a Cost of Service Study and shall utilize the results of the study in adjusting the water rates. Ms. Linda Bridwell seconded, and the motion carried unanimously.

7. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND (F12-07) LOAN IN THE AMOUNT OF \$564,150 TO THE CITY OF HARTFORD, OHIO COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Sandy Williams, KIA, presented the project to the Board. The City of Hartford requested a \$564,150 Fund F loan for the Pretreatment Basin and System Improvements project. The project involves modifications and rehabilitation of an existing settling basin to serve as a pre-oxidation basin for iron and manganese removal. This will limit the interaction of chlorine and organic carbon and provide a reduction in Disinfection Byproduct (DBP) concentrations. The conversion of the basin also requires the installation of baffle walls, mechanical mixers, additional pumping facilities and improvements to facilities for feeding permanganate. Additionally, the project includes the installation of automatic flush hydrants on dead end water mains in the system. Valves and motors for the existing filters will also be replaced. The motorized valves have failed resulting in plant personnel having to manually operate the valves during backwash procedures. This component of the project is a part of the City's corrective action plan that was established to become compliant after entering into an Agreed Order with the Division of Water concerning multiple violations of DBP rules. A second project component involves repainting and repairing the City's one million gallon storage tank. Recent inspections have identified significant damage to the paint and areas that are in need of repairs. The project will not be reported for Green Project Reserve funding. The project did qualify for additional subsidization in the amount of \$76,950. The unforgiven balance of the loan is \$366,698 to be repaid in 20 years with a 1% interest rate and an estimated annual debt service payment of \$21,192. Both DOW and KIA staff recommended approval of the loan with the standard conditions and the following special condition: The City will pass a rate ordinance prior to October 1, 2012, to adjust water rates for fiscal years 2013 and

2014 by an amount that is acceptable to KIA based on the water and sewer rate study that is being conducted (inclusive of proposed KIA debt service).

Ms. Linda Bridwell moved to approve the Fund F (F12-07) resolution with the standard conditions and the special condition indicated in the staff recommendations. Mr. Ron Lovan seconded, and the motion carried unanimously.

7. 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 Earlington | A12-24 | \$ 825,000 |
| City of Lawrenceburg | A12-26 | \$ 2,000,000 |
| Sanitation District No. 1 of Perry Co | A12-28 | \$ 875,000 |
| Oldham County Environmental Authority (Increase) | A10-04 | \$ 2,846,174 |
| Oldham County Environmental Authority (Increase) | A10-07 | \$ 2,601,420 |
| Oldham County Environmental Authority (Increase) | A11-15 | \$ 670,588 |
| City of Warsaw (10% Increase) | A2 09-29 | \$ 2,146,907 |
| City of Hopkinsville f/b/o Hopkinsville Water Environmental Authority (10% Increase) | A11-09 | \$ 7,810,000 |
| Nebo Water District | B12-03 | \$ 92,000 |
| City of Hartford | F12-07 | \$ 564,150 |

Ms. Linda Bridwell moved to approve a revised resolution to remove the Oldham County Environmental Authority's \$6,500,000 project. Mr. Tom Calkins seconded, and the motion carried unanimously.

II. EXECUTIVE DIRECTOR'S REPORT

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

- A. The Intended Use Plan for 2013 is moving forward and thought it would be out by now. It is anticipated to be finalized in the next two to three weeks.
- B. There will not be a July Board meeting unless something critical were to come up. Resolutions to set interest rates will be presented at the August meeting.

- C. There were no new line item grants in the state budget but there was reauthorization of some existing line item grants. All recipients were notified of changes, paperwork has been sent out and approximately 50% have already been returned.
- D. The Board suggested to create an ad hoc committee to address the issues regarding cost of service studies and the initiative by the state auditor's office regarding special taxing districts. Mr. Ron Lovan suggested this matter might better be brought up during the next meeting, before the creation of an ad hoc committee to discuss concerns and the direction of a committee. The Board agreed to Mr. Lovan's suggestion.

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

IV. ANNOUNCEMENTS/NOTIFICATIONS

- Next scheduled KIA board meeting:
Tentatively scheduled for
Thursday, August 2, 2012
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky

There being no further business Mr. Ron Lovan moved to adjourn. Mr. Tom Calkins seconded and the motion carried unanimously. The June 7, 2012, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.

Submitted by:



Sandy Williams, Secretary
Kentucky Infrastructure Authority



Date

Beginning of discussion started at 01:24:55 (time remaining of recorded meeting)

ATTACHMENT A

TRANSCRIPT OF 6/7/12 KIA BOARD MEETING DISCUSSION REGARDING THE OLDHAM COUNTY ENVIRONMENTAL AUTHORITY \$6,500,000 REGIONAL WASTEWATER TREATMENT PLANT PROJECT

Oldham County Environmental Authority was represented by Mr. Horace Harrod, Chairman of the Oldham County Environmental Authority, Mr. Ed Basquill, Project Manager of Veolia Water, Mr. Jim Hagerty, Engineer from Gresham Smith & Partners, and Ms. Holly Nicholas, Engineer from Kentucky Engineering Group during the following discussion.

DAMON TALLEY: BEFORE WE SKIP OVER THIS SIX MILLION DOLLAR LOAN, ARE WE GOING TO - BY NOT TAKING ANY ACTION ARE WE GOING TO PREJUDICE THE UTILITY AND THE COMMUNITY AND PEOPLE IN OLDHAM COUNTY, OR WHAT'S THE GAME PLAN, I GUESS, IS MY BIG QUESTION?

JOHN COVINGTON: I THINK - THE SITUATION THAT AROSE - THERE WAS A MEETING BETWEEN THE DIVISION OF WATER AND OLDHAM COUNTY, TUESDAY?

ED BASQUILL: YES, SIR.

JOHN COVINGTON: TUESDAY. SOME ISSUES WERE RAISED CONCERNING THE CONSTRUCTION OF THE NEW WASTEWATER TREATMENT PLANT. THE NEW - IT'S EARLY IN THE PROCESS - THEY, AT THIS POINT IN TIME, THEY DO NOT HAVE A FACILITY PLAN, AN APPROVED FACILITY PLAN, FOR THIS PROJECT. IN ORDER FOR THE PROJECT TO MOVE FORWARD THERE HAS TO BE A FACILITY PLAN IN PLACE. GIVEN THE LATE DATE THAT WE FOUND OUT ABOUT THE SITUATION WITH THE FACILITY PLAN AND IT NOT BEING APPROVED - I'VE BEEN IN DISCUSSIONS WITH THE DIVISION OF WATER TRYING TO RESOLVE THE ISSUE. WE WERE NOT ABLE TO RESOLVE THE ISSUE AND I DID NOT FEEL IT WAS FAIR TO OLDHAM COUNTY TO BRING IT TO THE BOARD AT THIS POINT UNTIL WE RESOLVE SOME OF THE OUTSTANDING ISSUES. CONSTRUCTION IS NOT DUE TO START FOR SEVERAL MONTHS?

ED BASQUILL: YES, IT NEEDS TO BE DESIGNED FIRST.

JOHN COVINGTON: YES, WE'RE STILL EARLY IN THE PROCESS, SO I FELT IT WAS, IT THINK IT WAS FAIR TO OLDHAM COUNTY TO SAY WAIT A MINUTE, LET'S RESOLVE SOME OF THESE ISSUES THAT JUST AROSE IN THE LAST FEW DAYS BEFORE WE BRING IT TO THE BOARD.

LINDA BRIDWELL: SO IS THERE AN ISSUE WITH THE FACILITY PLAN ITSELF THEN?

JOHN COVINGTON: WELL, WE DON'T KNOW BECAUSE IT HAS NOT BEEN SUBMITTED.

RON LOVAN: WELL IS IT UNDERWAY?

TOM CALKINS: THERE'S AN EXISTING ONE BUT IT DOESN'T HAVE THE TREATMENT PLANT PROJECT IN IT? IS THAT IT?

ED BASQUILL: OLDHAM COUNTY SUBMITTED A FACILITY PLAN IN 2007 THAT'S BEEN UNDER REVIEW, AND IN MARCH THERE WAS A MEETING. I DIDN'T ATTEND BUT I WAS TOLD - I GUESS SANDY WAS THERE - WHERE THEY TALKED ABOUT THIS PROJECT AND THEY TALKED ABOUT SUBMITTING A NEW FACILITY PLAN IN TANDEM WITH THE NEW PLANT AND THAT THEY MENTIONED THAT THEY THOUGHT THE FACILITY PLAN WE SUBMITTED IN 2007 WAS UNAPPROVABLE, WHICH WAS THE FIRST WE HEARD ABOUT THAT. AND WHAT WE WANT IS AN ALTERNATIVE ANALYSIS IN THE FACILITY PLAN LOOKING AT WHAT MSD'S COSTS ARE TO GO TO MSD VERSUS THE COST OF BUILDING THE NEW PLANT. WE'VE BEEN IN DISCUSSION WITH MSD, WE'VE GOT A LOT OF VERBAL DISCUSSIONS, BUT NOTHING FIRM, BUT THEY'VE GIVEN US TREAT RATES THAT ARE SIGNIFICANTLY HIGHER THAN WHAT IT COSTS TO BUILD A NEW PLANT AND WOULD BE A REAL BURDEN ON THE RESIDENTS OF OLDHAM COUNTY. AND A REAL PROBLEM FINANCING BECAUSE THEY ARE NOT BUILT - THEY ARE NOT TIED TO AN ASSET, THEY'D JUST BE CREATING A CAPACITY TO PAY THEM. SO, I GUESS, THE CONTROLLING THING - THERE WAS NOT ANYTHING FIRM WE COULD PUT INTO A FACILITY PLAN FROM THAT, SO, OUR CONCERN IS THAT IF WE DON'T GET A GUARANTEED RESPONSE FROM MSD ON A FIRM NUMBER THAT WE CAN PUT INTO A FACILITY PLAN THEN WE COULD BE WAITING ON THAT FACILITY PLAN ALTERNATIVE ANALYSIS FOR A LONG TIME BEFORE IT CAN BE DOCUMENTATED.

HORACE HARROD: ORIGINALLY THIS FLOW WAS SUPPOSED TO GO TO MSD'S HITE CREEK PLANT AND THAT WAS IN THEIR FACILITY PLAN AND OUR APPROVED EXISTING FACILITY PLAN. THOSE THINGS HAVE CHANGED NOW SINCE THEY'VE GONE UNDER A CONSENT DECREE. THEY'RE BRINGING FLOW NOW FROM THE OHIO RIVER FACILITIES THAT THEY HAVE THAT HAVE USED SUBSTANTIALLY ALL THE CAPACITY OF HITE CREEK.

DAMON TALLEY: SO THERE'S NO CAPACITY THERE FOR YOU TO GO TO.

HORACE HARROD: THAT'S RIGHT. SO WE HAVE APPROACHED THEM ABOUT TAKING THE CAPACITY, BUT THEIR RESPONSE IS, WE'VE BASICALLY GOT TO BUILD A NEW PLANT FOR, ON YOUR BEHALF. SO THEY GAVE US CAPACITY FEE NUMBERS IN THE \$7.84 PER GALLON RANGE, WHICH WE ARE TALKING ABOUT A MILLION GALLON PLANT HERE, WHICH IS 7.8 MILLION DOLLARS OF COST TO US AND WE DON'T EVEN OWN THE PLANT. WE BELIEVE, BASED ON PRELIMINARY INFORMATION THAT IS SUPPORTED BY OTHER PLANTS THAT ARE SIMILAR IN DESIGN TO THE SAME STANDARDS, WE CAN BUILD A PLANT FOR SIX AND A HALF MILLION DOLLARS.

TOM CALKINS: FOR HOW BIG A PLANT?

HORACE HARROD: A MILLION.

TOM CALKINS: FOR ONE MILLION?

HORACE HARROD: RIGHT.

TOM CALKINS: YOU SHOULD BE ABLE TO FOR THAT.

HORACE HARROD: AND WE'VE BEEN IN DISCUSSIONS WITH MSD SINCE LAST FALL, PROBABLY MET WITH THEM A DOZEN TIMES. WE'RE JUST - I'M NOT SAYING WE CAN'T GET THERE, BUT WE'RE NOT THERE, AND WE'RE GETTING TO THE POINT WHERE WE FEEL LIKE WE'VE GOT TO MOVE ON GETTING SOME OF THESE PLANTS, PACKAGE PLANTS DECOMMISSIONED.

JOHN COVINGTON: AND I THINK THAT'S SOMETHING WE'RE AWARE OF. WE UNDERSTAND THE COMPLICATIONS WITH THE NEGOTIATIONS WITH MSD, HOWEVER, STATUTORILY WE ARE REQUIRED TO ENCOURAGE REGIONALIZATION. I DON'T - THE PROBLEM WAS WE FOUND OUT ABOUT THIS AT -

DAMON TALLEY: AT THE LAST HOUR

JOHN COVINGTON: AT THE ELEVENTH HOUR. WE DIDN'T HAVE TIME TO HAVE THOROUGH DISCUSSIONS WITH DIVISION OF WATER AND WITH OLDHAM COUNTY TO SIT DOWN AND SAY OK, IS THIS THE ONLY OPTION OR IS THE HITE CREEK OPTION TOTALLY OUT OF THE PICTURE. THESE ARE ISSUES WE JUST FELT THAT WE STILL HAD ENOUGH TIME TO RESOLVE BEFORE

WE COMMIT A LOAN. I MEAN, THEY CAN PROCEED WITH DOING THE FACILITY PLAN, THEY CAN PROCEED WITH WORKING ON THE PLANT. ANY EXPENSES INCURRED IN ASSOCIATION WITH THE PLANT, IF THEY CHOOSE TO GO THAT ROUTE, WOULD BE REIMBURSABLE AFTER THE LOAN IS APPROVED BECAUSE WE DO DO THAT. SO, WE JUST FELT THAT IT WAS PREMATURE TO BRING IT GIVEN THE LATE HOUR THAT WE FOUND OUT ABOUT SOME OF THE ISSUES WITH THE FACILITY PLAN.

TOM CALKINS: SO WOULD YOU RECOMMEND THAT WE THEN TABLE THIS INDEFINITELY UNTIL YOU AND THE CHAIRMAN PUT IT BACK ON THE AGENDA?

JOHN COVINGTON: WELL, IT HAS NOT BEEN BROUGHT – IT'S ON THE AGENDA BUT IT HAS NOT BEEN BROUGHT FORWARD YET. NO MOTION'S BEEN MADE SO IT WOULD BE INAPPROPRIATE TO TABLE A MOTION THAT HASN'T BEEN BROUGHT.

TOM CALKINS: NO, NOT THE MOTION, I'M TALKING ABOUT THE AGENDA ITEM.

JOHN COVINGTON: OH, YES. WE WILL RE-ADDRESS THIS ISSUE IN THE FUTURE, WHETHER IT'S THIS PLANT OR, I ASSUME, WHETHER IT GOES TO MSD. ONE WAY OR THE OTHER, THIS IS A PROJECT THAT HAS TO BE DONE ONE WAY OR THE OTHER, AND THEY ARE TALKING TO US ABOUT THE PLANT. IF THEY CHOOSE TO COME TO US FOR THE INTERCONNECT THEN WE WOULD BE DISCUSSING IT THAT WAY TOO. BUT, YES, THIS IS A PROJECT THAT IS NOT GOING AWAY BECAUSE IT HAS TO BE DONE.

LINDA BRIDWELL: JOHN, WOULD IT BE APPROPRIATE TO ENCOURAGE THEM TO BRING BACK A REVISED SCOPE THAT INCLUDES THE COMPLETION OF THE FACILITIES PLAN AS PART OF THE PROJECT? BECAUSE OBVIOUSLY, THAT'S WHAT'S NEEDING TO BE DONE AS PART OF THE DESIGN PHASE?

DAMON TALLY: (talking over Linda) I THOUGHT YOU SAID YOU DID IT IN 2007?

JOHN COVINGTON: I THINK THE PROBLEM IS

TOM CALKINS: (talking over John) NOT THE PLANS THOUGH
(many talking at the same time)

JOHN COVINGTON: IS, COMPLETING THE ALTERNATIVE ANALYSIS THAT IS A PART OF THAT - YES. WE CAN GO A COUPLE OF DIFFERENT WAYS. WE COULD ACTUALLY, THE BOARD

WOULD HAVE THE AUTHORITY TO APPROVE THE PROJECT WITHOUT THE FACILITIES PLAN. BUT THE FACILITIES PLAN WOULD THEN BECOME A CONDITION OF THE LOAN THAT THEY COMPLETE THE FACILITY PLAN TO DO THAT. SO THE BOARD HAS THE AUTHORITY TO DO THAT. AND THE FACILITY PLAN, PAYING FOR THAT, IS AN ELIGIBLE EXPENSE OF THE SRF PROGRAM. BUT AT THIS POINT IN TIME, I DON'T THINK WE UNDERSTAND THE PROJECT WELL ENOUGH TO TAKE THAT LEAP AND SAY OK WE ARE GOING TO APPROVE THE LOAN WITH THE FACILITY PLAN CONDITION. WE JUST NEED MORE INFORMATION.

ED BASQUILL: I JUST WANT TO ADDRESS THE FACILITY PLAN - WE HAVE NO CONTROL OVER THE TIME WE CAN START THE FACILITY PLAN, BUT IT MAY TAKE AS LITTLE AS THREE MONTHS TO COMPLETE THE FACILITY PLAN WITH THE LAST, WITH WHAT INFORMATION WE HAVE ALREADY, BUT DIVISION OF WATER HAD SIX TO NINE MONTHS TO APPROVE IT AND, PRACTICAL REALITY IS, WITH EVERYTHING THEY HAVE ON THEIR PLATE, WE'VE HAD THE FACILITY PLAN FROM 2007 THAT WE JUST FOUND WAS UNAPPROVABLE THIS YEAR. THERE HAVE BEEN A LOT OF DISCUSSIONS BACK FORTH TO GET TO THAT POINT SO, WE'RE JUST AFRAID WITH THE NEW FACILITY PLAN THAT: ONE, WE'RE NOT GOING TO HAVE CONTROL OVER THEIR APPROVAL AND, TWO, WE DON'T HAVE CONTROL OVER WHAT MSD GIVES US FOR THE ALTERNATIVE ANALYSIS.

TOM CALKINS: YOU HAVE NOT DONE, FOR YOUR PLANT, NOT SENDING IT TO HITE CREEK, BUT FOR YOUR PLANT – YOU HAVE NO SHEET DRAWINGS OR ANYTHING EVEN STARTED YET, RIGHT?

ED BASQUILL: NO.

TOM CALKINS: OK. AND THERE WAS NO SPEAR PROMULGATED BY DIVISION OF WATER IN RESPONSE TO THE 2007 201 PLAN?

ED BASQUILL: NOT THAT I KNOW OF, NO.

TOM CALKINS: OK.

SHAFIQ AMAWI: TOM, THERE WAS A HYPOTHETICAL FACILITY PLAN. THAT FACILITY PLAN DID NOT HAVE ANY CONCRETE PROJECTS IN IT THAT WE CAN APPROVE. WE CAN SAY, IF MSD AGREES ON THEM MOVING THE PARTICULAR FLOWS TO MSD, IF THEY DON'T THEN WE WILL

GO AHEAD WITH THE PLANS. THERE WERE A LOT OF UNCERTAINTIES IN THE 2007 FACILITY PLAN THAT WAS SUBMITTED TO ME. SO THEY'RE ALSO IN NEGOTIATION WITH OLDHAM COUNTY AND HAVE BEEN AT IT FOR TWO OR THREE YEARS. THEY HAVEN'T SIGNED AN AGREED ORDER YET. AND THEY COME IN HERE AND THEY SAY, OK, NOW WE WANT A 5 OR 6 AND A HALF MILLION DOLLAR SEWAGE (not clear) FACILITY. AND I SAID, OK, WELL WE'RE LESS THAN HALF A MILE FROM HITE CREEK. HITE CREEK IS WORKING ON A FACILITY PLAN WITH STRAND ENGINEERS. IN FACT WITH IT WE HAVE WASTELOAD ALLOCATION AND HITE CREEK AND MSD ARE WORKING ON A PLANT EXPANSION. PETE GOODMAN, THE ASSISTANT DIRECTOR OF THE DIVISION OF WATER, HAS BEEN IN TALKS WITH BRYAN BINGHAM AT MSD AND THEY HAVE BROUGHT THE RATES DOWN FROM \$7.90 TO SOMEWHERE THAT'S VERY APPEALING AND SHARED THAT INFORMATION WITH YOU (Oldham County). BUT THE DIVISION OF WATER FEELS LIKE IF YOU DO A FACILITY PLAN AND YOU COMPARE THE MSD ALTERNATIVE TO WHAT THEY'RE PROPOSING, THE MSD ALTERNATIVE WILL WIN. IF THAT'S THE CASE, YOU'RE TYING UP 6 AND A HALF MILLION DOLLARS FOR TWO OR THREE YEARS DEPENDING ON HOW LONG IT TAKES TO RESOLVE THIS. SO THERE ARE JUST A LOT OF THINGS IN THE BACKGROUND AND A LOT OF NOISE THAT WE CANNOT SHARE HERE WITH YOU. AND WE'D RATHER JUST PUT IT ASIDE FOR NOW UNTIL WE FINALIZE OUR NEGOTIATION AND TALKS WITH MSD AND SEE IF WE CAN BRING THIS REQUEST TO THE - .FROM A WATER QUALITY PERSPECTIVE WE ARE IN FAVOR OF HAVING FEWER WASTEWATER TREATMENT PLANTS. WATER QUALITY IS A MAJOR CONCERN IN THAT AREA BECAUSE WE HAVE A TMDL AND WE'D RATHER HAVE ONE PLANT INSTEAD OF MULTIPLE PLANTS ESPECIALLY WHEN THERE IS ONE (not clear) PLANT LESS THAN HALF A MILE WHEN YOU LOOK AT THE MAP.

TOM CALKINS: WELL YOU WERE PART OF APPROVING NICHOLASVILLE'S LAST 201 WHEN IT WAS DONE AND DOING THE SPEAR AND WE HAD TO GO THROUGH ALL THAT TO GET OUR LOAN TO BUILD OUR NEW PLANT.

SHAFIQ AMAWI: IF WE KNEW THAT WE WERE GOING AHEAD WITH THIS PROJECT, WE CAN GO AHEAD AND PRESENT THIS PROJECT. BUT THE PROBLEM IS, IF WE GO WITH A FACILITY PLAN, THEN WE HAVE ALTERNATIVE ANALYSIS, AND DIVISION OF WATER LOOKS AT THE

ALTERNATIVE ANALYSIS AND SAYS TO GO TO MSD IS CHEAPER THAN BUILDING. IF THAT'S THE CASE, THEN WE CANNOT, I CANNOT COME IN HERE AND ENDORSE 6 AND A HALF MILLION DOLLARS TO BUILD THE PLANT KNOWING THAT THERE IS A CHEAPER ALTERNATIVE AND WOULD BE CHEAPER FOR THEIR RATE PAYERS.

LINDA BRIDWELL: AND, WITH ALL DUE RESPECT, SHAFIQ, I GUESS WHAT'S ANNOYING ME, I'LL SAY AS DIPLOMATICALLY AS I CAN, IS YOU HAVE INFORMATION THAT THESE PEOPLE DON'T HAVE FROM MSD AND THAT'S REALLY PISSING ME OFF.

SHAFIQ AMAWI: THEY DO HAVE (many people talking at once) NOT TELLING YOU THE WHOLE STORY

DAMON TALLEY: (talking over Shafiq) YOU DIDN'T SEE THEIR FACES.

LINDA BRIDWELL: WELL AND THAT'S...

SHAFIQ AMAWI: AND THERE IS NO REASON TO TALK ABOUT THESE ISSUES HERE. THEY ARE A PARTY TO THAT DISCUSSION. PETE GOODMAN AND THEIR CHAIRMAN AND BRYAN BINGHAM AND -

HORACE HARROD: WE HAVE ABSOLUTELY NOTHING IN WRITING FROM MSD. NOTHING. IT'S STRICTLY BEEN VERBAL CONVERSATIONS AND THE ONLY NUMBER THAT'S BEEN PUT DOWN IN WRITING HAS BEEN \$7.84 CAPACITY CHARGE THAT THEY SENT TO PETE GOODMAN IN AN EMAIL, THAT HE FORWARDED TO US. THAT'S ALL WE HAVE.

DAMON TALLEY: AND NO PER THOUSAND GALLON CHARGE.

HORACE HARROD: NO, ONLY VERBAL DISCUSSIONS ABOUT A RANGE.

DAMON TALLEY: I BROUGHT THE SUBJECT UP...

TOM CALKINS: (talking over Damon and Shafiq)THE O&M IS IN THE RANGE

SHAFIQ AMAWI: (many talking at once, not clear) ...CHEAPER THAN \$7.90

DAMON TALLEY: I BROUGHT THE SUBJECT UP BECAUSE I DIDN'T THINK WE WERE GETTING ANYWHERE AND WE NEED...

TOM CALKINS: (not clear) WANT YOU TO DO THAT...

(laughter, many talking at once)

DAMON TALLEY: WE NEED A MEDIATOR PERHAPS, TO GET THEM ALL IN THE SAME ROOM.

LINDA BRIDWELL: (talking over Damon) I APPRECIATE THE POSITION YOU'RE IN SHAFIQ, BUT, I GUESS IN MY MIND, THE FOLKS IN OLDHAM COUNTY NEED MSD AT THE TABLE AND I DON'T KNOW WHAT WE NEED TO DO TO TRY AND ENCOURAGE THAT. WHETHER WE TAKE A VOTE TO TABLE THIS FOR TWO MONTHS AND WE WANT A REPORT BACK? AND MSD'S GOT TO GET ON THE STICK AND TALK TO THESE PEOPLE. I MEAN THIS IS, YES, I UNDERSTAND, WE WANT FEWER PLANTS. WE WANT REGIONALIZATION. BUT THEY CAN'T JUST HOLD THESE PEOPLE HOSTAGE AND NOT DO ANYTHING.

JOHN COVINGTON: WE CAN'T FORCE MSD...

TOM CALKINS: TO COME HERE

(many talking at once)

LINDA BRIDWELL: WELL, IF THEY WON'T, THEN WE APPROVE THE PROJECT GOING FORWARD.

JOHN COVINGTON: EXACTLY, AND I THINK THE CONVERSATION WE'VE JUST HAD, THE CONFUSION, IS WHY WE CHOSE NOT TO BRING IT. AND THIS JUST KIND OF ALL CAME TO OUR ATTENTION TWO DAYS AGO. WE 'VE BEEN MEETING WITH DOW - WE DID NOT KNOW THIS ISSUE WAS THERE, SO.

CHAIR TONY WILDER: IS MSD ENTITLED TO RECEIVE THE MINUTES OF THIS MEETING?

JOHN COVINGTON: IT'S PUBLIC RECORD

(many talking at once)

ED BASQUILL: I'M SORRY, UNFORTUNATELY, THAT KIA DIDN'T GET INVITED TWO DAYS AGO. I INSISTED WHEN WE HAD OUR MEETING IN MARCH, WE MENTIONED THAT WE WERE GOING TO HAVE IT - WE TOLD SANDY I THINK THAT WE HAD A DATE OF APRIL 30TH THAT WE WERE GOING TO - IT MIGHT HAVE BEEN KASI - WE WERE GOING TO MAKE A DECISION ON THE NEW PLANT ON THE 30TH. WE PLANNED THIS AND WE DIDN'T REALLY DO IT IN VACUUM. WE THOUGHT WE HAD PEOPLE INVOLVED IN THE DISCUSSION. AND THAT'S WHY YOUR PEOPLE WENT TO THE EFFORT AND TIME TO DO THE FINANCIAL ANALYSIS FOR THE AGENDA. IT WAS TWO DAYS AGO THAT I GOT WIND FROM A CONVERSATION FROM OUR STAFF THAT THERE MIGHT BE A PROBLEM WITH THIS. SO I SET UP AN EMERGENCY MEETING WITH SHAFIQ AND

HE PLANNED TO MEET WITH ME AND OUR ENGINEER AND SIT DOWN AND TALK ABOUT IT. SO, I'M SORRY ABOUT THE LATE NOTICE, BUT PART OF OUR TIMING, TOO, IS WE HAVE A WASTELOAD ALLOCATION THAT WE HAD APPROVED BY DIVISION OF WATER TO BUILD A NEW PLANT LAST OCTOBER 28TH. AND THERE'S ENGINEERING THAT NEEDS TO BE DONE TO GET THE FACILITY PLAN DONE AND THE CONSTRUCTION PERMIT DONE, SO WE KIND OF FEEL LIKE WE'RE ON A TIMELINE THERE TOO BECAUSE, IF THAT WASTELOAD ALLOCATION EXPIRES WE'D HAVE TO APPLY FOR ANOTHER ONE OR APPLY FOR AN EXTENSION, AND NONE OF THESE THINGS ARE CERTAIN.

SHAFIQ AMAWI: YOU'VE HAD THE WASTELOAD ALLOCATION FROM OCTOBER, BUT SIX MONTHS LATER WE STILL DON'T HAVE A FACILITY PLAN SKELETON IN PLACE. AND IF YOU'RE SERIOUS ABOUT MOVING AHEAD WITH THE CONSTRUCTION, YOU WOULD THINK - YOU GOT WASTELOAD, INCIDENTAL TO ENGINEER, SAY, OK, GIVE ME A DRAFT FACILITY PLAN SO I CAN SUBMIT TO THE DIVISION OF WATER AND MOVE ON. WE DON'T HAVE ANYTHING.

HOLLY NICHOLAS: BUT THEY WEREN'T TOLD...

(many talking at once)

TOM CALKINS: BUT THE VERBAL IN THE 2007, KIND OF THE VERBAL 201 PLAN, OK, WASN'T REAL SPECIFIC. DID, ON THE CONVERSATION FOR THAT, WAS THERE - IF THAT HAD BEEN - LET'S SAY YOU HAD THE SPECIFICS - WOULD THAT HAVE BEEN APPROVED BY DIVISION OF WATER OR WOULD THAT HAVE BEEN CONSIDERED A 201 PLAN AND HAVE TO GO TO REGION IV AND BE APPROVED AS WELL?

SHAFIQ AMAWI: NO, IT WOULDN'T HAVE BEEN APPROVED AT (not clear)..

TOM CALKINS: IT WOULD BE APPROVED, RIGHT? OK.

SHAFIQ AMAWI: WE WILL SIGN OFF ON IT AND (not clear)...

LINDA BRIDWELL: FOR THE SAKE OF MOVING FORWARD...

(many talking at once)

CHAIR TONY WILDER: YEAH, THAT'S WHAT WE NEED TO DO.

RON LOVAN: WELL, THAT'S WHAT I WAS GETTING, PER LINDA'S COMMENT, WHAT COULD WE DO TO ENCOURAGE THEM TO

LINDA BRIDWELL: (talking over Ron) CAN WE MAKE A MOTION ASKING FOR A REPORT IN SIXTY DAYS OF THE STATUS OF WHERE THIS IS? OR 30 DAYS - THE NEXT MEETING? OR SOMETHING, I DON'T WANT TO KEEP BOGGING US DOWN, BUT I THINK WE NEED TO LET MSD KNOW WE'RE SERIOUS ABOUT HELPING OLDHAM COUNTY IF THEY ARE NOT GOING TO SIT WITH THEM.

JOHN COVINGTON: SIXTY DAYS WOULD BE MORE APPROPRIATE, BECAUSE WE DO NOT ANTICIPATE HAVING A JULY MEETING RIGHT NOW UNLESS SOMETHING CHANGES.

LINDA BRIDWELL: *THEN WOULD IT BE APPROPRIATE IF I MAKE A MOTION ASKING THEM TO REPORT BACK FROM THE DIVISION OF WATER AND OLDHAM COUNTY WITHIN SIXTY DAYS? I WOULD LIKE TO MAKE THAT MOTION THEN.*

CHAIR TONY WILDER: DO I HEAR A SECOND?

TOM CALKINS: *SECOND*

CHAIR TONY WILDER: ANY OTHER QUESTIONS? (many talking very low, not clear) IT'S BEEN INTERESTING.

CHAIR TONY WILDER: ALL IN FAVOR SAY AYE

BOARD MEMBERS: *AYE*

CHAIR TONY WILDER: ALL OPPOSED (no response from board members)

TOM CALKINS: MR CHAIRMAN, I HATE TO SAY THIS, IT'S KIND OF LIKE A LAKE CARNICO/CARLISLE THING AND THAT WENT ON, FOR WHAT, TWENTY SOME ODD YEARS, THIRTY YEARS, BEFORE...

CHAIR TONY WILDER: WE MAY RESOLVE THAT THIS YEAR, I DON'T KNOW. SHAFIQ, YOU HANDLED YOURSELF PRETTY GOOD ON YOUR FEET THERE, YOUR ALRIGHT, OK. (many talking at once very low)

RON LOVAN: AND, WHERE WILL THESE MINUTES GO?

CHAIR TONY WILDER: WELL, THAT'S A GOOD POINT.

RON LOVAN: WHY DON'T WE REAFFIRM THAT WE DIRECT JOHN TO SEND A COVER LETTER AND THESE MINUTES TO BOTH CABINETS, THE CABINET AND MSD, OR SOMETHING TO THAT EFFECT? OTHERWISE, THE MOTION...

(many talking at once, not clear)

JOHN COVINGTON: IN CONVERSATIONS THAT I'VE HAD WITH DOW - IN THE LAST COUPLE OF DAYS - I THINK THERE IS GOING TO BE A CONCENTRATED EFFORT TO WORK WITH MSD TO ADDRESS THIS ISSUE.

(many talking at once)

RON LOVAN: A LETTER SAYING, FOR YOUR INFORMATION ATTACHED ARE THE MINUTES...

(many talking at once)

CHAIR TONY WILDER: I THINK THEY NEED TO HEAR WHAT WAS DISCUSSED HERE TODAY.

RON LOVAN: I DO TOO.

CHAIR TONY WILDER: I THINK THAT WOULD BE APPROPRIATE FOR THIS PROFESSIONAL AUTHORITY. ALRIGHT, ***THE MOTION HAS BEEN APPROVED TO DO THE SIXTY DAY REPORT.*** WE'LL HANDLE THIS - ON THE ADMINISTRATIVE END WE'LL HANDLE THE MINUTES ISSUE. OK? ALRIGHT.

Discussion ended at 01:07:16 (time remaining of recorded meeting)

**A
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I.C.1.

A RESOLUTION AND ORDER

HONORING

THOMAS P. CALKINS

IN RECOGNITION OF DEDICATED SERVICE

WHEREAS, the Kentucky Infrastructure Authority (“the Authority”) has been ably served since the 23rd day of July, 2009, by Mr. Thomas P. Calkins in his capacity as a member of the governing board, representing the Kentucky Municipal Utilities Association; and

WHEREAS, Mr. Calkins was appointed to the board of the Kentucky Infrastructure Authority on that day and has capably performed all duties associated with this position; and

WHEREAS, Mr. Calkins has represented the Authority in a positive and professional manner and has performed admirably as a public servant; and

WHEREAS, Mr. Calkins' term of appointment expired as of June 30, 2012;

NOW THEREFORE, the Kentucky Infrastructure Authority Board of Directors hereby recognizes the dedication and service given by Mr. Calkins to the goals and objectives of the Kentucky Infrastructure Authority,

AND DOES HEREBY DECLARE our heartfelt appreciation and best wishes to Mr. Calkins for success in all his future endeavors both professionally and personally.

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 Board of Directors this 2nd day of August 2012.

ATTEST:

TONY WILDER, CHAIR
BOARD OF DIRECTORS
KENTUCKY INFRASTRUCTURE AUTHORITY

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

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I.C.2.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY ESTABLISHING FUND A INTEREST RATES FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

WHEREAS, 200 KAR 17:050, as amended, establishes terms and conditions for establishing interest rates for the Clean Water State Revolving Fund (Fund A) and;

WHEREAS, the aforementioned regulations require that rates of interest be established at least annually by the Authority using a recommendation from the Executive Director based on market conditions, availability of funds and funding demand;

NOW, THEREFORE, the Kentucky Infrastructure Authority hereby resolves as follows:

The interest rates for all Kentucky Infrastructure Authority Fund A loans approved by the Authority during the period July 1, 2012, through June 30, 2013, shall be as follows:

Three rates of interest will be offered for Fund A, one for standard borrowers and two for nonstandard borrowers. The standard rate shall be 2.75% and the nonstandard rates shall be 1.75% and 0.75%, as defined in the 2013 Clean Water State Revolving Fund Intended Use Plan.

The Resolution is effective upon its adoption this 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

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I.C.3.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY ESTABLISHING FUND F INTEREST RATES FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

WHEREAS, 200 KAR 17:070, as amended, establishes terms and conditions for establishing interest rates for the Drinking Water State Revolving Fund (Fund F) and;

WHEREAS, the aforementioned regulations require that rates of interest be established at least annually by the Authority using a recommendation from the Executive Director based on market conditions, availability of funds and funding demand;

NOW, THEREFORE, the Kentucky Infrastructure Authority hereby resolves as follows:

The interest rates for all Kentucky Infrastructure Authority Fund F loans approved by the Authority during the period July 1, 2012, through June 30, 2013, shall be as follows:

Three rates of interest will be offered for Fund F, one for standard borrowers and two for nonstandard borrowers. The standard rate shall be 2.75% and the nonstandard rates shall be 1.75% and 0.75%, as defined in the 2013 Drinking Water State Revolving Fund Intended Use Plan.

The Resolution is effective upon its adoption this 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

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I.C.4.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY ESTABLISHING FUND B INTEREST RATES FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

WHEREAS, 200 KAR 17:010, as amended, establishes terms and conditions for establishing interest rates for the Infrastructure Revolving Loan (Fund B) and;

WHEREAS, the aforementioned regulations require that interest rates be established annually by the Authority using a recommendation from the Executive Director based on market conditions, availability of funds, and funding demand and;

WHEREAS, the aforementioned regulations require that there shall be a minimum of two interest rates: the standard interest rate and nonstandard interest rate(s).

NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY HEREBY RESOLVES AS FOLLOWS:

The interest rate for all Kentucky Infrastructure Authority Fund B loans approved by the Authority during the period July 1, 2011 through June 30, 2012, shall be as follows:

Three rates of interest will be offered for Fund B, one for standard borrowers and two for nonstandard borrowers. The standard rate shall be 2.75% and the nonstandard rates shall be 1.75% and 0.75%, as defined in the 2013 Clean Water and Drinking Water State Revolving Fund Intended Use Plans.

The Resolution is effective upon its adoption this 2nd day of August 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

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I.C.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 WASTEWATER REVOLVING FUND LOAN (A12-30) IN THE AMOUNT OF \$500,000 TO THE CITY OF JENKINS, LETCHER COUNTY, KENTUCKY

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

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

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the City of Jenkins, 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 \$500,000 of project expense including capitalized interest for the construction period, to the City of Jenkins for the Sewer Main Rehab Phase II Project. Such amounts are subject to adjustment by further action of the

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

Section 3. Principal forgiveness of 10% will be deducted from the approved loan amount. The unforgiven principal balance of \$450,000 shall be repaid.

Section 4. The unforgiven principal shall be repayable over 20 years at an interest rate of 0.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid, unforgiven principal balance will be charged. From annual revenues, \$1,250 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$12,500 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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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



STEVEN L. BESHEAR
GOVERNOR

LEONARD K. PETERS
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
200 FAIR OAKS LANE, 4TH FLOOR
FRANKFORT, KENTUCKY 40601
www.kentucky.gov

April 25, 2012

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

Re: CWL 12086 Fund F
Jenkins WWTP--2679
Activity ID: FGL20120003
HUC11 No. - 05070202060 – Elkhorn Creek,
near Pine Mountain

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Jenkins is entitled to receive priority for funding for the Sewer Main Rehab Phase III, and is eligible to receive \$500,000 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 September 1, 2012
2. Construction bids are expected to be opened on December 1, 2012.
3. Project specific environmental information is expected to be submitted to DOW on September 1, 2012.

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

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

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

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

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

Sincerely,



Buddy Griffin, Supervisor
SRF & SPAP Section
Water Infrastructure Branch

BG: ba

Enclosures

C: The Hon. G. C. Kincer, Mayor,
City of Jenkins

Ms. Jennifer D. McIntosh, Community Resources Planner,
Kentucky River ADD

Mr. Matthew R. Curtis, P. E., Nesbitt Engineers, Inc.

| | | | | |
|--|--|---------------------------|---------------------|------------------------|
| EXECUTIVE SUMMARY | | Reviewer: | Sandy Williams | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date: | August 2, 2012 | |
| FUND A, FEDERALLY ASSISTED WASTEWATER | | KIA Loan Number: | A12-30 | |
| REVOLVING LOAN FUND | | WRIS Number | SX21133013 | |
| | | HUC Code: | 05070202060 | |
| BORROWER: | CITY OF JENKINS | | | |
| | LETCHER COUNTY | | | |
| BRIEF DESCRIPTION: | <p>This project involves the rehabilitation of the sewer collection system in the Dunham area of Jenkins. This will involve open cuts, trenchless technologies, chemical grouting and manhole repairs and replacement. This will help remove excessive I/I from the collection system.</p> | | | |
| PROJECT FINANCING: | | PROJECT BUDGET | Allowed % | Actual % |
| Fund A Loan | \$ 500,000 | Administrative Expenses | | \$ 56,000 |
| RD Loan | 700,000 | Legal Expenses | | 14,000 |
| RD Grant | 300,000 | Planning | | 4,000 |
| | | Eng - Design | 8.5% | 6.3% |
| | | Eng - Constr | | 1.5% |
| | | Eng - Inspection | 5.3% | 4.9% |
| | | Eng - Other | | 1.0% |
| | | Construction | | 1,130,000 |
| | | Contingency | | 123,000 |
| TOTAL | \$ 1,500,000 | TOTAL | | \$ 1,500,000 |
| REPAYMENT | | | | |
| | Rate | 0.75% | Est. Annual Payment | \$ 25,172 |
| | Term | 20 years | 1st Payment | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | Nesbitt Engineering, Inc. | | |
| | Bond Counsel | Peck, Shaffer, & Williams | | |
| PROJECT SCHEDULE | | | | |
| | Bid Opening: | Oct-12 | | |
| | Construction Start: | Dec-12 | | |
| | Construction Stop: | Apr-13 | | |
| DEBT PER CUSTOMER | Existing: | \$0.00 | | |
| | Proposed: | \$1,487.71 | | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
| | Current | 773 | \$32.14 | (for 4,000 gallons) |
| | Additional | 0 | \$32.14 | (for 4,000 gallons) |
| REGIONAL COORDINATION | This project is consistent with regional planning recommendations. | | | |
| CASHFLOW | Cash Available for | Income after Debt | | |
| | Debt Service | Debt Service | Service | Coverage Ratio |
| Audited 2008 | 210,879 | 126,310 | 84,569 | 1.7 |
| Audited 2009 | 191,638 | 150,937 | 40,701 | 1.3 |
| Audited 2010 | 159,866 | 151,888 | 7,978 | 1.1 |
| Audited 2011 | 103,495 | 151,327 | (47,832) | 0.7 |
| Projected 2012 | 108,901 | 0 | 108,901 | n/a |
| Projected 2013 | 102,227 | 0 | 102,227 | n/a |
| Projected 2014 | 94,103 | 25,172 | 68,931 | 3.7 |
| Projected 2015 | 64,022 | 54,136 | 9,886 | 1.2 |
| Projected 2016 | 56,729 | 54,136 | 2,593 | 1.0 |

**KENTUCKY INFRASTRUCTURE AUTHORITY
 WASTEWATER REVOLVING LOAN FUND (FUND "A")
 CITY OF JENKINS, LETCHER COUNTY
 PROJECT REVIEW
 SX21179008**

I. PROJECT DESCRIPTION

The City of Jenkins is requesting \$500,000 in Clean Water SRF funds for the construction of the Sewer Main Rehab Phase II project. The project involves the rehabilitation of the sewer collection system in the Dunham area of Jenkins in an effort to reduce excessive inflow and infiltration (I&I) from the collection system. This will involve open cuts, replacement of approximately 13,000 linear feet of eight inch clay pipe, trenchless technologies, chemical grouting and manhole repairs and replacement. The Dunham area is known to have significant wastewater flows that do not correspond to water usage and a number of manholes become submerged during flood events. The area is also believed to have a large number of properties with downspout connections that feed into the sanitary sewer system and the intent is to identify and eliminate as many of these as possible.

II. PROJECT BUDGET

| | <u>Total</u> |
|-------------------------|---------------------|
| Administrative Expenses | \$ 56,000 |
| Legal Expenses | 14,000 |
| Engineering Fees | 177,000 |
| Construction | 1,130,000 |
| Contingency | <u>123,000</u> |
| Total | \$ 1,500,000 |

III. PROJECT FUNDING

| | <u>Amount</u> | <u>%</u> |
|--------------|---------------------|-------------|
| Fund A Loan | \$ 500,000 | 33% |
| RD Loan | 700,000 | 47% |
| RD Grant | <u>300,000</u> | <u>20%</u> |
| Total | \$ 1,500,000 | 100% |

IV. KIA DEBT SERVICE

| | | |
|--|-----------|---------------|
| Construction Loan | \$ | 500,000 |
| Less: Principal Forgiveness (10%) | \$ | 50,000 |
| Amortized Loan Amount | \$ | 450,000 |
| Interest Rate | | 0.75% |
| Loan Term (Years) | | 20 |
| Estimated Annual Debt Service | \$ | 24,272 |
| Administrative Fee (0.20%) | | 900 |
| Total Estimated Annual Debt Service | \$ | 25,172 |

V. PROJECT SCHEDULE

| | |
|--------------------|---------------|
| Bid Opening | October 2012 |
| Construction Start | December 2012 |
| Construction Stop | April 2013 |

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

| | |
|-------------------|---------|
| Customers | Current |
| Residential Sewer | 721 |
| Commercial Sewer | 52 |
| Total | 773 |

B) Rates

The monthly charges for wastewater utility service are:

| | | |
|----------------------------------|------------|---------------|
| | With Water | Without Water |
| Date of Last Rate Increase | 03/10/97 | |
| Minimum (2,000 gallons) | \$25.50 | \$35.25 |
| All Over 2,000 Gallons (per 000) | 3.32 | 3.32 |
| Cost for 4,000 gallons | \$32.14 | \$41.89 |
| Affordability Index (Rate/MHI) | 1.8% | 2.3% |

VII. DEMOGRAPHICS

In 2010, the City's population was 2,389 with a Median Household Income (MHI) of \$21,990 which is 53.4% of the Commonwealth MHI (\$41,197), thus qualifying the loan for a 1% interest rate.

VIII. 2011 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project will not be reported for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization of 10% of the loan amount, or \$50,000.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the City of Jenkins for the years ended June 30, 2008 through 2011. The City reports individual results for the Water, Sewer and Sanitation Funds. This analysis only reflects results for the Sewer Fund.

HISTORICAL

Revenues decreased 16% (\$59,457) from \$377,120 in 2008 to \$317,663 in 2011. All of the decrease occurred in 2011 and the dollar decrease was about equally split between sewer service revenues and other revenues. Combined water and sewer revenues increased from 2010 to 2011 however we were not able to determine if the sewer decrease was due to classification issues between the two funds. The last sewer rate increase was March 1997.

Operating expenses increased 21% from \$179,112 to \$215,989 due to increases in personnel costs and materials and supplies. Cash flow available for debt service decreased from \$210,879 in 2008 to \$103,495 in 2011. Debt service was \$126,310 in 2008 and about \$151,000 each year from 2009 through 2011. The debt service ratio has steadily declined from 1.7 in 2008 to 0.7 (-\$47,832) in 2011.

The balance sheet reflects a current ratio of 23.1 in 2011 and zero debt. From 2008 to 2010 the current ratio improved from 0.6 to 1.1. During 2011 \$315,000 in reserve funds were used to payoff two KIA loans (A89-02, A95-02) in advance of their maturity dates. The balance of the reserve account (approximately \$150,000) was moved to unrestricted cash resulting in the significant current ratio improvement. Capital spending from 2008 to 2011 was about \$580,000 which was funded with transfers from the water fund (\$400,000), grants (\$70,000) and cash available from operations.

PROJECTIONS

Projections are based on the following assumptions:

- a) Revenues assume limited recovery from the 2011 decline but otherwise do not reflect any volume growth.
- b) Operating expenses will increase by 3% per year for inflation.

- c) A replacement reserve of \$1,250 for the KIA loan will be funded annually for ten years. The balance of reserve contributions included in the cash flow is estimated for the RD loan that is a part of this project.
- d) Debt service on the proposed loan is estimated at \$25,781 annually beginning in 2014 with total debt service in 2015 estimated at about \$55,000. The only debt on the sewer system will be the proposed KIA loan and an RD loan for this project.
- e) Debt service coverage is 3.7 in 2014 when principal and interest repayments begin and will decline to 1.2 when repayments on the RD loan begin. No debt service is projected for 2012 or 2013.

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 \$1,250. This amount should be added to the replacement account each December 1 until the balance reaches \$12,500 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

None

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u> | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|--------------------------------|-----------------------|---------------|--------------|
| Waterline Improvements Phase I | RD | 750,000 | Loan / Grant |
| Waterline Improvements Phase I | CDBG | 750,000 | Grant |

XII. CONTACTS

| | |
|------------------|-----------------------------------|
| Applicant | |
| Name | City of Jenkins |
| Address | P.O. Box 568 Jenkins, KY 41537 |
| County | Letcher |
| Contact | G.C. Kincer |
| Phone | (606) 832-2141 |

Applicant Contact

Name KY River Area Development District
Address 917 Perry Park Road
Hazard, KY 41701
Contact Jennifer McIntosh
Phone (606) 436-3158
Email Jennifer@kradd.org

Engineer

Name Mark H. Feibes
Firm Nesbitt Engineering, Inc.
Address 227 North Upper Street
Lexington, KY 40507
Phone (859) 685-4517
Email mfeibes@nei-ky.com

XIII. RECOMMENDATIONS

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

**CITY OF JENKINS (SEWER FUND)
BALANCE SHEETS (JUNE YEAR END)**

| | Audited 2008 | Audited 2009 | Audited 2010 | Audited 2011 | Projected 2012 | Upon Completion 2013 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|---------------------------|-------------------------------------|
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash | 32,653 | 39,847 | 22,558 | 179,816 | 288,717 | 390,944 |
| Investments | 99,384 | 103,445 | 105,796 | 107,555 | 108,500 | 109,500 |
| Accounts Receivable | 35,812 | 29,657 | 29,784 | 32,571 | 31,700 | 31,700 |
| Other Current Assets | 0 | 22,965 | 14,710 | 0 | 0 | 0 |
| Total Current Assets | 167,849 | 195,914 | 172,848 | 319,942 | 428,917 | 532,144 |
| Restricted Assets | | | | | | |
| Investments | 506,999 | 472,734 | 467,605 | 0 | 0 | 0 |
| Total Restricted Assets | 506,999 | 472,734 | 467,605 | 0 | 0 | 0 |
| Utility Plant | | | | | | |
| Land, System, Building and Equipment | 5,548,495 | 5,408,937 | 5,453,071 | 5,967,112 | 5,967,112 | 7,467,112 |
| Less Accumulated Depreciation () | (3,166,507) | (3,365,583) | (3,580,479) | (3,792,340) | (3,928,640) | (4,114,940) |
| Net Fixed Assets | 2,381,988 | 2,043,354 | 1,872,592 | 2,174,772 | 2,038,472 | 3,352,172 |
| Total Assets | 3,056,836 | 2,712,002 | 2,513,045 | 2,494,714 | 2,467,389 | 3,884,316 |
| LIABILITIES | | | | | | |
| Current Liabilities | | | | | | |
| Accounts Payable | 11,791 | 1,861 | 3,341 | 6,843 | 7,500 | 7,500 |
| Other | 0 | 0 | 6,481 | 7,000 | 7,500 | 8,000 |
| Due to Other Funds | 139,830 | 0 | 0 | 0 | 0 | 0 |
| Current Portion Long Term Debt | 108,047 | 137,148 | 148,809 | 0 | 0 | 0 |
| Total Current Liabilities | 259,668 | 139,009 | 158,631 | 13,843 | 15,000 | 15,500 |
| Long Term Liabilities | | | | | | |
| Bonds, Notes and Loans Payable | 641,027 | 455,392 | 306,583 | 0 | 0 | 0 |
| Proposed KIA Loan | 0 | 0 | 0 | 0 | 0 | 450,000 |
| Proposed RD Loan | 0 | 0 | 0 | 0 | 0 | 700,000 |
| Total Long Term Liabilities | 641,027 | 455,392 | 306,583 | 0 | 0 | 1,150,000 |
| Total Liabilities | 900,695 | 594,401 | 465,214 | 13,843 | 15,000 | 1,165,500 |
| Retained Earnings: | | | | | | |
| Invested in Capital Assets Net of Related Debt | 1,632,914 | 1,450,814 | 1,417,200 | 2,174,772 | 2,038,472 | 2,202,172 |
| Restricted | 506,999 | 472,734 | 467,605 | 0 | 0 | 0 |
| Unrestricted | 16,228 | 194,053 | 163,026 | 306,099 | 413,917 | 516,644 |
| Total Retained Earnings | 2,156,141 | 2,117,601 | 2,047,831 | 2,480,871 | 2,452,389 | 2,718,816 |
| Total Liabilities and Equities | 3,056,836 | 2,712,002 | 2,513,045 | 2,494,714 | 2,467,389 | 3,884,316 |
| Balance Sheet Analysis | | | | | | |
| Current Ratio | 0.6 | 1.4 | 1.1 | 23.1 | 28.6 | 34.3 |
| Debt to Equity | 0.4 | 0.3 | 0.2 | 0.0 | 0.0 | 0.4 |
| Days Sales in Accounts Receivable | 34.7 | 28.0 | 29.6 | 37.4 | 35.0 | 35.0 |

**EXHIBIT 1
CITY OF JENKINS (SEWER FUND)
CASH FLOW ANALYSIS (JUNE YEAR END)**

| | Audited 2008 | % Change | Audited 2009 | % Change | Audited 2010 | % Change | Audited 2011 | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 | Projected 2016 |
|--|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Operating Revenues | | | | | | | | | | | | |
| Sewer Revenues | 348,837 | -1% | 344,818 | 1% | 346,899 | -9% | 316,191 | 328,839 | 328,839 | 328,839 | 328,839 | 328,839 |
| Other | 28,283 | 49% | 42,256 | -53% | 19,754 | -93% | 1,472 | 1,531 | 1,531 | 1,531 | 1,531 | 1,531 |
| Total Revenues | 377,120 | 3% | 387,074 | -5% | 366,653 | -13% | 317,663 | 330,370 | 330,370 | 330,370 | 330,370 | 330,370 |
| Operating Expenses | | | | | | | | | | | | |
| Operating Expenses | 179,112 | 13% | 203,209 | 3% | 210,315 | 3% | 215,989 | 222,469 | 229,143 | 236,017 | 243,098 | 250,391 |
| Depreciation | 212,538 | 0% | 213,275 | 1% | 214,896 | -37% | 136,327 | 136,300 | 186,300 | 186,300 | 186,300 | 186,300 |
| Replacement Reserve | 0 | | 0 | | 0 | | 0 | 0 | 0 | 1,250 | 24,250 | 24,250 |
| Total Expenses | 391,650 | 6% | 416,484 | 2% | 425,211 | -17% | 352,316 | 358,769 | 415,443 | 423,567 | 453,648 | 460,941 |
| Net Operating Income | (14,530) | 102% | (29,410) | 99% | (58,558) | -41% | (34,653) | (28,399) | (85,073) | (93,197) | (123,278) | (130,571) |
| Non-Operating Income and Expenses | | | | | | | | | | | | |
| Interest Income | 12,871 | -40% | 7,773 | -55% | 3,528 | -48% | 1,821 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Total Non-Operating Income & Expenses | 12,871 | -40% | 7,773 | -55% | 3,528 | -48% | 1,821 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Add Non-Cash Expenses | | | | | | | | | | | | |
| Depreciation | 212,538 | 0% | 213,275 | 1% | 214,896 | -37% | 136,327 | 136,300 | 186,300 | 186,300 | 186,300 | 186,300 |
| Cash Available for Debt Service | 210,879 | -9% | 191,638 | -17% | 159,866 | -35% | 103,495 | 108,901 | 102,227 | 94,103 | 64,022 | 56,729 |
| Debt Service (enter as positive #'s) | | | | | | | | | | | | |
| Existing Principal | 108,492 | | 134,034 | | 137,148 | | 140,336 | 0 | 0 | 0 | 0 | 0 |
| Existing Interest | 17,818 | | 16,903 | | 14,740 | | 10,991 | 0 | 0 | 0 | 0 | 0 |
| Proposed KIA Loan | 0 | | 0 | | 0 | | 0 | 0 | 0 | 25,172 | 25,172 | 25,172 |
| Pending RD Loan | 0 | | 0 | | 0 | | 0 | 0 | 0 | 0 | 28,964 | 28,964 |
| Total Debt Service | 126,310 | | 150,937 | | 151,888 | | 151,327 | 0 | 0 | 25,172 | 54,136 | 54,136 |
| Income After Debt Service | 84,569 | | 40,701 | | 7,978 | | (47,832) | 108,901 | 102,227 | 68,931 | 9,886 | 2,593 |
| Debt Coverage Ratio | 1.7 | | 1.3 | | 1.1 | | 0.7 | n/a | n/a | 3.7 | 1.2 | 1.0 |

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I.C.6.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B12-05) OF \$160,000 TO THE EAST PENDLETON WATER DISTRICT, PENDLETON 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 Infrastructure Revolving Loan Program with the East Pendleton Water District, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$160,000 of project expense, to the East Pendleton Water District for the Water Tank Refurbishment project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all

conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 2.75% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$400 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$4,000 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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

| | | | |
|--|---|---------------------------|---------------------------|
| EXECUTIVE SUMMARY | | Reviewer: | Sandy Williams |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date: | August 2, 2012 |
| FUND B, INFRASTRUCTURE | | KIA Loan Number: | B12-05 |
| REVOLVING LOAN FUND | | WRIS Number | WX21191002 |
| BORROWER: | EAST PENDLETON COUNTY WATER DISTRICT | | |
| | PENDLETON COUNTY | | |
| BRIEF DESCRIPTION: | <p>This project is for painting the inside and outside of a 150,000 gallon water tower tank with epoxy paint. The tank will be cleaned and sandblasted with EPA approved inert material and the tank area will be fully contained to ensure that no dust escapes the project area. The project will not require any engineering or ground preparation and will be fully EPA and OSHA compliant.</p> | | |
| PROJECT FINANCING: | | PROJECT BUDGET | |
| Fund B Loan | 160,000 | Construction | 160,000 |
| TOTAL | <u>\$ 160,000</u> | TOTAL | <u>\$ 160,000</u> |
| REPAYMENT | | Est. Annual | |
| | Rate | 2.75% | Payment |
| | Term | 20 years | 1st Payment |
| | | | \$ 10,774 |
| | | | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | None | |
| | Bond Counsel | Peck, Shaffer, & Williams | |
| PROJECT SCHEDULE | | | |
| | Bid Opening: | September 2012 | |
| | Construction Start: | October 2012 | |
| | Construction Stop: | December 2012 | |
| DEBT PER CUSTOMER | Existing: | \$ 724 | |
| | Proposed: | \$ 773 | |
| OTHER DEBT | See Attached | | |
| OTHER STATE-FUNDED PROJECTS LAST 5 YRS | See Attached | | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> |
| | Current | 2,049 \$ | 37.28 (for 4,000 gallons) |
| | Additional | 0 \$ | 37.28 (for 4,000 gallons) |
| REGIONAL COORDINATION | This project is consistent with regional planning recommendations. | | |
| CASHFLOW | Cash Available for | Income after Debt | |
| | Debt Service | Debt Service | Service |
| | | | Coverage Ratio |
| Audited 2008 | 196,589 | 156,084 | 40,505 |
| Audited 2009 | 198,002 | 149,608 | 48,394 |
| Audited 2010 | 169,748 | 146,115 | 23,633 |
| Audited 2011 | 90,729 | 153,868 | (63,139) |
| Projected 2012 | 85,133 | 128,924 | (43,791) |
| Projected 2013 | 143,689 | 139,511 | 4,178 |
| Projected 2014 | 156,988 | 141,670 | 15,318 |
| Projected 2015 | 140,357 | 139,662 | 695 |
| | | | 1.3 |
| | | | 1.3 |
| | | | 1.2 |
| | | | 0.6 |
| | | | 0.7 |
| | | | 1.0 |
| | | | 1.1 |
| | | | 1.0 |

**KENTUCKY INFRASTRUCTURE AUTHORITY
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
 EAST PENDLETON WATER DISTRICT, PENDLETON COUNTY
 PROJECT REVIEW
 WX21191002**

I. PROJECT DESCRIPTION

The East Pendleton Water District is requesting a Fund "B" loan in the amount of \$160,000 for the Water Tank Refurbishment Project. This project is for painting the inside and outside of a 150,000 gallon water tower tank with epoxy paint. The tank will be cleaned and sandblasted with EPA approved inert material and the tank area will be fully contained to ensure that no dust escapes the project area. The project will not require any engineering or ground preparation and will be fully EPA and OSHA compliant.

The District serves approximately 2,000 customers and its activities are subject to PSC jurisdiction. The District purchases substantially all of its water from the Falmouth Water Department.

II. PROJECT BUDGET

| | Amount | % |
|--------------|-------------------|-------------|
| Construction | \$ 160,000 | 100% |
| Total | \$ 160,000 | 100% |

III. PROJECT FUNDING

| | Amount | % |
|--------------|-------------------|-------------|
| Fund B Loan | \$ 160,000 | 100% |
| Total | \$ 160,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|------------------|
| Construction Loan | \$ 160,000 |
| Interest Rate | 2.75% |
| Loan Term (Years) | 20 |
| Estimated Annual Debt Service | \$ 10,454 |
| Administrative Fee (0.20%) | \$ 320 |
| Total Estimated Annual Debt Service | \$ 10,774 |

V. PROJECT SCHEDULE

| | |
|--------------------|----------------|
| Bid Opening | September 2012 |
| Construction Start | October 2012 |
| Construction Stop | December 2012 |

VI. RATE STRUCTURE

A. Customers

| <u>Customers</u> | <u>Current</u> |
|------------------|----------------|
| Residential | 2,039 |
| Commercial | 9 |
| Industrial | 1 |
| Total | <u>2,049</u> |

B. Rates

| | <u>Current</u> |
|--------------------------------|----------------|
| Date of Last Rate Increase | 03/15/04 |
| Minimum (1,000 gallons) | \$17.75 |
| Next 99,000 Gallons | 6.51 |
| Over 100,000 Gallons | 5.55 |
| Cost for 4,000 gallons | \$37.28 |
| Affordability Index (Rate/MHI) | 1.0% |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the County's population was 14,894 with a Median Household Income (MHI) of \$44,670. The median household income for the Commonwealth is \$41,576. The project will qualify for a 2.75% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the District was obtained from the audited financial statements for the years ended December 31, 2008 through 2011.

HISTORICAL

Revenues declined 5% from \$929,102 in 2008 to \$885,834 in 2011. Revenues increased sequentially in 2009 and 2010 due to customer growth. Revenues declined in 2011 due to a wetter than normal summer and a reduction of about \$25,000 in purchases from a local mine and a dairy. The warmer winter resulted in conditions that made it easier for the mine to source more water from the Ohio River. Operating

expenses increased 12% from \$534,358 to \$598,360. Purchase water cost declined with volume decreasing from \$230,679 to \$207,352. The purchase cost was \$1.98 per thousand gallons each year. Operating expenses increased 12% from \$534,358 to \$598,360. Cash flow available for debt service declined from about \$200,000 in each of 2008 and 2009 to \$90,729 in 2011. The debt coverage ratio declined from 1.3 in 2008 to 0.6 (-\$63,139) in 2011 with debt service costs being constant each year at about \$150,000. A bond issue was retired during 2011 which will reduce debt service costs by \$25,000 in 2012.

At the end of 2011 the current ratio was 1.4 and the debt to equity ratio was 0.5. Unrestricted cash was equal to about two months of expenses. The District's bond resolution requires the maintenance of a depreciation fund and a sinking fund. The sinking fund requirement includes maintenance of two months of anticipated operating expenses in the restricted account in addition to upcoming debt service amounts. Approximately 10% of total assets are restricted for debt service and depreciation.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues from growth (from existing capacity) will increase 1% per year. Also, in 2012, revenues will also recover some of the weather related volume loss that occurred in 2011.
- 2) Operating expenses will increase 3% per year.
- 3) Cash flow after debt service in 2012 is estimated to have a shortfall of about \$44,000 based on the above two assumptions. If volume does not improve significantly, the District will need to request a rate increase to return to a positive cash flow. The estimated shortfall is \$75,000 in 2013 and an additional \$30,000 in 2014. The projection assumes this shortfall will be remedied before repayment of the proposed loan begins in 2013.
- 4) The District will automatically increase rates for any increase in water purchase cost which is currently \$1.98 per thousand gallons.
- 5) A replacement reserve of \$400 will be funded annually for ten years.
- 6) The new debt service is estimated at \$10,774 annually.
- 7) Debt service coverage is 1.0 in 2013 when principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$400. This amount should be added to the replacement account each December 1 until the balance reaches \$4,000 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

| | Outstanding | Maturity |
|-------------------------------------|---------------------|----------|
| Series 1998 Revenue Refunding Bonds | \$ 695,000 | 2025 |
| KIA (C97-01) | 80,000 | 2017 |
| Series 2002 Rural Development Bonds | 430,000 | 2042 |
| Series 2007 Rural Development Bonds | 183,500 | 2042 |
| Series 2007 Rural Development Bonds | 94,100 | 2044 |
| Total | \$ 1,482,600 | |

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u> | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|----------------------|-----------------------|---------------|-------------|
| Water | HB608 | 163,130 | Grant |
| Waterline Expansion | CDBG | 349,731 | Grant |

XI. CONTACTS

| Applicant | |
|------------------|--|
| Name | East Pendleton County Water District |
| Address | 601 Woodson Road Falmouth, KY 41040 |
| County | Pendleton |
| Contact | Wayne Lonaker |
| Phone | (859) 654-2100 |
| Email | wayne@epwd.net |

| Applicant Contact | |
|--------------------------|---|
| Name | Pendleton County Community Development Office |
| Address | P.O. Box 171 Falmouth, KY |
| Contact | Bill Mitchell |
| Phone | (859) 654-4567 |
| Email | bill.mitchell@nkadd.org |

XII. RECOMMENDATIONS

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

**EAST PENDLETON COUNTY WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)**

| ASSETS | Audited 2008 | Audited 2009 | Audited 2010 | Audited 2011 | Upon Completion 2012 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------|
| Current Assets | | | | | |
| Cash | 203,530 | 167,246 | 179,897 | 128,070 | 84,279 |
| Accounts Receivable | 65,344 | 72,274 | 82,932 | 62,180 | 68,600 |
| Inventory | 16,819 | 13,665 | 15,468 | 15,728 | 16,000 |
| Other Receivables | 0 | 0 | 9,750 | 0 | 0 |
| Total Current Assets | 285,693 | 253,185 | 288,047 | 205,978 | 168,879 |
| Restricted Assets | | | | | |
| Cash | 257,608 | 252,702 | 245,894 | 236,225 | 236,225 |
| Construction | 205,484 | 270,035 | 252,946 | 219,008 | 219,008 |
| Certificates of Deposit | 235,309 | 239,529 | 243,943 | 247,349 | 247,349 |
| Accrued Interest | 857 | 0 | 0 | 0 | 0 |
| Total Restricted Assets | 699,258 | 762,266 | 742,783 | 702,582 | 702,582 |
| Utility Plant | | | | | |
| Land, System, Building and Equipment | 5,869,506 | 6,176,717 | 6,651,867 | 6,716,086 | 6,876,086 |
| Construction In Progress | 288,896 | 16,597 | 0 | 0 | 0 |
| Total | 6,158,402 | 6,193,314 | 6,651,867 | 6,716,086 | 6,876,086 |
| Less Accumulated Depreciation () | (2,327,582) | (2,501,610) | (2,677,323) | (2,846,784) | (3,022,184) |
| Net Fixed Assets | 3,830,820 | 3,691,704 | 3,974,544 | 3,869,302 | 3,853,902 |
| Other Assets | | | | | |
| Bond Issue Costs | 51,936 | 48,611 | 45,286 | 41,961 | 38,636 |
| Total Other Assets | 51,936 | 48,611 | 45,286 | 41,961 | 38,636 |
| Total Assets | 4,867,707 | 4,755,766 | 5,050,660 | 4,819,823 | 4,763,999 |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts Payable | 36,459 | 31,331 | 30,292 | 29,310 | 29,310 |
| Taxes Payable | 3,612 | 4,471 | 4,627 | 3,345 | 3,345 |
| Customer Deposits | 25,310 | 24,655 | 29,215 | 30,715 | 30,715 |
| Accrued Interest | 22,325 | 22,361 | 22,421 | 20,723 | 20,723 |
| C.P. Long Term Debt | 71,500 | 72,500 | 74,800 | 58,400 | 61,100 |
| Total Current Liabilities | 159,206 | 155,318 | 161,355 | 142,493 | 145,193 |
| Long Term Liabilities | | | | | |
| Long Term debt | 1,637,000 | 1,563,500 | 1,482,600 | 1,424,200 | 1,363,100 |
| Proposed KIA Loan | 0 | 0 | 0 | 0 | 160,000 |
| Total Long Term Liabilities | 1,637,000 | 1,563,500 | 1,482,600 | 1,424,200 | 1,523,100 |
| Total Liabilities | 1,796,206 | 1,718,818 | 1,643,955 | 1,566,693 | 1,668,293 |
| Retained Earnings: | | | | | |
| Invested in Capital Assets Net of Related Debt | 2,122,320 | 2,055,704 | 2,417,144 | 2,386,702 | 2,269,702 |
| Restricted For Debt Service | 280,608 | 274,531 | 269,206 | 259,900 | 236,225 |
| Restricted For Depreciation | 213,166 | 216,174 | 220,631 | 223,674 | 247,349 |
| Unrestricted | 455,407 | 490,539 | 499,724 | 382,854 | 342,430 |
| Total Retained Earnings | 3,071,501 | 3,036,948 | 3,406,705 | 3,253,130 | 3,095,706 |
| Total Liabilities and Equities | 4,867,707 | 4,755,766 | 5,050,660 | 4,819,823 | 4,763,999 |
| Balance Sheet Analysis | | | | | |
| Current Ratio | 1.8 | 1.6 | 1.8 | 1.4 | 1.2 |
| Debt to Equity | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 |
| Days Sales in Accounts Receivable | 25.7 | 27.8 | 31.5 | 25.6 | 27.5 |

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

| | Audited | % | Audited | % | Audited | % | Audited | % | Projected | Projected | Projected | Projected |
|--|----------------|--------------|----------------|--------------|-----------------|-------------|-----------------|-------------|------------------|------------------|------------------|------------------|
| | 2008 | Change | 2009 | Change | 2010 | Change | 2011 | Change | 2012 | 2013 | 2014 | 2015 |
| Operating Revenues | | | | | | | | | | | | |
| Water Revenues | 883,454 | 1% | 894,593 | 2% | 911,160 | -8% | 838,285 | 3% | 863,434 | 872,068 | 955,789 | 995,347 |
| Sewer Revenues | 20,032 | 9% | 21,888 | 2% | 22,410 | -5% | 21,197 | 3% | 21,833 | 22,051 | 22,272 | 22,495 |
| Other | 25,616 | 22% | 31,330 | -10% | 28,050 | -6% | 26,352 | -5% | 25,000 | 25,000 | 25,000 | 25,000 |
| Revenue Adjustment | 0 | | 0 | | 0 | | 0 | | 0 | 75,000 | 30,000 | 0 |
| Total Revenues | 929,102 | 2% | 947,811 | 1% | 961,620 | -8% | 885,834 | 3% | 910,267 | 994,119 | 1,033,061 | 1,042,842 |
| Operating Expenses | | | | | | | | | | | | |
| Purchased Water | 230,679 | -5% | 219,211 | 3% | 226,422 | -8% | 207,352 | 3% | 213,573 | 219,980 | 226,579 | 233,376 |
| Operating Expenses | 534,358 | 1% | 537,320 | 7% | 573,980 | 4% | 598,360 | 3% | 616,311 | 634,800 | 653,844 | 673,459 |
| Depreciation | 166,485 | 5% | 174,028 | 1% | 175,713 | 2% | 178,689 | -2% | 175,400 | 183,400 | 183,400 | 183,400 |
| Replacement Reserve | 0 | | 0 | | 0 | | 0 | | 0 | 400 | 400 | 400 |
| Total Expenses | 931,522 | 0% | 930,559 | 5% | 976,115 | 1% | 984,401 | 2% | 1,005,284 | 1,038,580 | 1,064,223 | 1,090,635 |
| Net Operating Income | (2,420) | -813% | 17,252 | -184% | (14,495) | 580% | (98,567) | -4% | (95,017) | (44,461) | (31,162) | (47,793) |
| Non-Operating Income and Expenses | | | | | | | | | | | | |
| Interest Income | 26,764 | -74% | 6,942 | 26% | 8,730 | -34% | 5,787 | -18% | 4,750 | 4,750 | 4,750 | 4,750 |
| Other | 5,760 | | (220) | | (200) | | 4,820 | | 0 | 0 | 0 | 0 |
| Total Non-Operating Income & Expenses | 32,524 | -79% | 6,722 | 27% | 8,530 | 24% | 10,607 | -55% | 4,750 | 4,750 | 4,750 | 4,750 |
| Add Non-Cash Expenses | | | | | | | | | | | | |
| Depreciation | 166,485 | 5% | 174,028 | 1% | 175,713 | 2% | 178,689 | -2% | 175,400 | 183,400 | 183,400 | 183,400 |
| Cash Available for Debt Service | 196,589 | 1% | 198,002 | -14% | 169,748 | -47% | 90,729 | -6% | 85,133 | 143,689 | 156,988 | 140,357 |
| Debt Service (enter as positive #'s) | | | | | | | | | | | | |
| Existing Principal | 71,300 | | 72,500 | | 72,500 | | 74,800 | | 58,400 | 61,100 | 66,300 | 67,500 |
| Existing Interest | 84,784 | | 77,108 | | 73,615 | | 79,068 | | 70,524 | 67,637 | 64,596 | 61,388 |
| Proposed KIA Loan | 0 | | 0 | | 0 | | 0 | | 0 | 10,774 | 10,774 | 10,774 |
| Total Debt Service | 156,084 | | 149,608 | | 146,115 | | 153,868 | | 128,924 | 139,511 | 141,670 | 139,662 |
| Income After Debt Service | 40,505 | | 48,394 | | 23,633 | | (63,139) | | (43,791) | 4,178 | 15,318 | 695 |
| Debt Coverage Ratio | 1.3 | | 1.3 | | 1.2 | | 0.6 | | 0.7 | 1.0 | 1.1 | 1.0 |

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I.C.7.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B12-06) OF \$548,180 TO THE MARION COUNTY WATER DISTRICT, MARION 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 Infrastructure Revolving Loan Program with the Marion County Water District, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$548,180 of project expense, to the Marion County Water District for the Highway 84 Water Line Upgrades project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of

all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 1.75% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$1,370 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$13,700 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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

| | | | | |
|--|---|----------------------------------|---------------------|------------------------|
| EXECUTIVE SUMMARY | | Reviewer: | Sandy Williams | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date: | August 2, 2012 | |
| FUND B, INFRASTRUCTURE | | KIA Loan Number: | B12-06 | |
| REVOLVING LOAN FUND | | WRIS Number | WX21155031 | |
| BORROWER: | MARION COUNTY WATER DISTRICT | | | |
| | MARION COUNTY | | | |
| BRIEF DESCRIPTION: | <p>This project is for the replacement of approximately 25,000 linear feet of forty year old four inch water line with a six in line along Highway 84 in the Raywick area of Marion County. Water demand in the area and beyond it requires a six inch line to provide the necessary pressure and volume. The existing line has been prone to breakage resulting in water outages and boil water orders when pressure has dropped below mandatory levels.</p> | | | |
| PROJECT FINANCING: | | PROJECT BUDGET | Allowed % | Actual % |
| Fund B Loan | \$548,180 | Administrative Expenses | | \$10,000 |
| | | Legal Expenses | | 5,000 |
| | | Eng - Design | 10.5% | 7.7% |
| | | Eng - Constr | | 1.9% |
| | | Eng - Inspection | 7.7% | 7.2% |
| | | Construction | | 414,750 |
| | | Contingency | | 41,500 |
| TOTAL | \$548,180 | TOTAL | | \$548,180 |
| REPAYMENT | | | | |
| | Rate | 1.75% | Est. Annual Payment | \$33,700 |
| | Term | 20 years | 1st Payment | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | Kentucky Engineering Group, PLLC | | |
| | Bond Counsel | Peck, Shaffer, & Williams | | |
| PROJECT SCHEDULE | | | | |
| | Bid Opening: | | Sep-12 | |
| | Construction Start: | | Dec-12 | |
| | Construction Stop: | | Apr-13 | |
| DEBT PER CUSTOMER | Existing: | | \$494 | |
| | Proposed: | | \$501 | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
| | Current | 5,663 | \$26.87 | (for 4,000 gallons) |
| | Additional | 0 | \$26.87 | (for 4,000 gallons) |
| REGIONAL COORDINATION | This project is consistent with regional planning recommendations. | | | |
| CASHFLOW | Cash Available for | Income after Debt | | |
| | Debt Service | Debt Service | Service | Coverage Ratio |
| Audited 2009 | 230,050 | 127,447 | 102,603 | 1.8 |
| Audited 2010 | 633,547 | 148,301 | 485,246 | 4.3 |
| Audited 2011 | 630,973 | 146,562 | 484,411 | 4.3 |
| Projected 2012 | 511,577 | 159,679 | 351,898 | 3.2 |
| Projected 2013 | 496,724 | 173,180 | 323,544 | 2.9 |
| Projected 2014 | 482,690 | 167,769 | 314,921 | 2.9 |
| Projected 2015 | 468,090 | 156,993 | 311,097 | 3.0 |
| Projected 2016 | 452,905 | 167,667 | 285,238 | 2.7 |

**KENTUCKY INFRASTRUCTURE AUTHORITY
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
 MARION COUNTY WATER DISTRICT, MARION COUNTY
 PROJECT REVIEW
 WX21155031**

I. PROJECT DESCRIPTION

The Marion County Water District is requesting a Fund "B" loan in the amount of \$548,180 for the Highway 84 Water Line Upgrades Project. This project is for the replacement of approximately 25,000 linear feet of forty year old four inch water line with a six inch line along Highway 84 in the Raywick area of Marion County. Water demand in the area and beyond it requires a six inch line to provide the necessary pressure and volume. The existing line has been prone to breakage resulting in water outages and boil water advisories when pressure has dropped below mandatory levels. The project ranked fifty-third on the 2013 DWSRF priority list and it is highly unlikely that there will be enough invitation declinations of higher priority projects for it to be invited.

The District serves approximately 5,600 customers and its activities are subject to PSC jurisdiction. The District purchases substantially all of its water from Lebanon Water Works.

II. PROJECT BUDGET

| | Total |
|-------------------------|-------------------|
| Administrative Expenses | \$ 10,000 |
| Legal Expenses | 5,000 |
| Engineering Fees | 76,930 |
| Construction | 414,750 |
| Contingency | 41,500 |
| Total | \$ 548,180 |

III. PROJECT FUNDING

| | Amount | % |
|--------------|-------------------|-------------|
| Fund B Loan | \$ 548,180 | 100% |
| Total | \$ 548,180 | 100% |

IV. KIA DEBT SERVICE

| | | |
|--|-----------|---------------|
| Construction Loan | \$ | 548,180 |
| Interest Rate | | 1.75% |
| Loan Term (Years) | | 20 |
| Estimated Annual Debt Service | \$ | 32,603 |
| Administrative Fee (0.20%) | \$ | 1,096 |
| Total Estimated Annual Debt Service | \$ | 33,700 |

V. PROJECT SCHEDULE

| | |
|--------------------|----------------|
| Bid Opening | September 2012 |
| Construction Start | December 2012 |
| Construction Stop | April 2013 |

VI. RATE STRUCTURE

| | |
|----------------------------|----------------|
| A. <u>Customers</u> | <u>Current</u> |
| Residential | 5,486 |
| Commercial | 159 |
| Industrial | 18 |
| Total | <u>5,663</u> |

B. Rates

| | <u>Current</u> | <u>Prior</u> |
|------------------------------------|----------------|--------------|
| Date of Last Rate Increase | 10/21/09 | |
| Meter Charge / First 1,000 Gallons | \$7.23 | \$11.04 |
| All Usage Per 1,000 / First 1,000 | 4.91 | 4.46 |
| Next 9,000 Gallons | n/a | 3.92 |
| Next 90,000 Gallons | n/a | 3.81 |
| Over 100,000 Gallons | n/a | 3.81 |
| Cost for 4,000 gallons | \$26.87 | \$24.42 |
| Percent Increase | 10.0% | |
| Affordability Index (Rate/MHI) | 0.9% | |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the County's population was 19,619 with a Median Household Income (MHI) of \$37,488. The median household income for the Commonwealth is \$41,576. The project will qualify for a 1.75% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the District was obtained from the audited financial statements for the years ended December 31, 2009 through 2011.

HISTORICAL

Revenues increased 15% from \$2,170,714 in 2009 to \$2,490,350 in 2011. The increase was comprised of a 5% volume increase and a 10% rate increase. The rate increase was put into place to fund a \$1.4 million RD loan to expand distribution capacity for northern and western parts of the county. Two customers (Makers Mark Distillery and Marion Correctional Facility), both of which are considered very stable, account for approximately 13% of revenues. Purchased water cost declined 2% from \$1,316,825 to \$1,289,191 due to a decrease in line loss while the unit purchase cost remained constant at \$2.86 per thousand gallons each year. Operating expenses were flat at about \$620,000 each year. Cash flow available for debt service increased from \$230,050 in 2009 to \$630,973 in 2011 while the debt coverage ratio increased from 1.8 to 4.3 during the same period.

At the end of 2011 the current ratio was 6.5 and the debt to equity ratio was 0.3. Unrestricted cash was equal to about ten months of expenses. A 5% bond issue was retired in advance of its scheduled maturity during 2012 which will reduce annual debt service by \$40,000 in future years.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues from growth (from existing capacity) will increase 0.5% per year.
- 2) Operating expenses will increase 3% per year.
- 3) The District will automatically increase rates for any increase in water purchase cost.
- 4) A replacement reserve of \$1,370 will be funded annually for ten years. The balance of reserve contributions included in the cash flow is related to other loans.
- 5) Debt service on the new loan is estimated at \$33,700 annually and total debt service is estimated at \$167,769 when principal and interest payments begin in 2014.
- 6) Debt service coverage is 2.9 in 2014 when principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$1,370. This amount should be added to the replacement account each December 1 until the balance reaches \$13,700 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

| | <u>Outstanding</u> | <u>Maturity</u> |
|--------------------|---------------------|-----------------|
| Series 1992A Bonds | 368,000 | 2032 |
| Series 1993 Bonds | 172,500 | 2032 |
| Series 1996 Bonds | 102,700 | 2035 |
| Series 2000 Bonds | 301,500 | 2039 |
| Series 2009 Bonds | 1,433,000 | 2050 |
| Total | \$ 2,797,700 | |

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u> | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|--------------------------------------|-----------------------|---------------|--------------|
| Lebanon to Loretto Transmission Main | RD | 1,433,000 | Loan / Grant |
| Lebanon to Loretto Transmission Main | HB608 | 200,000 | Grant |
| Water Storage Tank | HB608 | 725,000 | Grant |
| Highway 527 Water Line Upgrades | HB608 | 300,000 | Grant |

XI. CONTACTS

| Applicant | |
|------------------|-----------------------------------|
| Name | Marion County Water District |
| Address | P.O. Box 528 Lebanon, KY 40033 |
| County | Marion |
| Contact | Jimmy Mudd |
| Phone | (270) 692-2004 |
| Email | mcwdh2o@yahoo.com |

| | |
|--------------------------|-------------------------------------|
| Applicant Contact | |
| Name | Kentucky Engineering Group, PLLC |
| Address | PO Box 1034 Versailles, KY 40383 |
| Contact | Holly Nicholas |
| Phone | (859) 333-9742 |
| Email | hnicholas@kyengr.com |
| Engineer | |
| Name | James C. Thompson, PE |
| Firm | Kentucky Engineering Group, PLLC |
| Address | PO Box 1034 Versailles, KY 40383 |
| Phone | (859) 251-4127 |
| Email | jthompson@kyengr.com |

XII. RECOMMENDATIONS

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

**MARION COUNTY WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)**

| | Audited 2007 | Audited 2008 | Audited 2009 | Audited 2010 | Audited 2011 | Projected 2012 | Upon Completion 2013 |
|---------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------------------------|-------------------------------------|
| ASSETS | | | | | | | |
| Current Assets | | | | | | | |
| Cash | 851,890 | 986,419 | 1,245,332 | 1,443,475 | 1,633,782 | 1,584,680 | 1,908,224 |
| Accounts Receivable | 149,307 | 138,600 | 139,262 | 151,137 | 147,322 | 148,000 | 148,700 |
| Other Receivables | 119,031 | 409,066 | 8,235 | 8,943 | 24,975 | 25,000 | 25,000 |
| Inventory | 42,310 | 51,874 | 45,287 | 138,410 | 311,460 | 50,000 | 50,000 |
| Prepaid Insurance | 9,925 | 10,225 | 10,225 | 10,554 | 10,833 | 11,000 | 11,000 |
| Accrued Interest Receivable | 5,461 | 4,060 | 3,647 | 1,493 | 2,031 | 2,000 | 2,000 |
| Total Current Assets | 1,177,924 | 1,600,244 | 1,451,988 | 1,754,012 | 2,130,403 | 1,820,680 | 2,144,924 |
| Restricted Assets | | | | | | | |
| Cash | 538,292 | 538,292 | 538,292 | 638,292 | 650,003 | 775,000 | 900,000 |
| Total Restricted Assets | 538,292 | 538,292 | 538,292 | 638,292 | 650,003 | 775,000 | 900,000 |
| Utility Plant | | | | | | | |
| Land, System, Building and Equipment | 12,913,259 | 13,886,581 | 14,336,816 | 16,037,118 | 17,251,238 | 17,799,418 | 18,347,598 |
| Construction In Progress | 41,404 | 21,262 | 939,156 | 448,353 | 0 | 0 | 0 |
| Total | 12,954,663 | 13,907,843 | 15,275,972 | 16,485,471 | 17,251,238 | 17,799,418 | 18,347,598 |
| Less Accumulated Depreciation () | (4,023,051) | (4,310,536) | (4,595,265) | (4,872,499) | (5,253,247) | (5,638,247) | (6,023,247) |
| Net Fixed Assets | 8,931,612 | 9,597,307 | 10,680,707 | 11,612,972 | 11,997,991 | 12,161,171 | 12,324,351 |
| Total Assets | 10,647,828 | 11,735,843 | 12,670,987 | 14,005,276 | 14,778,397 | 14,756,851 | 15,369,275 |
| LIABILITIES | | | | | | | |
| Current Liabilities | | | | | | | |
| Accounts Payable | 169,812 | 383,204 | 111,413 | 170,055 | 103,062 | 105,000 | 105,000 |
| Accrued Retirement | 3,782 | 3,775 | 3,994 | 5,101 | 4,995 | 5,000 | 5,000 |
| Unemployment Taxes | 542 | 934 | 686 | 476 | 443 | 500 | 500 |
| Customer Deposits | 19,482 | 21,735 | 24,205 | 26,679 | 28,226 | 30,000 | 30,000 |
| Accrued Taxes | 126,928 | 128,999 | 122,399 | 125,724 | 130,206 | 130,000 | 130,000 |
| Accrued Interest Payable | 0 | 0 | 5,966 | 0 | 0 | 0 | 0 |
| C.P. Long Term Debt | 0 | 0 | 44,400 | 47,000 | 62,600 | 45,300 | 36,400 |
| Total Current Liabilities | 320,546 | 538,647 | 313,063 | 375,035 | 329,532 | 315,800 | 306,900 |
| Long Term Liabilities | | | | | | | |
| Interim Financing Note Payable | 0 | 0 | 929,814 | 0 | 0 | 0 | 0 |
| Long Term Debt | 1,747,600 | 1,972,935 | 1,619,200 | 3,005,200 | 2,735,100 | 2,288,800 | 2,252,400 |
| Proposed KIA Loan | | | 0 | 0 | 0 | 0 | 548,180 |
| Total Long Term Liabilities | 1,747,600 | 1,972,935 | 2,549,014 | 3,005,200 | 2,735,100 | 2,288,800 | 2,800,580 |
| Total Liabilities | 2,068,146 | 2,511,582 | 2,862,077 | 3,380,235 | 3,064,632 | 2,604,600 | 3,107,480 |
| Retained Earnings: | | | | | | | |
| Contributed Capital | 7,087,856 | 7,692,824 | 8,346,168 | 8,989,469 | 9,909,383 | 9,909,383 | 9,909,383 |
| Restricted Retained Earnings | 586,047 | 609,524 | 706,895 | 788,559 | 817,991 | 817,991 | 817,991 |
| Unrestricted Retained Earnings | 905,779 | 921,913 | 755,847 | 847,013 | 986,391 | 1,424,877 | 1,534,421 |
| Total Retained Earnings | 8,579,682 | 9,224,261 | 9,808,910 | 10,625,041 | 11,713,765 | 12,152,251 | 12,261,795 |
| Total Liabilities and Equities | 10,647,828 | 11,735,843 | 12,670,987 | 14,005,276 | 14,778,397 | 14,756,851 | 15,369,275 |
| Balance Sheet Analysis | | | | | | | |
| Current Ratio | 3.7 | 3.0 | 4.6 | 4.7 | 6.5 | 5.8 | 7.0 |
| Debt to Equity | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 | 0.3 |
| Days Sales in Accounts Receivable | 24.4 | 22.2 | 23.4 | 22.1 | 21.6 | 21.6 | 21.6 |

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

| | Audited 2009 | % Change | Audited 2010 | % Change | Audited 2011 | % Change | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 | Projected 2016 |
|--|------------------|--------------|------------------|-------------|------------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues | | | | | | | | | | | |
| Metered Revenues | 2,085,974 | 16% | 2,418,514 | 0% | 2,407,665 | 0% | 2,419,703 | 2,431,802 | 2,443,961 | 2,456,181 | 2,468,462 |
| Miscellaneous Service | 44,743 | -19% | 36,135 | 4% | 37,458 | 0% | 37,645 | 37,833 | 38,022 | 38,212 | 38,403 |
| Late Charges | 39,997 | -7% | 37,109 | 22% | 45,227 | 0% | 45,227 | 45,227 | 45,227 | 45,227 | 45,227 |
| Total Revenues | 2,170,714 | 15% | 2,491,758 | 0% | 2,490,350 | 0% | 2,502,575 | 2,514,862 | 2,527,210 | 2,539,620 | 2,552,092 |
| Operating Expenses | | | | | | | | | | | |
| Purchased Water | 1,316,825 | 2% | 1,343,526 | -4% | 1,289,191 | 1% | 1,295,637 | 1,302,115 | 1,308,626 | 1,315,169 | 1,321,745 |
| Operating Expenses | 618,101 | 0% | 618,176 | 1% | 624,331 | 3% | 643,061 | 662,353 | 682,224 | 702,691 | 723,772 |
| Depreciation | 313,622 | 10% | 344,832 | 10% | 380,748 | 1% | 385,000 | 385,000 | 394,100 | 403,300 | 403,300 |
| Replacement Reserve | 97,371 | | (18,336) | | 17,722 | | 125,000 | 126,370 | 126,370 | 126,370 | 126,370 |
| Total Expenses | 2,345,919 | -2% | 2,288,198 | 1% | 2,311,992 | 6% | 2,448,698 | 2,475,838 | 2,511,320 | 2,547,530 | 2,575,187 |
| Net Operating Income | (175,205) | -216% | 203,560 | -12% | 178,358 | -70% | 53,877 | 39,024 | 15,890 | (7,910) | (23,095) |
| Non-Operating Income and Expenses | | | | | | | | | | | |
| Interest Income | 18,476 | -33% | 12,348 | -31% | 8,523 | -10% | 7,700 | 7,700 | 7,700 | 7,700 | 7,700 |
| Collection Fees | 37,428 | | 39,527 | | 32,071 | | 32,500 | 32,500 | 32,500 | 32,500 | 32,500 |
| Other | 35,729 | | 33,280 | | 31,273 | | 32,500 | 32,500 | 32,500 | 32,500 | 32,500 |
| Total Non-Operating Income & Expenses | 91,633 | -7% | 85,155 | -16% | 71,867 | 1% | 72,700 | 72,700 | 72,700 | 72,700 | 72,700 |
| Add Non-Cash Expenses | | | | | | | | | | | |
| Depreciation | 313,622 | 10% | 344,832 | 10% | 380,748 | 1% | 385,000 | 385,000 | 394,100 | 403,300 | 403,300 |
| Cash Available for Debt Service | 230,050 | 175% | 633,547 | 0% | 630,973 | -19% | 511,577 | 496,724 | 482,690 | 468,090 | 452,905 |
| Debt Service (enter as positive #'s) | | | | | | | | | | | |
| Existing Principal | 42,800 | | 44,400 | | 47,000 | | 47,000 | 62,600 | 45,300 | 36,400 | 48,500 |
| Existing Interest | 84,647 | | 103,901 | | 99,562 | | 112,679 | 110,580 | 88,769 | 86,893 | 85,467 |
| Proposed KIA Loan | 0 | | 0 | | 0 | | 0 | 0 | 33,700 | 33,700 | 33,700 |
| Total Debt Service | 127,447 | | 148,301 | | 146,562 | | 159,679 | 173,180 | 167,769 | 156,993 | 167,667 |
| Income After Debt Service | 102,603 | | 485,246 | | 484,411 | | 351,898 | 323,544 | 314,921 | 311,097 | 285,238 |
| Debt Coverage Ratio | 1.8 | | 4.3 | | 4.3 | | 3.2 | 2.9 | 2.9 | 3.0 | 2.7 |

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I.C.8.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B12-07) OF \$300,000 TO THE SYMSONIA WATER DISTRICT, GRAVES 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 Infrastructure Revolving Loan Program with the Symsonia Water District, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$300,000 of project expense, to the Symsonia Water District for the New Storage Tank, Wells and Treatment Facility project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon

satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 1.75% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$750 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$7,500 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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

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

Reviewer: Sandy Williams
Date: August 2, 2012
KIA Loan Number: B12-07
WRIS Number: WX21083055

BORROWER: SYMSONIA WATER DISTRICT
GRAVES COUNTY

BRIEF DESCRIPTION:

This project is for the construction of a new 150,000 gallon ground storage tank, two groundwater wells, a booster pump station and a treatment building. The existing treatment facility and the ground wells will be taken off line when the new facilities are completed.

| PROJECT FINANCING: | | PROJECT BUDGET | | Allowed % | Actual % |
|--------------------|------------------|-------------------------|------|-----------|------------------|
| Fund B Loan | \$300,000 | Administrative Expenses | | | \$32,725 |
| HB608 (166N-2008) | 595,000 | Planning | | 3.4% | 25,000 |
| - CPBOC on 6-15-12 | | Eng - Design | 9.3% | 9.7% | 72,310 |
| | | Eng - Inspection | 6.2% | 2.9% | 21,600 |
| | | Construction | | | 700,000 |
| | | Contingency | | | 43,365 |
| TOTAL | \$895,000 | TOTAL | | | \$895,000 |

REPAYMENT

| | | | |
|------|----------|---------------------|------------------------|
| Rate | 1.75% | Est. Annual Payment | \$18,443 |
| Term | 20 years | 1st Payment | 6 Mo. after first draw |

PROFESSIONAL SERVICES

| | |
|--------------|---------------------------|
| Engineer | Austin Engineering |
| Bond Counsel | Peck, Shaffer, & Williams |

PROJECT SCHEDULE

| | |
|---------------------|--------|
| Bid Opening: | Mar-12 |
| Construction Start: | Sep-12 |
| Construction Stop: | Mar-13 |

DEBT PER CUSTOMER

| | |
|-----------|-------|
| Existing: | \$0 |
| Proposed: | \$949 |

RESIDENTIAL RATES

| | Users | Avg. Bill | |
|------------|-------|-----------|---------------------|
| Current | 316 | \$17.47 | (for 4,000 gallons) |
| Additional | 0 | \$17.47 | (for 4,000 gallons) |

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

CASHFLOW

| | Cash Available for | | Income after Debt | Coverage Ratio |
|----------------|--------------------|--------------|-------------------|----------------|
| | Debt Service | Debt Service | Service | |
| PSC 2009 | 2,956 | 0 | 2,956 | n/a |
| PSC 2010 | 6,264 | 0 | 6,264 | n/a |
| PSC 2011 | 12,963 | 0 | 12,963 | n/a |
| Projected 2012 | 13,350 | 0 | 13,350 | n/a |
| Projected 2013 | 18,747 | 9,222 | 9,525 | 2.0 |
| Projected 2014 | 24,784 | 18,443 | 6,341 | 1.3 |
| Projected 2015 | 23,114 | 18,443 | 4,671 | 1.3 |
| Projected 2016 | 21,410 | 18,443 | 2,967 | 1.2 |

**KENTUCKY INFRASTRUCTURE AUTHORITY
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
 SYMSONIA WATER DISTRICT, GRAVES COUNTY
 PROJECT REVIEW
 WX21083055**

I. PROJECT DESCRIPTION

The Symsonia Water District is requesting a Fund B loan in the amount of \$300,000 for the New Storage Tank, Wells and Treatment Facility project. The District currently has a treatment building, two groundwater wells, and a 75,000 gallon storage tank. The project will include a new 150,000 gallon ground storage tank, two groundwater wells, a booster pump station and a treatment building. The existing treatment facility and ground wells will be taken off line when the new facilities are completed. The existing tank needs some repairs and may be taken off line temporarily for the repairs. The new groundwater wells will be pumped through the chemical feed manhole and into the ground storage tank for contact time. The booster pumps will pull from the ground tank and pump it into the system. They are capable of supplying the system and filling the existing tank.

The District provides water and sewer service to approximately 320 customers. The Water District was created in 1964 and the Sewer District in 1980 and their activities are subject to PSC jurisdiction. The District produces all of its finished water. It has an interconnect with the City of Benton for emergency water needs.

II. PROJECT BUDGET

| | Total |
|-------------------------|-------------------|
| Administrative Expenses | \$ 32,725 |
| Engineering Fees | 118,910 |
| Construction | 700,000 |
| Contingency | 43,365 |
| Total | \$ 895,000 |

III. PROJECT FUNDING

| | Amount | % |
|--------------|-------------------|-------------|
| Fund B Loan | \$ 300,000 | 34% |
| HB608 | 595,000 | 66% |
| Total | \$ 895,000 | 100% |

IV. KIA DEBT SERVICE

| | | |
|--|-----------|---------------|
| Construction Loan | \$ | 300,000 |
| Interest Rate | | 1.75% |
| Loan Term (Years) | | 20 |
| Estimated Annual Debt Service | \$ | 17,843 |
| Administrative Fee (0.20%) | \$ | 600 |
| Total Estimated Annual Debt Service | \$ | 18,443 |

V. PROJECT SCHEDULE

| | |
|--------------------|----------------|
| Bid Opening | March 2012 |
| Construction Start | September 2012 |
| Construction Stop | March 2013 |

VI. RATE STRUCTURE

A. Customers

| | |
|-------------|---------|
| Customers | Current |
| Residential | 301 |
| Commercial | 15 |
| Total | 316 |

B. Rates

| | |
|--------------------------------|------------|
| | Current |
| Date of Last Rate Increase | 07/20/2005 |
| Minimum (2,000 gallons) | \$11.65 |
| Next 3,000 Gallons | 2.91 |
| Next 5,000 Gallons | 2.24 |
| Over 10,000 Gallons | 1.89 |
| Cost for 4,000 gallons | \$17.47 |
| Affordability Index (Rate/MHI) | 0.5% |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the City's population was 651 with a Median Household Income (MHI) of \$39,313. The median household income for the Commonwealth is \$41,576. The project will qualify for a 1.75% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the District was obtained from PSC filings for the water component for the years ended December 31, 2009 through 2011. An independent audit is required by the Public Service Commission every 5 years and the District's last audit was conducted in 2009 per the requirement.

HISTORY

Revenues increased \$5,612 (7%) from \$76,303 in 2009 to \$81,915 in 2011. Most of the increase is from miscellaneous income (which is not reported separately in the financial statements) with the balance coming from volume fluctuations and a slight customer increase.

Operating expenses declined 6% from \$73,652 to \$69,134. Cash flow from operations increased from \$2,956 to \$12,963. The District has no long term debt.

The balance sheet reflects a current ratio of 0.4 and a debt to equity ratio of 0.2 at the end of 2011. Current liabilities include a \$64,608 payable to the sewer fund. If this amount were excluded from the calculation the current ratio would be 3.4 at the end of 2011. Unrestricted cash has increased from 0.3 months of operating expenses in 2009 to 4.4 months in 2011.

Projections are based on the following assumptions:

- 1) Revenues will be flat for growth based on an analysis of gallons of water sold from 2003 through 2011.
- 2) Expenses are estimated to increase 2% per year for inflation. Additional operating expenses are estimated at \$8,000 per year as a result of this project.
- 3) A rate increase of about \$23,000 (27%) will be necessary in mid 2013 to offset the new debt service, reserve funding and additional operating expenses. This will allow the District to maintain its current level of free cash flow.
- 4) A replacement reserve of \$750 will be funded annually for ten years.
- 5) The new debt service is estimated at \$18,443 annually
- 6) Debt service coverage is estimated at 1.3 in 2014 when full year principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$750. This amount should be added to the replacement account each December 1 until the balance reaches \$7,500 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

None

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u> | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|---------------------------------------|-----------------------|---------------|-------------|
| Storage Tank, Wells, and Filler House | HB608 | 595,000 | Grant |

XI. CONTACTS

| Applicant | |
|------------------|-----------------------------------|
| Name | Symsonia Water District |
| Address | P.O. Box 99 Symsonia, KY 42082 |
| County | Graves |
| Contact | Keith Cooper, Chairman |
| Phone | (270) 851-4470 |
| Email | jim@symsoniawater.com |

| Applicant Contact | |
|--------------------------|------------------------------------|
| Name | Purchase Area Development District |
| Address | P.O. Box 588 Mayfield, KY 42066 |
| Contact | Jeremy Buchanan |
| Phone | (270) 251-6161 |
| Email | Jeremy.Buchanan@purchaseadd.org |

| Engineer | |
|-----------------|---|
| Name | Mary Austin |
| Firm | Austin Engineering |
| Address | 110 South Third Street Paducah, KY 42001 |
| Phone | (270) 442-0906 |
| Email | maustin@austinengineeringinc.com |

XII. RECOMMENDATIONS

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

**SYMSONIA WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)**

| ASSETS | PSC <u>2009</u> | PSC <u>2010</u> | PSC <u>2011</u> | Projected <u>2012</u> | Upon Completion <u>2013</u> |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------------|-----------------------------------|
| Current Assets | | | | | |
| Cash | 1,910 | 9,468 | 25,208 | 38,558 | 48,083 |
| Accounts Receivable | 8,666 | 19,859 | 6,428 | 6,500 | 10,000 |
| Total Current Assets | 10,576 | 29,327 | 31,636 | 45,058 | 58,083 |
| Utility Plant | | | | | |
| Land, System, Building and Equipment | 636,819 | 636,819 | 686,756 | 686,756 | 1,581,756 |
| Less Accumulated Depreciation () | (272,253) | (292,545) | (314,117) | (336,117) | (373,017) |
| Net Fixed Assets | 364,566 | 344,274 | 372,639 | 350,639 | 1,208,739 |
| Total Assets | 375,142 | 373,601 | 404,275 | 395,697 | 1,266,822 |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts Payable | 3,874 | 3,079 | 2,898 | 2,898 | 3,500 |
| Customer Deposits | 4,220 | 4,895 | 6,420 | 6,420 | 6,420 |
| Payable to Sewer Fund | 64,154 | 76,761 | 64,608 | 64,608 | 64,608 |
| Total Current Liabilities | 72,248 | 84,735 | 73,926 | 73,926 | 74,528 |
| Long Term Liabilities | | | | | |
| Notes Payable - KIA | 0 | 0 | 0 | 0 | 300,000 |
| Total Long Term Liabilities | 0 | 0 | 0 | 0 | 300,000 |
| Total Liabilities | 72,248 | 84,735 | 73,926 | 73,926 | 374,528 |
| Retained Earnings: | | | | | |
| Donated Capital | 384,325 | 384,325 | 434,417 | 434,417 | 1,029,417 |
| Unrestricted | (81,431) | (95,459) | (104,068) | (112,646) | (137,123) |
| Total Retained Earnings | 302,894 | 288,866 | 330,349 | 321,771 | 892,294 |
| Total Liabilities and Equities | 375,142 | 373,601 | 404,275 | 395,697 | 1,266,822 |
| Balance Sheet Analysis | | | | | |
| Current Ratio | 0.1 | 0.3 | 0.4 | 0.6 | 0.8 |
| Debt to Equity | 0.2 | 0.3 | 0.2 | 0.2 | 0.4 |
| Days Sales in Accounts Receivable | 41.5 | 92.5 | 28.6 | 27.7 | 37.5 |

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

| | PSC 2009 | % Change | PSC 2010 | % Change | PSC 2011 | % Change | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 | Projected 2016 |
|--|--------------|-------------|--------------|-------------|---------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues | | | | | | | | | | | |
| Water Revenues | 76,303 | 3% | 78,359 | 5% | 81,915 | 5% | 85,700 | 85,700 | 85,700 | 85,700 | 85,700 |
| Rate Increase | | | | | | | | 11,597 | 23,193 | 23,193 | 23,193 |
| Total Revenues | 76,303 | 3% | 78,359 | 5% | 81,915 | 5% | 85,700 | 97,297 | 108,893 | 108,893 | 108,893 |
| Operating Expenses | | | | | | | | | | | |
| Operating Expenses | 73,652 | -2% | 72,290 | -4% | 69,134 | 5% | 72,500 | 77,950 | 83,509 | 85,179 | 86,883 |
| Depreciation | 23,179 | -12% | 20,292 | 6% | 21,572 | 2% | 22,000 | 36,900 | 51,800 | 51,800 | 51,800 |
| Replacement Reserve | | | | | | | | 750 | 750 | 750 | 750 |
| Total Expenses | 96,831 | -4% | 92,582 | -2% | 90,706 | 4% | 94,500 | 115,600 | 136,059 | 137,729 | 139,433 |
| Net Operating Income | (20,528) | -31% | (14,223) | -38% | (8,791) | 0% | (8,800) | (18,303) | (27,166) | (28,836) | (30,540) |
| Non-Operating Income and Expenses | | | | | | | | | | | |
| Interest Income | 305 | -36% | 195 | -7% | 182 | -18% | 150 | 150 | 150 | 150 | 150 |
| Total Non-Operating Income & Expenses | 305 | -36% | 195 | -7% | 182 | -18% | 150 | 150 | 150 | 150 | 150 |
| Add Non-Cash Expenses | | | | | | | | | | | |
| Depreciation | 23,179 | -12% | 20,292 | 6% | 21,572 | 2% | 22,000 | 36,900 | 51,800 | 51,800 | 51,800 |
| Cash Available for Debt Service | 2,956 | 112% | 6,264 | 107% | 12,963 | 3% | 13,350 | 18,747 | 24,784 | 23,114 | 21,410 |
| Debt Service (enter as positive #'s) | | | | | | | | | | | |
| Existing Principal | 0 | | 0 | | 0 | | 0 | 0 | 0 | 0 | 0 |
| Existing Interest | 0 | | 0 | | 0 | | 0 | 0 | 0 | 0 | 0 |
| Proposed KIA Loan | 0 | | 0 | | 0 | | 0 | 9,222 | 18,443 | 18,443 | 18,443 |
| Total Debt Service | 0 | | 0 | | 0 | | 0 | 9,222 | 18,443 | 18,443 | 18,443 |
| Income After Debt Service | 2,956 | | 6,264 | | 12,963 | | 13,350 | 9,525 | 6,341 | 4,671 | 2,967 |
| Debt Coverage Ratio | n/a | | n/a | | n/a | | n/a | 2.0 | 1.3 | 1.3 | 1.2 |

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I.C.9.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B12-08) OF \$358,000 TO THE CITY OF SCOTTSVILLE, ALLEN 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 Infrastructure Revolving Loan Program with the City of Scottsville, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$358,000 of project expense, to the City of Scottsville for the Spring Valley Sewer Phase II project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all

conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 0.75% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$895 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$8,950 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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

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

Reviewer: Sandy Williams
Date: August 2, 2012
KIA Loan Number: **B12-08**
WRIS Number: **SX21003032**

BORROWER: CITY OF SCOTTSVILLE
ALLEN COUNTY

BRIEF DESCRIPTION:

This project is for the construction of 2,600 linear feet of eight inch PVC gravity sewer and thirteen manholes on Christian Drive and Jackson Avenue to serve thirty three new customers.

| PROJECT FINANCING: | | PROJECT BUDGET | | Allowed % | Actual % | |
|---------------------------|------------------|-------------------------|------|-----------|----------|------------------|
| Fund B Loan | \$358,000 | Administrative Expenses | | | | \$1,790 |
| HB1 | 358,000 | Eng - Design | 9.7% | 7.6% | | 47,000 |
| | | Eng - Constr | | | 1.9% | 11,500 |
| | | Eng - Inspection | 6.7% | 6.6% | | 40,500 |
| | | Construction | | | | 585,548 |
| | | Contingency | | | | 29,277 |
| | | Other | | | | 385 |
| TOTAL | \$716,000 | TOTAL | | | | \$716,000 |

| REPAYMENT | | | | | |
|------------------|------|----------|---------------------|--|------------------------|
| | Rate | 0.75% | Est. Annual Payment | | \$20,026 |
| | Term | 20 years | 1st Payment | | 6 Mo. after first draw |

| PROFESSIONAL SERVICES | | |
|------------------------------|--|---------------------------|
| Engineer | | GRW Engineers, Inc. |
| Bond Counsel | | Peck, Shaffer, & Williams |

| PROJECT SCHEDULE | | |
|-------------------------|---------------------|--------|
| | Bid Opening: | Jun-12 |
| | Construction Start: | Jul-12 |
| | Construction Stop: | Dec-12 |

| DEBT PER CUSTOMER | | |
|--------------------------|-----------|---------|
| | Existing: | \$1,308 |
| | Proposed: | \$781 |

| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
|--------------------------|------------|--------------|------------------|---------------------|
| | Current | 1,624 | \$31.19 | (for 4,000 gallons) |
| | Additional | 33 | \$31.19 | (for 4,000 gallons) |

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

| CASHFLOW | Cash Available for | | Income after Debt | |
|-----------------|---------------------------|---------------------|--------------------------|-----------------------|
| | Debt Service | Debt Service | Service | Coverage Ratio |
| Audited 2009 | (184,761) | 500,972 | (685,733) | -0.4 |
| Audited 2010 | (95,149) | 500,873 | (596,022) | -0.2 |
| Audited 2011 | (52,052) | 501,625 | (553,677) | -0.1 |
| Projected 2012 | 469,500 | 501,173 | (31,673) | 0.9 |
| Projected 2013 | 445,940 | 423,414 | 22,526 | 1.1 |
| Projected 2014 | 407,754 | 345,457 | 62,297 | 1.2 |
| Projected 2015 | 369,717 | 346,456 | 23,261 | 1.1 |
| Projected 2016 | 330,920 | 257,206 | 73,714 | 1.3 |

**KENTUCKY INFRASTRUCTURE AUTHORITY
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
 SCOTTSVILLE, ALLEN COUNTY
 PROJECT REVIEW
 SX21003032**

I. PROJECT DESCRIPTION

The City of Scottsville is requesting a Fund "B" loan in the amount of \$358,000 for the Spring Valley Sewer Phase II Project. The project is for the construction of 2,600 linear feet of eight inch PVC gravity sewer and thirteen manholes on Christian Drive and Jackson Avenue to serve thirty three new customers. Grant funds were not sufficient to cover the entire project cost.

II. PROJECT BUDGET

| | <u>Total</u> |
|-------------------------|-------------------|
| Administrative Expenses | \$ 1,790 |
| Engineering Fees | 99,000 |
| Construction | 585,548 |
| Contingency | 29,277 |
| Other | 385 |
| Total | \$ 716,000 |

III. PROJECT FUNDING

| | <u>Amount</u> | <u>%</u> |
|--------------|-------------------|-------------|
| Fund B Loan | \$ 358,000 | 50% |
| HB1 | 358,000 | 50% |
| Total | \$ 716,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|------------------|
| Construction Loan | \$ 358,000 |
| Interest Rate | 0.75% |
| Loan Term (Years) | 20 |
| Estimated Annual Debt Service | \$ 19,310 |
| Administrative Fee (0.20%) | \$ 716 |
| Total Estimated Annual Debt Service | \$ 20,026 |

V. PROJECT SCHEDULE

Bid Opening June 2012
 Construction Start July 2012
 Construction Stop December 2012

VI. RATE STRUCTURE

A. Customers

| | Current | Proposed | Total |
|--------------|--------------|-----------|--------------|
| Residential | 1,332 | 33 | 1,365 |
| Commercial | 279 | 0 | 279 |
| Industrial | 13 | 0 | 13 |
| Total | 1,624 | 33 | 1,657 |

B. Rates

| | Current | Prior |
|----------------------------------|------------|---------|
| Sewer | | |
| Date of Last Rate Increase | 07/01/2011 | |
| Sewer Per 1,000 Gallons of Water | n/a | \$3.15 |
| Cost for 4,000 gallons | \$31.19 | \$12.60 |
| Increase % | 147.5% | |
| Affordability Index (Rate/MHI) | 1.5% | |

Sewer rates were changed to equal water with rate increase.

| | Current | Prior |
|--------------------------------|------------|---------|
| Water | | |
| | 05/01/2011 | |
| Minimum (2,000 gallons) | \$17.47 | \$13.00 |
| 2,001 to 5,000 Gallons | 6.86 | 4.84 |
| 5,001 to 10,000 Gallons | 5.81 | 3.88 |
| 10,001 to 70,000 Gallons | 5.31 | 3.41 |
| Over 70,000 Gallons | 4.86 | 2.73 |
| Cost for 4,000 gallons | \$31.19 | \$22.68 |
| Increase % | 37.5% | |
| Affordability Index (Rate/MHI) | 1.5% | |

The City does not have mandatory connection ordinance, however if sewer is available the water user is still required to pay the sewer charge.

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the City's population was 4,251 with a Median Household Income (MHI) of \$24,960. The median household income for the Commonwealth is \$41,576. The project will qualify for a 0.75% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2009 through 2011 for the Water, Sewer and Sanitation Fund. Amounts for 2012 are estimated.

HISTORY

Revenues increased 4% from \$1,533,686 in 2009 to \$1,592,311 in 2011. Water rates were increased 37.5% effective May 1, 2011 and sewer rates were increased 147.5% beginning in fiscal 2012. The sewer rate was changed from a flat charge of \$3.15 per thousand gallons to equal water rates. The full year effect of the increases is approximately \$750,000. Operating expenses decreased 5% from \$1,743,439 to \$1,650,345.

Cash available for debt service was negative each year ranging from a low of negative \$184,761 in 2009 to negative \$52,052 in 2011. Debt service each year was approximately \$500,000. The Fund relied on contributions from the Gas and General Funds to cover the shortfall. Total contributions from these funds from 2009 through 2011 was \$1.96 million.

The balance sheet reflects a current ratio of 0.5 and a debt to equity ratio of 0.4 at the end of 2011. Unrestricted cash was equal to about one month of operating expenses.

Projections are based on the following assumptions:

- 1) Revenues will increase 1% per year for growth
- 2) Expenses will increase 3% per year
- 3) The City will adjust rates as required for the water, sewer and sanitation operations to be self sustaining and will not subsidize the fund from the General Fund or Gas Fund.
- 4) A replacement reserve of \$895 will be funded annually for ten years.
- 5) Debt service on the proposed loan is estimated at \$20,026 annually
- 6) Debt service coverage is 1.0 in 2013 when principal and interest repayments begin and will remain above 1.0 throughout the forecast period.

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

REPLACEMENT RESERVE

The annual replacement cost is \$895. This amount should be added to the replacement account each December 1 until the balance reaches \$8,950 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

| | <u>Outstanding</u> | <u>Maturity</u> |
|---------------------------|---------------------|-----------------|
| Series 1974 Revenue Bonds | \$ 313,000 | 2015 |
| KIA (B91-11) | 257,025 | 2013 |
| KIA (A96-04) | 1,553,374 | 2018 |
| Total | \$ 2,123,399 | |

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u> | <u>Funding Source</u> | <u>Amount</u> |
|--|-----------------------|---------------|
| Pump Station Improvements | HB380 | 90,000 |
| Sewer System Rehab | HB380 | 20,000 |
| Sewer Plant Improvements | HB380 | 350,000 |
| Bluegrass Drive Sewer Line | 5N-2008 | 145,000 |
| Allen County Library Improvements | 4N-2008 | 7,500 |
| Spring Valley Phase I | 9N-2008 | 250,000 |
| Spring Valley Phase II | HB1 | 358,000 |
| Sewer Plant Improvements | HB608 | 250,000 |
| WWTP Improvements | HB608 | 500,000 |
| Maxwell Drive Pump Station Replacement | HB267 | 215,085 |

XI. CONTACTS

| Applicant | |
|---------------------|---|
| Name | City of Scottsville |
| Address | 201 West Main Street Scottsville, KY 42164 |
| County | Allen |
| Authorized Official | Rob H. Cline, Mayor |
| Contact | Gayle Davis, City Clerk |
| Phone | (270) 237-4472 |
| Email | gdavis@scottsville.cityof.org |

| Applicant Contact / Engineer | |
|-------------------------------------|---|
| Name | GRW Engineers, Inc. |
| Address | 9710 Bunsen Parkway Louisville, KY 40299 |
| Contact | Lindsey Bironas, PE |
| Phone | (502) 489-8484 |
| Email | lbironas@GRWinc.com |

XII. RECOMMENDATIONS

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

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

| ASSETS | Audited 2009 | Audited 2010 | Audited 2011 | Preliminary 2012 | Upon Completion 2013 |
|--|-------------------------|-------------------------|-------------------------|-----------------------------|-------------------------------------|
| Current Assets | | | | | |
| Cash | 91,138 | 232,408 | 147,968 | 116,295 | 138,821 |
| Accounts Receivable | 151,500 | 170,767 | 213,097 | 251,500 | 252,500 |
| Interest Receivable | 3,347 | 2,088 | 1,618 | 2,000 | 1,500 |
| Total Current Assets | 245,985 | 405,263 | 362,683 | 369,795 | 392,821 |
| Restricted Assets | | | | | |
| Cash and Investments | 443,828 | 449,580 | 441,365 | 491,466 | 500,000 |
| Total Restricted Assets | 443,828 | 449,580 | 441,365 | 491,466 | 500,000 |
| Utility Plant | | | | | |
| Land, System, Building and Equipment | 22,813,923 | 23,645,021 | 23,993,633 | 24,000,000 | 24,716,000 |
| Less Accumulated Depreciation () | (14,374,219) | (15,007,569) | (15,631,840) | (16,281,840) | (16,956,840) |
| Net Fixed Assets | 8,439,704 | 8,637,452 | 8,361,793 | 7,718,160 | 7,759,160 |
| Total Assets | 9,129,517 | 9,492,295 | 9,165,841 | 8,579,421 | 8,651,981 |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts Payable and Accrued Liabilities | 82,011 | 196,642 | 66,937 | 75,000 | 80,000 |
| Customer Deposits | 104,300 | 105,761 | 106,100 | 108,000 | 112,500 |
| Prepayments | 16,335 | 27,166 | 3,621 | 0 | 0 |
| Compensated Absences | 17,750 | 17,865 | 18,005 | 20,000 | 22,500 |
| Revenue Bonds Payable | 65,000 | 69,000 | 72,000 | 76,000 | 80,000 |
| Loan Payable | 363,357 | 842,053 | 380,275 | 300,872 | 217,830 |
| Due to Other Funds | 0 | 58,086 | 130,999 | 130,000 | 130,000 |
| Total Current Liabilities | 648,753 | 1,316,573 | 777,937 | 709,872 | 642,830 |
| Long Term Liabilities | | | | | |
| Compensated Absences | 13,227 | 15,422 | 16,910 | 17,500 | 20,000 |
| Revenue Bonds Payable | 382,000 | 313,000 | 241,000 | 165,000 | 85,000 |
| Loan Payable | 2,182,114 | 1,810,400 | 1,430,124 | 1,129,252 | 911,422 |
| Total Long Term Liabilities | 2,577,341 | 2,138,822 | 1,688,034 | 1,311,752 | 1,016,422 |
| Total Liabilities | 3,226,094 | 3,455,395 | 2,465,971 | 2,021,624 | 1,659,252 |
| Retained Earnings: | | | | | |
| Invested in Capital Assets Net of Related Debt | 5,431,765 | 5,589,157 | 6,227,755 | 6,047,036 | 6,464,908 |
| Restricted | 443,828 | 449,580 | 441,365 | 491,466 | 500,000 |
| Unrestricted | 27,830 | (1,837) | 30,750 | 19,295 | 27,821 |
| Total Retained Earnings | 5,903,423 | 6,036,900 | 6,699,870 | 6,557,797 | 6,992,729 |
| Total Liabilities and Equities | 9,129,517 | 9,492,295 | 9,165,841 | 8,579,421 | 8,651,981 |
| Balance Sheet Analysis | | | | | |
| Current Ratio | 0.4 | 0.3 | 0.5 | 0.5 | 0.6 |
| Debt to Equity | 0.5 | 0.6 | 0.4 | 0.3 | 0.2 |
| Days Sales in Accounts Receivable | 36.1 | 40.7 | 48.8 | 40.0 | 40.0 |

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

103.8%

| | Audited 2009 | % Change | Audited 2010 | % Change | Audited 2011 | % Change | Projected 2012 | Projected 2013 | Projected 2014 | Projected 2015 | Projected 2016 |
|--|------------------|-------------|------------------|-------------|------------------|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues | | | | | | | | | | | |
| Water | 802,069 | 0% | 804,343 | 11% | 895,455 | 36% | 1,220,000 | 1,231,000 | 1,231,000 | 1,231,000 | 1,231,000 |
| Sewer | 397,918 | -1% | 393,970 | -7% | 364,551 | 105% | 748,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| Sanitation | 333,699 | 0% | 334,804 | -1% | 332,305 | -2% | 325,000 | 325,000 | 325,000 | 325,000 | 325,000 |
| Total Revenues | 1,533,686 | 0% | 1,533,117 | 4% | 1,592,311 | 44% | 2,293,000 | 2,306,000 | 2,306,000 | 2,306,000 | 2,306,000 |
| Operating Expenses | | | | | | | | | | | |
| Water | 884,032 | -3% | 861,037 | 1% | 866,124 | 14% | 986,000 | 1,005,720 | 1,025,834 | 1,046,351 | 1,067,278 |
| Sewer | 553,647 | -7% | 515,190 | 1% | 520,941 | 7% | 555,000 | 566,100 | 577,422 | 588,970 | 600,749 |
| Sanitation | 305,760 | -12% | 269,260 | -2% | 263,280 | 9% | 287,000 | 292,740 | 298,595 | 304,567 | 310,658 |
| Depreciation | 707,966 | -6% | 665,350 | -4% | 641,568 | 1% | 650,000 | 675,000 | 675,000 | 675,000 | 675,000 |
| Replacement Reserve | 0 | | 0 | | 0 | | 0 | 0 | 895 | 895 | 895 |
| Total Expenses | 2,451,405 | -6% | 2,310,837 | -1% | 2,291,913 | 8% | 2,478,000 | 2,539,560 | 2,577,746 | 2,615,783 | 2,654,580 |
| Net Operating Income | (917,719) | -15% | (777,720) | -10% | (699,602) | -74% | (185,000) | (233,560) | (271,746) | (309,783) | (348,580) |
| Non-Operating Income and Expenses | | | | | | | | | | | |
| Interest Income | 24,992 | -67% | 8,221 | -35% | 5,307 | -15% | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Other | 0 | | 9,000 | | 675 | | 0 | 0 | 0 | 0 | 0 |
| Total Non-Operating Income & Expenses | 24,992 | -31% | 17,221 | -65% | 5,982 | -25% | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Add Non-Cash Expenses | | | | | | | | | | | |
| Depreciation | 707,966 | -6% | 665,350 | -4% | 641,568 | 1% | 650,000 | 675,000 | 675,000 | 675,000 | 675,000 |
| Cash Available for Debt Service | (184,761) | -49% | (95,149) | -45% | (52,052) | -1002% | 469,500 | 445,940 | 407,754 | 369,717 | 330,920 |
| Debt Service (enter as positive #'s) | | | | | | | | | | | |
| Existing Principal | 417,197 | | 428,357 | | 440,715 | | 452,275 | 376,872 | 297,830 | 306,768 | 225,778 |
| Existing Interest | 83,775 | | 72,516 | | 60,910 | | 48,898 | 36,529 | 27,601 | 19,662 | 11,402 |
| Proposed KIA Loan | 0 | | 0 | | 0 | | 0 | 10,013 | 20,026 | 20,026 | 20,026 |
| Total Debt Service | 500,972 | | 500,873 | | 501,625 | | 501,173 | 423,414 | 345,457 | 346,456 | 257,206 |
| Income After Debt Service | (685,733) | | (596,022) | | (553,677) | | (31,673) | 22,526 | 62,297 | 23,261 | 73,714 |
| Debt Coverage Ratio | (0.4) | | (0.2) | | (0.1) | | 0.9 | 1.1 | 1.2 | 1.1 | 1.3 |

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I.C.10.

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B12-09) OF \$1,600,000 TO THE CITY OF SOUTH SHORE, GREENUP 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 Infrastructure Revolving Loan Program with the City of South Shore, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$1,600,000 of project expense, to the City of South Shore for the South Shore Water Works project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all

conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 0.75% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$4,000 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$40,000 and maintained for the life of the loan. 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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

| | | | | |
|---|--|---|-------------------------|---------------------------|
| EXECUTIVE SUMMARY | | Reviewer: | Sandy Williams | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date: | August 2, 2012 | |
| FUND B, INFRASTRUCTURE | | KIA Loan Number: | B12-09 | |
| REVOLVING LOAN FUND | | WRIS Number | n/a | |
| BORROWER: | CITY OF SOUTH SHORE | | | |
| | GREENUP COUNTY | | | |
| BRIEF DESCRIPTION: | | | | |
| This project is for the purchase of the assets of the privately owned South Shore Water Works Company (SSWW) which serves approximately 2,300 customers in the City and outlying areas of northwestern Greenup and northeastern Lewis Counties. | | | | |
| PROJECT FINANCING: | | | PROJECT BUDGET | |
| Fund B Loan | \$ | 1,600,000 | Administrative Expenses | \$ 20,000 |
| | | | Legal Expenses | 30,000 |
| | | | Contingency | 150,000 |
| | | | Asset Purchase | 1,400,000 |
| TOTAL | \$ | 1,600,000 | TOTAL | \$ 1,600,000 |
| REPAYMENT | | | Est. Annual | |
| | Rate | 0.75% | Payment | \$ 89,500 |
| | Term | 20 years | 1st Payment | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | 0 | | |
| | Bond Counsel | Peck, Shaffer, & Williams | | |
| PROJECT SCHEDULE | | | | |
| | Estimated Closing Date | 6 months after application for PSC approval | | |
| DEBT PER CUSTOMER | Existing: | \$ | 61 | |
| | Proposed: | \$ | 708 | |
| OTHER DEBT | See Attached | | | |
| OTHER STATE-FUNDED PROJECTS LAST 5 YRS | See Attached | | | |
| RESIDENTIAL RATES | | | Users | Avg. Bill |
| | Current | 2,259 | \$ | 29.84 (for 4,000 gallons) |
| | Additional | 0 | \$ | 29.84 (for 4,000 gallons) |
| REGIONAL COORDINATION | This project is consistent with regional planning recommendations. | | | |
| CASHFLOW | Cash Available for | | Income after | |
| | Debt Service | Debt Service | Debt Service | Coverage Ratio |
| PSC 2008 | 114,941 | 16,852 | 98,089 | 6.8 |
| PSC 2009 | 79,919 | 18,169 | 61,750 | 4.4 |
| PSC 2010 | 128,067 | 24,702 | 103,365 | 5.2 |
| PSC 2011 | 93,824 | 23,786 | 70,038 | 3.9 |
| Projected 2012 | 192,341 | 0 | 192,341 | n/a |
| Projected 2013 | 324,498 | 89,500 | 234,998 | 3.6 |
| Projected 2014 | 330,996 | 89,500 | 241,496 | 3.7 |
| Projected 2015 | 337,653 | 89,500 | 248,153 | 3.8 |
| Projected 2016 | 344,475 | 89,500 | 254,975 | 3.8 |

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
CITY OF SOUTH SHORE, GREENUP COUNTY
PROJECT REVIEW**

I. PROJECT DESCRIPTION

The City of South Shore is requesting a Fund B loan in the amount of \$1,600,000 for the acquisition of the assets of South Shore Water Works (SSWW). SSWW is a private water system that is regulated by the Public Service Commission. The owner wishes to retire and the purchase will assure the public of a dependable and affordable finished water supply.

All equipment, personal property, real estate, easements, leases and interests in real estate that are owned by SSWW or a separate realty company that is owned by the SSWW stockholder will be purchased by the City. The City will not assume any existing liabilities of the existing SSWW operation. The business was appraised by Raftelis Financial Consultants in 2006. The appraisal was based on an evaluation of the business' ability to generate income, a market review for other water company sales, and an estimate of the asset value of the business.

SSWW was organized in 1954 and serves customers in the City of South Shore and outlying areas of northwestern Greenup and northeastern Lewis Counties. The design capacity of the treatment plant is 920,000 gallons per day and the plant operates at about 50% of capacity. From 2008 through 2011 the customer count was stable at 2,259 while gallons of water sold ranged from a low of 116 million in 2011 to a high of 129 million in 2008. Reported water loss each year was about 15%. Disruptions of water service are typical due to the age of the distribution system.

II. PROJECT BUDGET

| | <u>Total</u> |
|-------------------------|---------------------|
| Administrative Expenses | \$ 20,000 |
| Legal Expenses | 30,000 |
| Contingency | 150,000 |
| Asset Purchase | <u>1,400,000</u> |
| Total | \$ 1,600,000 |

III. PROJECT FUNDING

| | Amount | % |
|--------------|---------------------|-------------|
| Fund B Loan | \$ 1,600,000 | 100% |
| Total | \$ 1,600,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|------------------|
| Amortized Loan Amount | \$ 1,600,000 |
| Interest Rate | 0.75% |
| Loan Term (Years) | 20 |
| Estimated Annual Debt Service | \$ 86,300 |
| Administrative Fee (0.20%) | \$ 3,200 |
| Total Estimated Annual Debt Service | \$ 89,500 |

V. PROJECT SCHEDULE

The estimated closing date for the purchase is six months after application for PSC approval.

VI. RATE STRUCTURE

A. Customers

| Customers | Current |
|--------------|--------------|
| Residential | 2,116 |
| Commercial | 140 |
| Industrial | 3 |
| Total | 2,259 |

B. Rates

| | Current | Prior |
|--------------------------------|------------|------------|
| Date of Last Rate Increase | 08/12/2011 | 08/01/2007 |
| Minimum (1,000 Gallons) | \$13.07 | \$9.95 |
| Next 9,000 Gallons | 5.59 | 4.25 |
| Over 10,000 Gallons | 3.92 | 2.98 |
| Cost for 4,000 gallons | \$29.84 | \$22.70 |
| Increase % | 31.5% | |
| Affordability Index (Rate/MHI) | 1.6% | |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the City's population was 1,314 with a Median Household Income (MHI) of \$22,297. The median household income for the Commonwealth is \$41,576. The project will qualify for a 0.75% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was taken from PSC filings for the years ended December 31, 2008 through 2011. The utility will adopt a June 30 year end after the purchase is complete. Balance sheets for the legacy entity are not presented since the existing structure will not survive the asset purchase.

HISTORY

Revenues increased 3.5% from \$658,640 in 2008 to \$681,775 in 2011 while operating expenses increased 10% from \$501,679 to \$551,947. A 31.5% rate increase became effective in mid August 2011 and will generate about \$200,000 in additional revenue each year. Cash flow before debt service ranged from a low of \$79,919 in 2009 to a high of \$128,067 in 2010. The debt coverage ratio exceeded 3.9 each year.

PROJECTIONS

Approximately \$110,000 in expenses will be eliminated (2013 compared to 2011) including sales, property and income taxes; rent on leased properties that are included in assets to be purchased, private legal services, some salary and benefit costs, and shareholder dividends.

Projections are based on the following assumptions:

- 1) Revenues will be flat for growth but will increase to offset inflation
- 2) Expenses will increase 2.5% per year for inflation
- 3) A replacement reserve of \$4,000 will be funded annually for ten years.
- 4) Debt service is estimated at \$89,500 annually
- 5) Debt service coverage is 3.6 in 2013 when principal and interest repayments begin. Cash flow after debt service is projected at about \$225,000 and will increase slightly each year thereafter (assuming rates are regularly increased to offset inflation). This will give the City the financial capacity to address some of the aging infrastructure issues.

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

REPLACEMENT RESERVE

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

IX. DEBT OBLIGATIONS

None

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u> | <u>Funding Source</u> | <u>Amount</u> |
|----------------------|-----------------------|---------------|
| Lift Station Upgrade | CDBG | 325,000 |
| Lift Station Upgrade | IEDF | 200,000 |

XI. CONTACTS

| Applicant | |
|------------------|--|
| Name | City of South Shore |
| Address | 500 Main Street South Shore, KY 41175 |
| County | Greenup |
| Contact | Cheryl Moore |
| Phone | (606) 932-6144 |
| Email | coss@zoomnet.net |

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

XII. RECOMMENDATIONS

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

**CITY OF SOUTH SHORE
BALANCE SHEETS**

| ASSETS | City At Closing | City End of Year One |
|--------------------------------------|----------------------------|-------------------------------------|
| Current Assets | | |
| Cash | 0 | 169,000 |
| Special Deposits | 6,060 | 6,060 |
| Temporary Investments | 0 | 0 |
| Accounts Receivable | 32,250 | 67,000 |
| Prepaid | 0 | 0 |
| Total Current Assets | 38,310 | 242,060 |
| Restricted Assets | | |
| KIA (R&M) Reserve | 0 | 4,000 |
| Total Restricted Assets | 0 | 4,000 |
| Utility Plant | | |
| Land, System, Building and Equipment | 1,600,000 | 1,600,000 |
| Less Accumulated Depreciation () | 0 | (80,000) |
| Net Fixed Assets | 1,600,000 | 1,520,000 |
| Total Assets | 1,638,310 | 1,766,060 |

| LIABILITIES | | |
|--------------------------------------|------------------|------------------|
| Current Liabilities | | |
| Accounts Payable | 0 | 27,500 |
| Customer Deposits | 6,060 | 6,060 |
| Accrued Interest | 0 | 1,000 |
| Tax Collections Payable | 0 | 0 |
| Deferred Income Taxes | 0 | 0 |
| Stockholder Loan (6%, demand) | 0 | 0 |
| C.P. KIA Loan | 0 | 74,998 |
| Deferred Income (Collection Charges) | 32,250 | 0 |
| Total Current Liabilities | 38,310 | 109,558 |
| Long Term Liabilities | | |
| Mortgage (6.5%, 12-15-2017) | 0 | 0 |
| Proposed KIA Loan | 1,600,000 | 1,450,563 |
| Total Long Term Liabilities | 1,600,000 | 1,450,563 |
| Total Liabilities | 1,638,310 | 1,560,121 |

| | | |
|---|------------------|------------------|
| Retained Earnings: | | |
| Common Stock / Invested in Capital Assets (net) | 0 | (5,561) |
| Other Paid In Capital | 0 | 0 |
| Retained Earnings | 0 | 211,500 |
| Contributions In Aid of Construction (CIAC) | 0 | 0 |
| Amortization (CIAC) | 0 | 0 |
| Total Retained Earnings | 0 | 205,939 |
| Total Liabilities and Equities | 1,638,310 | 1,766,060 |

| Balance Sheet Analysis | | |
|--|------|---------|
| Current Ratio | 1.0 | 2.2 |
| Debt to Equity | n/a | 7.6 |
| Working Capital | 0 | 132,502 |
| Percent of Total Assets in Working Capital | 0.0% | 7.5% |
| Days Sales in Accounts Receivable | 14.1 | 28.5 |

**EXHIBIT 1
CITY OF SOUTH SHORE
CASH FLOW ANALYSIS**

| | PSC | % | PSC | % | PSC | % | PSC | Projected | Projected | Projected | Projected | Projected |
|--|----------------|---------------|---------------|---------------|----------------|---------------|---------------|------------------|------------------|------------------|------------------|------------------|
| | 2008 | Change | 2009 | Change | 2010 | Change | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Operating Revenues | | | | | | | | | | | | |
| Water Revenues | 658,640 | -2% | 645,687 | 1% | 649,812 | 5% | 681,775 | 815,403 | 835,788 | 856,683 | 878,100 | 900,053 |
| Total Revenues | 658,640 | -2% | 645,687 | 1% | 649,812 | 5% | 681,775 | 815,403 | 835,788 | 856,683 | 878,100 | 900,053 |
| Operating Expenses | | | | | | | | | | | | |
| Operating Expenses | 501,679 | 3% | 518,821 | 5% | 543,937 | 1% | 551,947 | 565,746 | 579,890 | 594,387 | 609,247 | 624,478 |
| Operating Expense Reductions | 0 | | 0 | | 0 | | 0 | 0 | (50,000) | (50,000) | (50,000) | (50,000) |
| Depreciation | 64,147 | 23% | 78,976 | 3% | 81,079 | 15% | 93,643 | 95,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Taxes Other Than Income | 32,202 | | 33,366 | | 44,370 | | 37,816 | 37,816 | 0 | 0 | 0 | 0 |
| Income Taxes | 27,951 | | 24,805 | | (31,457) | | 6,413 | 25,000 | 0 | 0 | 0 | 0 |
| Replacement Reserve | 0 | | 0 | | 0 | | 0 | 0 | 4,000 | 4,000 | 4,000 | 4,000 |
| Total Expenses | 625,979 | 5% | 655,968 | -3% | 637,929 | 8% | 689,819 | 723,562 | 613,890 | 628,387 | 643,247 | 658,478 |
| Net Operating Income | 32,661 | -131% | (10,281) | -216% | 11,883 | -168% | (8,044) | 91,841 | 221,898 | 228,296 | 234,853 | 241,575 |
| Non-Operating Income and Expenses | | | | | | | | | | | | |
| Interest Income | 2,050 | | 1,588 | | 1,229 | | 965 | 1,000 | 100 | 200 | 300 | 400 |
| Non Utility Income | 34,083 | | 23,794 | | 39,036 | | 24,359 | 22,500 | 22,500 | 22,500 | 22,500 | 22,500 |
| Other Income / (Expenses) | 0 | | 12,840 | | 12,840 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Gain / (Loss) on Property Disposition | 0 | | 0 | | 0 | | 900 | 0 | 0 | 0 | 0 | 0 |
| Dividends | (18,000) | | (26,998) | | (18,000) | | (17,999) | (18,000) | 0 | 0 | 0 | 0 |
| Total Non-Operating Income & Expenses | 18,133 | -38% | 11,224 | 213% | 35,105 | -77% | 8,225 | 5,500 | 22,600 | 22,700 | 22,800 | 22,900 |
| Add Non-Cash Expenses | | | | | | | | | | | | |
| Depreciation | 64,147 | 23% | 78,976 | 3% | 81,079 | 15% | 93,643 | 95,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Cash Available for Debt Service | 114,941 | -30% | 79,919 | 60% | 128,067 | -27% | 93,824 | 192,341 | 324,498 | 330,996 | 337,653 | 344,475 |
| Debt Service (enter as positive #'s) | | | | | | | | | | | | |
| Existing Principal | 9,221 | | 12,099 | | 20,769 | | 18,806 | 0 | 0 | 0 | 0 | 0 |
| Existing Interest | 7,631 | | 6,070 | | 3,933 | | 4,980 | 0 | 0 | 0 | 0 | 0 |
| Proposed KIA Loan | 0 | | 0 | | 0 | | 0 | 0 | 89,500 | 89,500 | 89,500 | 89,500 |
| Total Debt Service | 16,852 | | 18,169 | | 24,702 | | 23,786 | 0 | 89,500 | 89,500 | 89,500 | 89,500 |
| Income After Debt Service | 98,089 | | 61,750 | | 103,365 | | 70,038 | 192,341 | 234,998 | 241,496 | 248,153 | 254,975 |
| Debt Coverage Ratio | 6.8 | | 4.4 | | 5.2 | | 3.9 | n/a | 3.6 | 3.7 | 3.8 | 3.8 |

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I.C.11.

**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 2nd day of August, 2012.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

SANDY WILLIAMS, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

EXHIBIT A

| <u>APPLICANT</u> | <u>FUND</u> | <u>AMOUNT</u> |
|-------------------------------|--------------------|----------------------|
| City of Jenkins | A12-30 | \$ 500,000 |
| East Pendleton Water District | B12-05 | \$ 160,000 |
| Marion County Water District | B12-06 | \$ 548,180 |
| Symsonia Water District | B12-07 | \$ 300,000 |
| City of Scottsville | B12-08 | \$ 358,000 |
| City of South Shore | B12-09 | \$ 1,600,000 |

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 BALAN

\$300,876,626

Leverage Bonds - Balance

\$0

Balance Available for Loan

\$24,983,993

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

| TOTAL PROJECT AMOUNT | KIA AMOUNT | DATE APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

PROJECTS APPROVED IN SFY 1995:

| | | | | | |
|---------------|---|---------------------|---------------------|------------------|--|
| 55 | HOPKINSVILLE, CITY OF | \$401,000 | \$240,264 (c) | 08-30-94; 4-7-11 | Assumed from Pembroke |
| 56 | MT. STERLING, CITY OF | \$1,110,540 | \$1,055,969 (c) | 08-30-94 | |
| 57 | WEST LIBERTY, CITY OF | \$737,972 | \$329,764 (c) | 08-30-94 | (AMD. 2-26-96) |
| 58 | MT. VERNON, CITY OF | \$998,650 | \$652,162 (c) | 08-30-94 | (REAP. 2-26-96) (REAP.3-6-97) |
| 59 | WORTHINGTON, CITY OF | \$790,000 | \$388,332 (c) | 08-30-94 | |
| 60 | SOMERSET, CITY OF | \$2,759,200 | \$2,631,067 (c) | 08-30-94 | |
| 61 | PERRY COUNTY S.D. #1 | \$845,790 | \$601,673 (c) | 08-30-94 | (AMD. 6/1/97) |
| 62 | BOYD COUNTY (PHASE II) | \$6,990,000 | \$6,270,000 (s) | 09-27-94 | (AMD. 2-2-95)(AMD 12-10-99) |
| 63 | FRANKLIN, CITY OF (2) | \$2,600,080 | \$2,572,240 (c) | 09-27-94 | |
| 64 | BRODHEAD, CITY OF | \$899,411 | \$502,650 (c) | 11-29-94 | |
| 65 | NEWPORT, CITY OF | \$1,759,645 | \$1,596,327 (c) | 11-29-94 | (AMD. 8-29-96) |
| 66 | PIKEVILLE, CITY OF (2) | \$3,466,413 | \$2,134,015 (c) | 11-29-94 | (AMD. 8-30-95) (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 |
| TOTALS | | \$59,704,120 | \$46,773,907 | | |

PROJECTS APPROVED IN SFY 1996:

| | | |
|---------------|------------|------------|
| NONE | \$0 | \$0 |
| TOTALS | \$0 | \$0 |

PROJECTS APPROVED IN SFY 1997:

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

PROJECTS APPROVED IN SFY 1998:

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

PROJECTS APPROVED IN SFY 1999:

| | | | | | |
|---------------|------------------------------------|---------------------|---------------------|----------|---------------|
| 96 | PARIS, CITY OF | \$7,528,385 | \$5,943,287 (c) | 9-1-98 | |
| 97 | MIDWAY, CITY OF | \$282,250 | \$141,125 (c) | 10-13-98 | (A1) |
| 98 | MAYFIELD, CITY OF | \$1,401,962 | \$1,160,472 (c) | 10-13-98 | |
| 99 | 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 |
| TOTALS | | \$19,975,429 | \$15,583,941 | | |

PROJECTS APPROVED IN SFY 2000:

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

| TOTAL PROJECT AMOUNT | KIA AMOUNT | DATE APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

PROJECTS APPROVED IN SFY 2001:

| | | | | | | |
|---------------|-----------------------|---------------------|--------------------|-----|------------------------------------|---------------------|
| 108 | PIKEVILLE, CITY OF | \$1,205,484 | \$1,116,574 | (c) | 07/18/2000; 5/16/01 9/6/01; 3/2/06 | Assumed from Mtn WD |
| 109 | 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 | |
| TOTALS | | \$17,114,829 | \$9,981,890 | | | |

PROJECTS APPROVED IN SFY2002:

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

PROJECTS APPROVED IN SFY 2003

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

PROJECTS APPROVED IN SFY 2004

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

PROJECTS APPROVED IN SFY 2005

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

PROJECTS APPROVED IN SFY 2006

| | | | | | | |
|---------------|--------------------------|---------------------|---------------------|-----|---------|------|
| 144 | ALEXANDRIA, CITY OF | \$2,535,785 | \$426,220 | (c) | 7/7/05 | |
| 145 | PAINTSVILLE, CITY OF | \$954,415 | \$429,715 | (c) | 10/6/05 | |
| 146 | CYNTHIANA, CITY OF | \$10,902,650 | \$5,671,622 | (c) | 12/1/05 | |
| 147 | WESTERN MASON SD | \$4,644,000 | \$802,000 | (c) | 12/1/05 | |
| 148 | LEDBETTER WATER DISTRICT | \$3,326,078 | \$2,326,078 | | 3/2/06 | |
| 149 | RICHMOND, CITY OF | \$2,152,200 | \$2,152,200 | | 6/1/06 | (A1) |
| TOTALS | | \$24,515,128 | \$11,807,835 | | | |

| TOTAL PROJECT AMOUNT | KIA AMOUNT | DATE APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

PROJECTS APPROVED IN SFY 2007

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

| | | |
|--------------|---------------------|---------------------|
| TOTAL | \$66,469,881 | \$43,478,046 |
|--------------|---------------------|---------------------|

PROJECTS APPROVED IN SFY 2008

| | | | | |
|-----|--------------------------------|--------------|-----------------|--------------------------|
| 159 | CITY OF BARLOW | \$169,500 | \$168,954 (c) | 9/6/07 (A1) |
| 160 | CITY OF WHITESBURG | \$7,474,000 | \$1,040,900 (c) | 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 (c) | 2/7/08 |
| 167 | Bowling Green, City of | \$54,235,960 | \$54,235,960 | 4/3/08; 11/12/09; 8/4/11 |
| 168 | Sanitation District #1 | \$83,147,554 | \$70,000,000 | 4/3/08; 6/4/09 |
| 169 | Elizabethtown, City of | \$21,192,000 | \$21,192,000 | 4/3/08 |
| 170 | Nicholasville, City of | \$9,554,625 | \$7,494,225 | 4/3/08 |
| 171 | Somerset, City of | \$14,897,000 | \$8,477,690 | 4/3/08 |
| 172 | Williamstown, City of | \$18,748,000 | \$17,848,000 | 6/2/08 |

| | | |
|--------------|----------------------|----------------------|
| TOTAL | \$299,435,449 | \$262,488,430 |
|--------------|----------------------|----------------------|

PROJECTS APPROVED IN SFY 2009

| | | | | |
|-----|-------------------------------------|--------------|-----------------|---------------------------|
| 173 | Hopkinsville, City of | \$4,916,100 | \$0 | 9/4/08; withdrawn 5/11/10 |
| 174 | Lexington-Fayette Urban County Govt | \$18,354,000 | \$17,208,000 | 1/8/09 |
| 175 | Paducah McCracken JSA | \$14,323,800 | \$10,000,000 | 4/9/09 |
| 176 | Mt Washington, City of | \$15,000,000 | \$9,500,000 | 5/7/09; 9/1/10 |
| 177 | Sanitation District #1 | \$5,802,300 | \$4,920,300 | 6/4/09; 6/30/11 |
| 178 | Sanitation District #1 | \$7,062,000 | \$5,459,988 (c) | 6/4/09 |
| 179 | Sanitation District #1 | \$20,108,000 | \$15,230,000 | 6/4/09 |
| 180 | Sanitation District #1 | \$6,968,000 | \$5,768,000 | 6/4/09 |
| 181 | Sanitation District #1 | \$3,287,000 | \$2,470,000 | 6/4/09 |
| 182 | Sanitation District #1 | \$12,065,000 | \$9,900,000 | 6/4/09 |

| | | |
|--------------|----------------------|---------------------|
| TOTAL | \$107,886,200 | \$80,456,288 |
|--------------|----------------------|---------------------|

PROJECTS APPROVED IN SFY 2010

| | | | | |
|-----|---|--|---------------|------------------------------------|
| 183 | Kentucky Horse Park | \$1,950,000 | \$1,000,000 | 8/6/09 |
| 184 | Maysville, City of | \$11,000,000 | \$11,000,000 | 9/3/09 |
| 185 | Prestonsburg, City of | \$272,000 | \$272,000 (c) | 10/1/09; 2/4/10 |
| 186 | Prestonsburg, City of | \$786,000 | \$786,000 (c) | 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 | \$683,354 (c) | 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 \$2,846,174 | \$2,846,174 | 5/6/10; 7/7/11; 6/7/12 |
| 195 | Oldham Co Env Auth - | SX21185029 \$1,477,000 | \$1,000,000 | 5/6/10; 1/5/12 |
| 196 | Oldham Co Env Auth | SX21185050; SX21185036 \$2,601,420 | \$2,601,420 | 5/6/10; 1/5/12; 6/7/12 |
| 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 | \$0 | 6/3/10; 10/14/10 withdrawn 1/31/12 |

| | | |
|--------------|----------------------|---------------------|
| Total | \$103,083,700 | \$84,908,684 |
|--------------|----------------------|---------------------|

| TOTAL PROJECT AMOUNT | KIA AMOUNT | DATE APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

PROJECTS APPROVED IN SFY 2011

| | | | | | |
|--------------|--------------------------------|------------|----------------------|----------------------|------------------|
| 199 | Oldham Env Auth | SX21185028 | \$500,000 | \$250,000 | 7/1/10;1/5/12 |
| 200 | Sanitation District #1 | SX21117126 | \$19,935,700 | \$17,146,500 | 7/1/10 |
| 201 | Bardstown, City of | SX21179019 | \$1,980,000 | \$1,980,000 | 12/9/10; 6/10/11 |
| 202 | LaCenter, City of | SX21007015 | \$895,000 | \$895,000 | 12/9/10 |
| 203 | Livermore, City of | SX21049008 | \$2,105,000 | \$1,105,000 | 12/9/10 |
| 204 | Morehead, City of | SX21205034 | \$3,000,000 | \$3,000,000 | 12/9/10 |
| 205 | Regional Water Resource Agency | | \$6,085,000 | \$5,790,500 | 12/9/10;3/1/12 |
| 206 | Campton, City of | | \$3,217,200 | \$1,400,000 | 2/3/11 |
| 207 | Hardinsburg, City of | | \$400,000 | \$400,000 | 2/3/11 |
| 208 | Louisa, City of | | \$2,058,580 | \$1,400,000 | 2/3/11 |
| 209 | Flemingsburg, City of | | \$8,906,000 | \$8,906,000 | 3/3/11 |
| 210 | Louisville-Jefferson Co MSD | | \$3,400,000 | \$3,400,000 | 3/3/11 |
| 211 | Vanceburg, City of | | \$3,400,000 | \$2,000,000 | 3/3/11 |
| 212 | Williamsburg, City of | | \$1,035,517 | \$1,035,517 | 3/3/11 |
| 213 | Hopkinsville, City of | | \$500,000 | \$500,000 | 4/7/11 |
| 214 | Hopkinsville, City of | | \$26,641,000 | \$26,641,000 | 4/7/11 |
| 215 | Hopkinsville, City of | | \$8,010,000 | \$7,810,000 | 4/7/11;5/9/12 |
| 216 | Pineville, City of | | \$500,000 | \$500,000 | 5/5/11 |
| 217 | Sanitation District #1 | | \$17,225,660 | \$14,188,155 | 5/5/11 |
| 218 | Sanitation District #1 | | \$19,000,000 | \$15,187,500 | 5/5/11 |
| 219 | Sanitation District #1 | | \$9,572,000 | \$7,778,000 | 5/5/11 |
| 220 | West Liberty, City of | | \$3,937,950 | \$3,937,950 | 5/5/11 |
| Total | | | \$142,304,607 | \$125,251,122 | |

PROJECTS APPROVED IN SFY 2012

| | | | | | |
|--------------|---|-------------------|----------------------|---------------------|----------------|
| 221 | Oldham Co Env Authority | SX21185037 | \$670,588 | \$670,588 | 7/7/11;6/7/12 |
| 222 | Southern Water & Sewer | | \$3,750,087 | \$1,094,143 | 8/4/11;4/12/12 |
| 223 | Hodgenville, City of | | \$1,635,000 | \$1,635,000 | 11/10/11 |
| 224 | Burkesville, City of | | \$1,000,000 | \$1,000,000 | 11/10/11 |
| 225 | Bloomfield, City of | | \$4,370,635 | \$2,195,635 | 11/10/11 |
| 226 | Harrodsburg, City of | | \$418,500 | \$418,500 | 12/8/11 |
| 227 | Grant Co Sanitary SD | | \$1,226,700 | \$1,161,700 | 1/5/12 |
| 228 | Barbourville, City of | | \$5,651,270 | \$5,651,270 | 2/2/12 |
| 229 | Sanitation District #1 of Northern Ky | | \$1,001,717 | \$851,857 | 2/2/12 |
| 230 | Sanitation District #1 of Northern Ky | | \$1,152,200 | \$959,000 | 2/2/12 |
| 231 | Winchester, City of | | \$1,010,000 | \$1,000,000 | 2/2/12 |
| 232 | Harrodsburg, City of | | \$1,157,000 | \$706,000 | 2/2/12 |
| 233 | Jamestown, City of | | \$2,500,000 | \$2,500,000 | 2/2/12 |
| 234 | Paducah McCracken County JSA | | \$8,400,000 | \$8,000,000 | 2/2/12 |
| 235 | Ashland, City of | | \$4,500,000 | \$4,500,000 | 3/1/12 |
| 236 | Murray, City of | | \$46,000,000 | \$46,000,000 | 3/1/12 |
| 237 | Grant Co Sanitary SD | | \$913,300 | \$913,300 | 3/1/12 |
| 238 | Lexington-Fayette Urban County Government | | \$2,530,000 | \$1,930,000 | 3/1/12 |
| 239 | Regional Water Resource Agency | | \$619,070 | \$357,335 | 3/1/12 |
| 240 | Regional Water Resource Agency | | \$1,802,125 | \$1,586,875 | 3/1/12 |
| 241 | Flemingsburg, City of | | \$2,000,000 | \$500,000 | 4/12/12 |
| 242 | Jackson, City of | | \$1,200,000 | \$700,000 | 4/12/12 |
| 243 | Russell Springs, City of | | \$719,000 | \$719,000 | 4/12/12 |
| 244 | South Shore, City of | | \$4,006,000 | \$3,006,000 | 4/12/12 |
| 245 | Worthington, City of | | \$500,000 | \$500,000 | 4/12/12 |
| 246 | Flatwoods, City of | SX21089082 | \$405,000 | \$400,000 | 5/3/12 |
| 247 | Grayson, City of | SX21043032 | \$785,000 | \$785,000 | 5/3/12 |
| 248 | Oak Grove, City of | SX21047025 | \$1,000,000 | \$1,000,000 | 5/3/12 |
| 249 | Russell, City of | SX21089091 | \$970,000 | \$970,000 | 5/3/12 |
| 250 | Earlington, City of | SX21107017 | \$1,575,000 | \$825,000 | 6/7/12 |
| 251 | Lawrenceburg, City of | SX21005007 | \$2,000,000 | \$2,000,000 | 6/7/12 |
| 252 | Perry County Sanitation District | SX21193100 | \$2,660,000 | \$875,000 | 6/7/12 |
| 253 | Jenkins, City of | SX21133013 | \$1,500,000 | \$500,000 | 8/2/12 |
| Total | | | \$109,628,192 | \$95,911,203 | |

GRAND TOTALS - COMMITMENTS

| | |
|------------------------|------------------------|
| \$1,425,266,984 | \$1,128,655,654 |
|------------------------|------------------------|

bold, italics - pending board approval

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(A1) - Planning and Design Loan

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

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

AVAILABLE FUNDS FFY 2009:

| | |
|--|---------------------|
| FEDERAL ARRA GRANT FUNDS | \$49,878,100 |
| ADMINISTRATION (4%) | (\$1,995,124) |
| Transferred from Admin to Construction | <u>\$910,506</u> |
| NET ARRA FUNDS | <u>\$48,793,482</u> |

| | TOTAL PROJECT AMOUNT | KIA AMOUNT | FIRST USE FUNDS | DATE APPROVED |
|--|-------------------------|---------------------|---------------------|---------------------------|
| PROJECTS APPROVED IN SFY 2009: | | | | |
| 1 Sanitation District #1 | \$395,000 | \$395,000 (c) | \$395,000 | 6/4/09 |
| 2 Sanitation District #1 | \$1,755,545 | \$1,371,545 | \$1,371,545 | 6/4/09; 1/7/10; 1/25/10 |
| 3 Sanitation District #1 | \$1,578,539 | \$1,474,916 (c) | \$1,474,916 | 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 (c) | \$3,000,000 | 6/25/09 |
| TOTALS | \$19,563,325 | \$13,265,419 | \$13,265,419 | |
| PROJECTS APPROVED IN SFY 2010: | | | | |
| 10 Calvert City, City of | \$1,083,128 | \$986,831 (c) | \$986,831 | 7/9/09; 1/7/10 |
| 11 Princeton, City of | \$2,475,000 | \$1,103,744 (c) | \$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 (c) | \$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 (c) | \$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 | \$749,991 (c) | \$749,991 | 10/1/09 |
| 36 Grant Co. Sanitary Sewer Dist. | \$2,114,713 | \$433,178 (c) | \$433,178 | 10/1/09; 3/1/12 |
| 37 Mayfield, City of | \$975,000 | \$975,000 (c) | \$975,000 | 10/1/09 |
| 38 Warsaw, City of | \$3,927,907 | \$2,146,907 | \$2,146,907 | 11/12/09; 2/4/10; 5/9/12 |
| 39 Madisonville, City of | \$3,800,000 | \$3,800,000 (c) | \$3,800,000 | 11/12/09 |
| 40 Meade Co Riverport Authority | \$482,642 | \$482,642 (c) | \$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 (c) | \$465,303 | 12/3/09; 1/25/10; 2/17/11 |
| 43 Mountain Water District | \$750,000 | \$749,903 | \$749,903 | 12/3/09; 2/4/10 |
| TOTALS | \$59,549,094 | \$34,636,140 | \$34,636,140 | |
| GRAND TOTALS - COMMITMENTS | \$79,112,419 | \$47,901,558 | \$47,901,558 | |
| BALANCE AVAILABLE FOR LOAN | | | \$891,924 | |

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 \$6,098,871

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

| | | TOTAL INFRASTRUCTURE AMOUNT | KIA GRANT AMOUNT | KIA Loan AMOUNT | GENERATED PRIVATE INVESTMENT | JOBS CREATED | DATE APPROVED | COMMENTS |
|--------------------------------------|-------------------------------|-----------------------------------|------------------------|-----------------------|------------------------------------|-----------------|--------------------------|-------------------------------|
| 35 | GALLATIN COUNTY | \$4,089,434 | | \$4,000,000 (c) | \$400,089,434 | 400 | 09-29-93 | (AMD. 6-29-94, REAP. 3-31-95) |
| 36 | CAMPBELLSVILLE, CITY OF | \$4,905,000 | | \$1,905,000 (s) | \$0 | 295 | 12-05-95 | (REAP.)(AMD. 7-13-98) |
| | TOTALS | \$17,455,502 | | \$8,710,618 | \$404,485,434 | 1,043 | | |
| PROJECTS APPROVED IN FY 1995: | | | | | | | | |
| 37 | HENDERSON, CITY OF (phase 1) | \$7,445,372 | | \$3,188,731 (c) | \$0 | 1,500 | 08-30-94 | (AMD. 7-5-96) |
| | (phase 2) | | | \$581,512 (c) | \$0 | | 08-30-94 | |
| * 38 | WEBSTER COUNTY WATER DISTRICT | \$1,268,460 | | \$638,000 (c) | \$0 | 58 | 05-30-95 | |
| | TOTALS | \$8,713,832 | | \$4,408,243 | \$0 | 1,558 | | |
| PROJECTS APPROVED IN FY 1996: | | | | | | | | |
| * 39 | OAK GROVE, CITY OF | \$787,990 | | \$498,295 (c) | \$0 | 134 | 05-14-96 | |
| 40 | MOUNT STERLING, CITY OF | \$2,467,009 | | \$2,467,009 (c) | \$0 | 400 | 05-14-96 | |
| | TOTALS | \$3,254,999 | | \$2,965,304 | \$0 | 534 | | |
| PROJECTS APPROVED IN FY 1997: | | | | | | | | |
| 41 | CORBIN, CITY OF | \$583,878 | | \$300,000 (c) | \$0 | 30 | 8-29-96 | |
| 42 | HICKORY WATER DISTRICT | \$1,028,000 | | \$528,000 (c) | \$0 | 95 | 12-4-96 | (REAP. 9-1-98) |
| | TOTALS | \$1,611,878 | | \$828,000 | \$0 | 125 | | |
| PROJECTS APPROVED IN FY 1998: | | | | | | | | |
| * 42 | PRESTONSBURG, CITY OF | \$4,392,500 | | \$600,000 (c) | \$0 | 77 | 2-26-98 | \$50M inc. app. 2-5-99 |
| * 43 | PAINTSVILLE, CITY OF | \$8,070,950 | | \$1,772,800 (c) | \$0 | 400 | 2-26-98 | (REAP. 12-10-99) |
| | TOTALS | \$12,463,450 | | \$2,372,800 | \$0 | 477 | | |
| PROJECTS APPROVED IN FY 1999: | | | | | | | | |
| * 44 | HARDINSBURG, CITY OF | \$5,239,680 | | \$131,231 (c) | \$0 | 14 | 7-13-98 | |
| * 45 | PRESTONSBURG, CITY OF | \$1,591,200 | | \$795,600 (c) | \$0 | 400 | 4-27-99 | |
| | TOTALS | \$6,830,880 | | \$926,831 | \$0 | 414 | | |
| PROJECTS APPROVED IN FY 2000: | | | | | | | | |
| * 46 | GALLATIN CO WATER DISTRICT | \$1,100,000 | | \$744,796 (c) | \$95,000,000 | 130 | 09/01/1999; | AMD 4/4/00 |
| * 47 | CARROLTON, CITY OF (CELOTEX) | \$184,300 | | \$112,200 (c) | \$75,000,000 | 122 | 12/10/1999; | AMD 9/1/01 |
| | TOTALS | \$1,284,300 | | \$856,996 | \$170,000,000 | 122 | | |
| PROJECTS APPROVED IN FY2005: | | | | | | | | |
| * 48 | UNION COUNTY FISCAL COURT | \$1,550,000 | | \$0 | \$0 | NA | 11/04/2004 | commitment expired |
| * 40 | OWENTON, CITY OF | \$736,890 | | \$0 | \$0 | NA | 11/04/2004 | commitment expired |
| * 41 | HART CO FISCAL COURT | \$3,192,000 | | \$2,170,999 | \$0 | NA | 03/03/2005 | |
| * 42 | BOONE COUNTY WATER DISTRICT | \$3,548,148 | | \$2,506,118 (c) | \$0 | NA | 6/2/05; 7/1/10 | assumed from Boone Co FC |
| | TOTALS | \$9,027,038 | | \$4,677,117 | \$0 | | | |
| PROJECTS APPROVED IN FY2006: | | | | | | | | |
| * 43 | GRAVES CO WATER DISTRICT | \$596,776 | | \$596,776 (c) | \$0 | NA | 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 | |
| | TOTALS | \$11,415,953 | | \$3,062,225 | \$0 | | | |
| PROJECTS APPROVED IN FY2007: | | | | | | | | |
| * 49 | GUTHRIE, CITY OF | \$640,000 | | \$0 | \$0 | NA | 08/03/2006 | Withdrawn |
| * 50 | OWINGSVILLE, CITY OF | \$4,367,250 | | \$797,250 (c) | \$0 | NA | 006; 10/01/2009 | 338,997 In; 50,000 grant |
| * 51 | JAMESTOWN, CITY OF | \$13,065,000 | | \$3,588,700 (c) | \$0 | NA | 12/07/2006 | 3,038,700 In; 550,000 grant |
| * 52 | CONNECTGRADD | \$2,400,000 | | \$837,856 (c) | \$0 | NA | 02/08/2007 | broadband |
| * 53 | ALBANY, CITY OF | \$7,366,000 | | \$750,000 | \$0 | NA | 05/10/2007 | EO 2007-298 GF |
| * 54 | GRAVES CO WATER DISTRICT | \$849,154 | | \$849,154 (c) | \$0 | NA | 5/10/2007; 10/2/08 | S Graves WD |
| | TOTALS | \$28,687,403 | | \$6,822,959 | \$0 | | | |

| | TOTAL INFRASTRUCTURE AMOUNT | KIA GRANT AMOUNT | KIA Loan AMOUNT | GENERATED PRIVATE INVESTMENT | JOBS CREATED | DATE APPROVED | COMMENTS |
|-------------------------------------|--------------------------------------|------------------------|-----------------------|------------------------------------|------------------------|-------------------|---|
| PROJECTS APPROVED IN FY2008: | | | | | | | |
| * 55 | CAVELAND ENVIRONMENTAL | \$2,910,000 | \$125,000 (c) | \$0 | NA | 09/06/2007 | sewer |
| * 56 | HOPKINSVILLE ELECT & EN NET | \$3,000,000 | \$3,000,000 | \$0 | NA | 10/04/2007 | fiber optic communications |
| * 57 | MARION CO WATER DISTRICT | \$750,000 | \$340,000 (c) | \$0 | NA | 10/04/2007 | water |
| * 58 | WILLIAMSBURG, CITY OF | \$3,237,440 | \$400,000 (c) | \$0 | NA | 10/04/2007 | water |
| * 59 | LOGAN TODD REG WAT COMM | \$1,500,000 | \$400,000 (c) | \$0 | NA | 11/01/2007 | water |
| * 60 | BURGIN, CITY OF | \$50,000 | \$50,000 (c) | \$0 | NA | 11/01/2007 | water |
| 61 | PRESTONSBURG, CITY OF | \$2,700,000 | \$2,700,000 (c) | \$0 | NA | 12/06/2007 | purchase Auxier Water |
| 62 | GLASGOW, CITY OF | \$1,200,000 | \$1,200,000 (c) | \$0 | NA | 2/7/2008; 10/8/08 | broadband |
| 63 | LANCASTER, CITY OF | \$690,000 | \$490,000 (c) | \$0 | NA | 03/06/2008 | sewer |
| 64 | WHITLEY CO WATER DISTRICT | \$2,708,000 | \$932,800 | \$0 | NA | 3/6/08; 7/27/11 | water |
| 65 | HINDMAN, CITY OF | \$500,000 | \$500,000 (c) | \$0 | NA | 04/03/2008 | water |
| 66 | WALTON, CITY OF | \$4,000,000 | \$1,000,000 (c) | \$0 | NA | 06/05/2008 | sewer |
| TOTALS | | \$23,245,440 | \$11,137,800 | \$0 | | | |
| PROJECTS APPROVED IN FY2009: | | | | | | | |
| 67 | CARROLLTON, CITY OF | \$2,949,731 | \$900,000 | \$0 | NA | 8/7/08; 12/8/11 | sewer |
| 68 | LOUISA, CITY OF | \$1,075,000 | \$1,000,000 | \$0 | NA | 08/07/2008 | sewer |
| 69 | PRESTONSBURG, CITY OF | \$841,000 | \$841,000 (c) | \$0 | NA | 10/02/2008 | water meters |
| 70 | LEBANON, CITY OF | \$1,119,707 | \$582,883 (c) | \$0 | NA | 12/04/2008 | water |
| 71 | MuniNet | \$2,500,000 | \$2,500,000 | \$0 | NA | 06/25/09; 4/7/11 | broadband; assumed from Murray |
| 72 | PINEVILLE, CITY OF | \$350,000 | \$0 | \$0 | NA | 06/25/2009 | sewer - withdrawn 9/24/09 |
| TOTALS | | \$8,835,438 | \$5,823,883 | \$0 | | | |
| PROJECTS APPROVED IN FY2010: | | | | | | | |
| 73 | Prestonsburg, City of | \$2,670,000 | \$0 | \$0 | NA | 10/01/2009 | sewer |
| 74 | Falmouth, City of | \$564,835 | \$564,835 | \$0 | NA | 10/01/2009 | sewer |
| 75 | Bullitt Co Sanitation District | \$500,000 | \$500,000 (c) | \$0 | NA | 02/04/2010 | sewer |
| 76 | Hart Co Industrial Authority | \$2,300,000 | \$1,000,000 | \$3,000,000 | 40 | 02/04/2010 | sewer |
| 77 | Marshall Co. Fiscal Court | \$1,000,000 | \$800,000 | \$200,000 | \$0 | NA | 06/03/2010 80% grant/ 20% loan |
| TOTALS | | \$7,034,835 | \$800,000 | \$2,264,835 | \$3,000,000 | 40 | |
| PROJECTS APPROVED IN FY2011: | | | | | | | |
| 78 | Bullitt Co Sanitation District | \$500,000 | \$0 | \$500,000 (c) | \$0 | NA | 08/05/2010 sewer |
| 79 | Greenville, City of | \$1,115,000 | \$0 | \$1,115,000 | \$0 | NA | 10/14/2010 sewer |
| 80 | Marion, City of | \$2,100,000 | \$0 | \$1,246,754 | \$0 | NA | 10/14/2010 water |
| 81 | Princeton, City of | \$430,645 | \$0 | \$401,674 (c) | \$0 | NA | 10/14/10; 7/1/11 sewer |
| 82 | Bracken Co Water District | \$475,000 | \$380,000 | \$95,000 | \$0 | NA | 12/09/2010 water |
| 83 | Caneyville, City of | \$445,000 | \$0 | \$110,000 | \$0 | NA | 12/09/2010 sewer |
| 84 | Crab Orchard, City of | \$1,660,000 | \$400,000 | \$410,000 | \$0 | NA | 12/09/2010 water |
| 85 | Flatwoods, City of | \$887,500 | \$468,000 | \$117,000 | \$0 | NA | 02/03/2011 |
| 86 | Graves County Water District | \$1,111,266 | \$220,000 | \$780,000 | \$0 | NA | 02/03/2011 |
| 87 | Mt. Washington, City of | \$700,000 | \$560,000 | \$140,000 | \$0 | NA | 02/03/2011 |
| 88 | White Plains, City of | \$657,000 | \$525,600 | \$131,400 | \$0 | NA | 02/03/2011 |
| 89 | Beattyville, City of | \$675,000 | \$140,000 | \$35,000 | \$0 | NA | 03/03/2011 water |
| 90 | Elkton, City of | \$141,700 | \$0 | \$141,700 | \$0 | NA | 03/03/2011 water |
| 91 | Nicholas County Sanitation District | \$2,641,000 | \$0 | \$550,000 | \$0 | NA | 03/03/2011 sewer |
| 92 | North McLean Co WD | \$737,871 | \$200,000 | \$50,000 | \$0 | NA | 03/03/2011 water |
| 93 | MuniNet | \$2,033,947 | \$0 | \$2,033,947 | \$0 | NA | 04/07/2011 broadband |
| TOTALS | | \$16,310,929 | \$2,893,600 | \$7,857,475 | \$0 | | |
| PROJECTS APPROVED IN FY2012: | | | | | | | |
| 94 | Crittenden-Livingston Water District | \$300,000 | \$0 | \$300,000 | \$0 | NA | 08/04/2011 water |
| 95 | Lewisburg, City of | \$220,000 | \$0 | \$220,000 | \$0 | NA | 03/01/2012 water |
| 96 | Olive Hill, City of | \$505,000 | \$0 | \$505,000 | \$0 | NA | 03/01/2012 water |
| 97 | Mount Olivet, City of | \$1,100,000 | \$0 | \$350,000 | \$0 | NA | 04/12/2012 water |
| 98 | Nebo Water District | \$92,000 | \$0 | \$92,000 | \$0 | NA | 06/07/2012 water - WX21107002 |
| 99 | <i>East Pendleton Water District</i> | <i>\$160,000</i> | <i>\$0</i> | <i>\$160,000</i> | <i>\$0</i> | <i>NA</i> | <i>08/02/2012 water WX21191002</i> |
| 100 | <i>Marion County Water District</i> | <i>\$548,180</i> | <i>\$0</i> | <i>\$548,180</i> | <i>\$0</i> | <i>NA</i> | <i>08/02/2012 water - WX21155031</i> |
| 101 | <i>Symsonia Water District</i> | <i>\$895,000</i> | <i>\$0</i> | <i>\$300,000</i> | <i>\$0</i> | <i>NA</i> | <i>08/02/2012 water - WX21083055</i> |
| 102 | <i>Scottsville, City of</i> | <i>\$716,000</i> | <i>\$0</i> | <i>\$358,000</i> | <i>\$0</i> | <i>NA</i> | <i>08/02/2012 sewer - SX21003032</i> |
| 103 | <i>South Shore, City of</i> | <i>\$1,600,000</i> | <i>\$0</i> | <i>\$1,600,000</i> | <i>\$0</i> | <i>NA</i> | <i>08/02/2012 Purchase water system</i> |
| TOTALS | | \$6,136,180 | \$0 | \$4,433,180 | \$0 | | |
| GRAND TOTALS | | \$212,091,606 | \$3,693,600 | \$97,078,519 | \$1,189,400,723 | 11216 | |

bold, italics - pending board approval

* Bonds have not been sold for these projects

+ Projects were funded under the master note

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

| | |
|-----------------------------------|---------------------|
| TOTAL AUTHORIZATION FYS 1991-94 | \$6,000,000 |
| TOTAL DEAUTHORIZATION FYS 95-96 | (\$78,822) |
| TOTAL AUTHORIZATION FYS 1997-98 | \$0 |
| TOTAL AUTHORIZATION FYS 1998-2000 | \$13,000,000 (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 |
|-----------------------------------|---------------|------------------|----------|
|-----------------------------------|---------------|------------------|----------|

PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:

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

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

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

PROJECTS PER SPECIAL PROVISIONS DURING 1998 GENERAL SESSION

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

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

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

PROJECTS PER SPECIAL PROVISIONS DURING 2000 GENERAL SESSION

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

| TOTAL INFRASTRUCTURE AMOUNT | KIA AMOUNT | DATE APPROVED | COMMENTS |
|-----------------------------------|---------------|------------------|----------|
|-----------------------------------|---------------|------------------|----------|

PROJECTS APPROVED JULY 1, 2001 THROUGH JUNE 30, 2002:

| | | | | | |
|----|---|------------|--------------|-------------|------------|
| 31 | Columbia-Campbellsville | WX21001008 | \$3,415,000 | \$55,000 | 12/06/2001 |
| 32 | Bath County Water District | WX21011002 | \$2,253,000 | \$1,150,000 | 12/06/2001 |
| 33 | City of Paris | WX21017002 | \$2,300,000 | \$1,000,000 | 12/06/2001 |
| 34 | City of Ashland | WX21019006 | \$2,362,626 | \$750,000 | 12/06/2001 |
| 35 | Bracken County Water District | WX21023001 | \$1,810,000 | \$93,500 | 12/06/2001 |
| 36 | City of Murray | WX21035005 | \$1,126,000 | \$0 | 12/06/2001 |
| 37 | Center Ridge Water District | WX21035011 | \$262,200 | \$262,200 | 12/06/2001 |
| 38 | West Carroll Water District | WX21041301 | \$2,200,000 | \$500,000 | 12/06/2001 |
| 39 | Rattlesnake Ridge Water District | WX21043001 | \$4,130,000 | \$440,000 | 12/06/2001 |
| 40 | Christian County Water District | WX21047011 | \$2,200,000 | \$1,000,000 | 12/06/2001 |
| 41 | Owensboro Municipal Utilities | WX21059001 | \$2,500,000 | \$1,000,000 | 12/06/2001 |
| 42 | Consumers Water District | WX21083002 | \$1,117,868 | \$1,000,000 | 12/06/2001 |
| 43 | City of Caneyville | WX21085001 | \$486,000 | \$186,000 | 12/06/2001 |
| 44 | Grayson County Water District | WX21085009 | \$2,878,000 | \$1,000,000 | 12/06/2001 |
| 45 | City of Cumberland | WX21095662 | \$1,600,000 | \$400,000 | 12/06/2001 |
| 46 | Henderson Water Utility | WX21101005 | \$600,000 | \$600,000 | 12/06/2001 |
| 47 | Wood Creek water District | WX21125527 | \$350,364 | \$350,364 | 12/06/2001 |
| 48 | Louisa Water District | WX21127001 | \$5,570,570 | \$1,000,000 | 12/06/2001 |
| 49 | Electric Plant Board of the City of Vanceburg | WX21135001 | \$4,077,000 | \$977,000 | 12/06/2001 |
| 50 | City of Sacramento | WX21149002 | \$150,000 | \$150,000 | 12/06/2001 |
| 51 | Western Lewis Rectorville Water District | WX21161001 | \$1,399,000 | \$275,000 | 12/06/2001 |
| 52 | Edmonton Water Works | WX21169001 | \$2,222,782 | \$595,782 | 12/06/2001 |
| 53 | Tri-Village Water District | WX21187205 | \$1,800,000 | \$800,000 | 12/06/2001 |
| 54 | City of Falmouth | WX21191311 | \$1,000,000 | \$300,000 | 12/06/2001 |
| 55 | City of Hazard | WX21193009 | \$5,500,000 | \$250,000 | 12/06/2001 |
| 56 | Buffalo Trail Water Association | WX21201005 | \$1,500,000 | \$750,000 | 12/06/2001 |
| 57 | US 60 Water District | WX21211026 | \$1,375,000 | \$650,000 | 12/06/2001 |
| 58 | 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 |
| TOTAL 1991 - 1998 | <u>\$28,283,414</u> |

| TOTAL INFRASTRUCTURE AMOUNT | KIA AMOUNT | INTEREST RATE | AREA DEVELOPMENT DISTRICT | DATE APPROVED | COMMENTS |
|-----------------------------------|---------------|------------------|---------------------------------|------------------|----------|
|-----------------------------------|---------------|------------------|---------------------------------|------------------|----------|

PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:

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

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

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

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

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

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

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

| | TOTAL PROJECT AMOUNT | KIA AMOUNT | DATE APPROVED | COMMENTS | |
|---|--------------------------------------|---------------------|---------------------|----------|--|
| ORIGINAL KENTUCKY POLLUTION ABATEMENT AUTHORITY LOANS (42) | | | | | |
| REFINANCED BY THE KENTUCKY INFRASTRUCTURE AUTHORITY (1989) \$32,025,000 | | | | | |
| <u>PROJECTS APPROVED IN FY 1989:</u> | | | | | |
| 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 |
| | TOTALS | \$38,061,943 | \$21,411,392 | | |
| <u>PROJECTS APPROVED IN FY 1990:</u> | | | | | |
| 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 |
| | TOTALS | \$11,576,356 | \$5,695,729 | | |
| <u>PROJECTS APPROVED IN FY 1991:</u> | | | | | |
| 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 |
| | TOTALS | \$5,263,172 | \$4,350,963 | | |
| <u>PROJECTS APPROVED IN FY 1992:</u> | | | | | |
| 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 | PADUCAH WATER WORKS | \$596,100 | \$556,100 | (c) | 11/1/91;6/7/12 (assumed from Hendron Water District 6/7/12) |
| 39 | BULLOCK-PEN WATER DISTRICT | \$1,067,019 | \$518,169 | (c) | 11-01-91 |
| 40 | U.S. 60 WATER DISTRICT | \$494,603 | \$459,905 | (c) | 12-04-91 |
| 41 | FULTON, CITY OF | \$409,587 | \$384,508 | (c) | 05-13-92 |
| 42 | BULLOCK-PEN WATER DISTRICT | \$62,111 | \$29,254 | (c) | 05-13-92 |
| | TOTALS | \$4,361,311 | \$2,715,815 | | |
| <u>PROJECTS APPROVED IN FY 1993:</u> | | | | | |
| 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 |
| | TOTALS | \$3,811,593 | \$2,448,985 | | |

| | TOTAL PROJECT AMOUNT | KIA AMOUNT | | DATE APPROVED | COMMENTS |
|--------------------------------------|-----------------------------------|---------------------|--------------------|------------------|--|
| PROJECTS APPROVED IN FY 1994: | | | | | |
| 48 | WHITESBURG, CITY OF | \$1,701,993 | \$381,855 | (c) | 09-29-93 |
| 49 | JONATHAN CREEK WATER DISTRICT | \$2,768,000 | \$2,302,500 | (c) | 09-29-93 (AMD 9/7/03) |
| 50 | NORTHERN ROCKCASTLE COUNTY WATER | \$455,226 | \$265,226 | (c) | 09-29-93 |
| 51 | Shelbyville, City of | \$2,100,000 | \$697,263 | (c) | 05-11-94 Assumed from Shelby Co SD #1 |
| 52 | LAUREL COUNTY WATER DISTRICT #2 | \$1,324,000 | \$900,950 | (c) | 05-11-94 (AMD. 12-5-95) |
| | TOTALS | \$8,349,219 | \$4,547,794 | | |
| PROJECTS APPROVED IN FY 1995: | | | | | |
| 53 | CARLISLE, CITY OF | \$715,000 | \$425,895 | (c) | 11-29-94 |
| ** | 54 HENRY COUNTY WATER DISTRICT #2 | \$8,426,000 | \$5,026,000 | (s)(n) | 03-31-95 (AMD. 12-5-95) |
| 55 | CALHOUN, CITY OF | \$506,100 | \$453,299 | (c) | 5-30-95 |
| | TOTALS | \$9,647,100 | \$5,905,194 | | |
| PROJECTS APPROVED IN FY 1996: | | | | | |
| 56 | OLDHAM COUNTY WATER DISTRICT | \$1,174,500 | \$1,062,256 | (c) | 2-26-95 |
| 57 | HOPKINSVILLE, CITY OF | \$1,156,400 | \$912,970 | (c) | 12-4-96; 4-7-11 assumed from Oak Grove |
| | TOTALS | \$2,330,900 | \$1,975,226 | | |
| PROJECTS APPROVED IN FY 1997: | | | | | |
| 58 | EAST PENDLETON WATER DISTRICT | \$202,004 | \$219,856 | (c) | 6-19-97 |
| | TOTALS | \$202,004 | \$219,856 | | |
| PROJECTS APPROVED IN FY 1998: | | | | | |
| | TOTALS | \$0 | \$0 | | |
| PROJECTS APPROVED IN FY 1999: | | | | | |
| 59 | LOUISA, CITY OF | \$387,500 | \$442,857 | (c) | 7/13/98 (AMD 9-1-99) |
| * | 60 WEBSTER COUNTY WATER DISTRICT | \$6,165,911 | \$4,000,000 | (c) | 9/1/98 |
| 61 | MEADE COUNTY WATER DISTRICT | \$4,204,225 | \$407,608 | (c) | 12/18/98 |
| | TOTALS | \$10,757,636 | \$4,850,465 | | |
| PROJECTS APPROVED IN FY 2001: | | | | | |
| 62 | BARLOW, CITY OF | \$416,000 | \$237,714 | (c) | 3/1/01 |
| | TOTALS | \$416,000 | \$237,714 | | |
| PROJECTS APPROVED IN FY 2002: | | | | | |
| 63 | OLDHAM COUNTY WATER DISTRICT | \$7,043,642 | \$5,560,339 | (c) | 7/12/01 |
| | TOTALS | \$7,043,642 | \$5,560,339 | | |
| PROJECTS APPROVED IN FY 2003: | | | | | |
| * | 64 MCCREARY COUNTY FISCAL COURT | 7,996,000 | 1,474,999 | (c) | 09/05/2002 |
| * | 65 NICHOLASVILLE, CITY OF | 4,310,000 | 4,160,000 | (c) | 10/03/2002 |
| 66 | SOUTHERN WATER & SEWER | 6,874,900 | 0 | | 01/09/2003 Withdrawn - Replaced with Coal Sev |
| 67 | MEADE COUNTY WATER DISTRICT | 919,760 | 0 | | 06/05/2003 Withdrawn - Replaced with Fd F loan |
| | TOTAL | \$7,996,000 | \$5,634,999 | | |
| PROJECTS APPROVED IN FY 2004: | | | | | |
| 68 | KNOTT CO WATER & SEWER DISTRICT | \$2,628,821 | \$640,367 | | 08/07/2003 |
| * | 69 CAWOOD WATER DISTRICT | \$2,020,000 | \$500,000 | | 12/04/2003 |
| * | 70 BLACK MTN UTILITIES DISTRICT | \$2,295,000 | \$250,000 | (c) | 01/08/2004 |
| | TOTAL | \$6,943,821 | \$1,390,367 | | |
| PROJECTS APPROVED IN FY 2005: | | | | | |
| * | 71 NORTONVILLE, CITY OF | \$5,300,000 | \$2,809,000 | | 09/02/2004 |
| * | 72 JOHNSON CO FISCAL COURT | \$1,317,000 | \$0 | | 12/09/2004 Withdrawn |
| * | 73 PEAKS MILL WATER DISTRICT | \$1,626,900 | \$946,900 | (c) | 05/05/2005 |
| | TOTAL | \$8,243,900 | \$3,755,900 | | |
| PROJECTS APPROVED IN FY 2007: | | | | | |
| * | 74 MAYFIELD, CITY OF | \$393,250 | \$389,255 | (c) | 05/10/2007 |
| | TOTAL | \$393,250 | \$389,255 | | |

| | TOTAL PROJECT AMOUNT | KIA AMOUNT | | DATE APPROVED | COMMENTS |
|--------------------------------------|----------------------------|----------------------|---------------------|----------------------|-------------------------------|
| PROJECTS APPROVED IN FY 2008: | | | | | |
| * 75 | SOUTHEAST DAVIESS CO WD | \$1,219,995 | \$796,140 | (c) | 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 | (c) | 06/05/2008 water |
| TOTAL | | \$8,598,703 | \$7,744,488 | | |
| PROJECTS APPROVED IN FY 2009: | | | | | |
| * 78 | UNION, CITY OF | \$1,147,500 | \$248,294 | (c) | 10/02/2008 sewer |
| TOTAL | | \$1,147,500 | \$248,294 | | |
| PROJECTS APPROVED IN FY 2010: | | | | | |
| * 79 | BARDSTOWN, CITY OF | \$1,800,000 | \$1,800,000 | 10/01/2009; 8/4/2011 | industrial park transmission |
| * 80 | BARDSTOWN, CITY OF | \$5,050,000 | \$3,500,000 | 10/01/2009 | water |
| TOTAL | | \$6,850,000 | \$5,300,000 | | |
| PROJECTS APPROVED IN FY 2011: | | | | | |
| * 81 | Bracken Co Water District | \$621,000 | \$621,000 | 03/03/2011 | water main replacement |
| TOTAL | | \$621,000 | \$621,000 | | |
| PROJECTS APPROVED IN FY 2012: | | | | | |
| * 82 | Warren Co Water District | \$1,114,400 | \$823,900 | 10/06/2011 | Buchanon Park Sewer Extension |
| * 83 | Muninet Fiber Agency | \$3,173,049 | \$3,173,049 | 02/02/2012 | Cable Build Project #2 |
| * 84 | Worthington, City of | \$600,000 | \$600,000 | 04/12/2012 | Filters Upgrade |
| TOTAL | | \$4,887,449 | \$4,596,949 | | |
| KIA TOTALS | | \$147,502,499 | \$89,600,723 | | |
| GRAND TOTALS (including KPAA) | | \$121,625,723 | | | |
| Funds committed; not issued: | | | \$33,040,884 | | |

bold, italics - pending board approval

* Bonds have not been sold for these projects.

** Withdrew from bond sale.

(s) - Amount represented in the assistance agreement.

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

(n) - Participating in BAN's

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

AVAILABLE FUNDS FY 1997:

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

AVAILABLE FUNDS FY 1998:

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

AVAILABLE FUNDS FY 1999:

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

AVAILABLE FUNDS FY 2000:

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

AVAILABLE FUNDS FY 2001:

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

AVAILABLE FUNDS FY 2002:

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

AVAILABLE FUNDS FY 2003:

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

AVAILABLE FUNDS FY 2004:

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

AVAILABLE FUNDS FY 2005:

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

AVAILABLE FUNDS FY 2006:

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

AVAILABLE FUNDS FY 2007:

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

AVAILABLE FUNDS FY 2008:

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

AVAILABLE FUNDS FY 2009:

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

AVAILABLE FUNDS FY 2010:

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

AVAILABLE FUNDS FY 2011:

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

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

CURRENT REVOLVING/SURPLUS FUND BALANCE \$ 57,368,183

2010A - Leverage \$0

BALANCE AVAILABLE FOR LOAN \$ 20,558,155

| | TOTAL PROJECT AMOUNT | KIA LOAN AMOUNT | | DATE APPROVED | COMMENTS |
|--|-------------------------|---------------------|---------------------|-------------------------------|-----------------------|
| <u>PROJECTS APPROVED IN FY 2000</u> | | | | | |
| 1 | \$52,500 | \$31,500 (s) | | 12/10/1999 | F1 |
| 2 | \$3,441,785 | \$3,049,314 (c) | | 04/04/00 | |
| 3 | \$130,880 | \$58,440 (c) | | 04/04/00 | F1 |
| 4 | \$170,000 | \$88,000 (c) | | 04/04/00 | F1 |
| | TOTALS | \$3,795,165 | \$3,227,254 | | |
| <u>PROJECTS APPROVED IN FY2001</u> | | | | | |
| 5 | \$3,858,000 | \$1,500,000 (c) | | 07/18/2000 | |
| 6 | \$2,096,910 | \$500,000 (c) | | 07/18/2000 | |
| 7 | \$3,442,422 | \$2,383,982 (c) | | 9/29/00 | |
| 8 | \$5,791,000 | \$610,000 (c) | | 8/29/00 | |
| 9 | \$13,325,000 | \$5,500,000 (c) | | 1/00; Amd 5/16/01; Amd 5/1/03 | Combined from 2 proj. |
| 10 | \$1,642,623 | \$869,023 (c) | | 9/29/00 | |
| 11 | \$357,500 | \$357,500 (c) | | 12/21/00; 2/1/05 | Land Acq Set Aside |
| 12 | \$2,512,626 | \$2,190,384 (c) | | 3/1/01 | |
| 13 | \$4,400,000 | \$3,930,850 (c) | | 4/5/01 | |
| 14 | \$173,222 | \$173,222 (c) | | 5/3/01 | |
| | TOTALS | \$37,599,303 | \$18,014,961 | | |
| <u>PROJECTS APPROVED IN FY2002</u> | | | | | |
| 15 | \$7,773,200 | \$6,442,400 (c) | | 07/12/01 | |
| 16 | \$1,500,000 | \$1,451,881 (c) | | 07/12/01 | |
| 17 | \$408,088 | \$350,367 (c) | | 10/4/01 | |
| 18 | \$5,369,590 | \$1,197,072 (c) | | 10/4/01 | |
| 19 | \$5,896,855 | \$2,808,855 (c) | | 11/1/01; 12/12/02 | Exec Com |
| 20 | \$27,369,858 | \$4,000,000 (c) | | 2/7/02 | |
| 21 | \$800,000 | \$447,000 (c) | | 3/7/02 | |
| 22 | \$2,800,000 | \$1,241,766 (c) | | 5/2/02 | |
| 23 | \$1,513,593 | \$1,513,593 (c) | | 6/6/02 | |
| 24 | \$6,736,238 | \$3,645,811 (c) | | 6/6/02 | |
| 25 | \$687,000 | \$554,103 (c) | | 6/6/02 | |
| | TOTALS | \$60,854,422 | \$23,652,849 | | |
| <u>PROJECTS APPROVED IN FY2003</u> | | | | | |
| 26 | \$3,560,000 | \$3,299,999 (c) | | 7/11/02; 1/1/05 | |
| 27 | \$12,244,000 | \$3,980,000 (c) | | 9/25/02 | |
| 28 | \$252,130 | \$252,130 (c) | | 10/3/02 | Land Acq Set Aside |
| 29 | \$928,000 | \$928,000 (c) | | 10/3/02 | |
| 30 | \$1,229,000 | \$1,210,604 (c) | | 12/12/02 | Exec Com |
| 31 | \$14,459,550 | \$4,000,000 (c) | | 6/5/03 | |
| | TOTALS | \$32,672,680 | \$13,670,733 | | |
| <u>PROJECTS APPROVED IN FY2004</u> | | | | | |
| 32 | \$1,956,156 | \$1,908,662 (c) | | 9/4/03 | |
| 33 | \$1,056,500 | \$500,000 (c) | | 9/4/03 | F1 |
| 34 | \$3,768,000 | \$1,563,625 (c) | | 11/6/03 | |
| 35 | \$5,020,000 | \$1,597,552 (c) | | 11/6/03 | |
| 36 | \$13,059,330 | \$4,000,000 (c) | | 12/4/03; 1/8/04 | |
| 37 | \$919,760 | \$394,760 (c) | | 12/4/03 | |
| 38 | \$1,541,362 | \$0 | | 2/12/04 | withdrawn |
| | TOTALS | \$27,321,108 | \$9,964,599 | | |
| <u>PROJECTS APPROVED IN FY2005</u> | | | | | |
| 39 | \$4,206,815 | \$1,455,400 (c) | | 10/7/04 | |
| 40 | \$359,500 | \$359,500 (c) | | 3/3/05 | F1 |
| 41 | \$14,690,222 | \$8,000,000 (c) | | 5/5/05 | |
| | TOTALS | \$19,256,537 | \$9,814,900 | | |
| <u>PROJECTS APPROVED IN FY 2006</u> | | | | | |
| 42 | \$14,498,150 | \$4,400,000 (c) | | 12/1/05; amd 8/1/07 | |
| 43 | \$14,000,000 | \$4,520,000 (c) | | 6/1/06 | |
| 44 | \$6,844,310 | \$4,000,000 (c) | | 6/1/06 | |
| | TOTALS | \$35,342,460 | \$12,920,000 | | |

| | TOTAL PROJECT AMOUNT | KIA AMOUNT | DATE APPROVED | COMMENTS |
|--|--|----------------------|---------------------|---------------------------|
| <u>PROJECTS APPROVED IN FY 2007</u> | | | | |
| 45 | NORTHERN KY WATER DISTRICT | \$6,865,000 | \$4,000,000 (c) | 10/5/06 |
| 46 | ADAIR CO WATER DISTRICT | \$3,302,000 | \$1,000,000 (c) | 6/21/07 |
| 47 | JESSAMINE SOUTH ELKHORN WD | \$1,750,000 | \$1,750,000 | 6/21/07 |
| TOTALS | | \$11,917,000 | \$6,750,000 | |
| <u>PROJECTS APPROVED FY 2008</u> | | | | |
| 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 (c) | 10/4/07 |
| 50 | MADISON CO UTILITY DIST | \$1,284,510 | \$1,105,016 (c) | 11/1/07; 10/9/08 |
| 52 | NICHOLASVILLE, CITY OF | \$13,090,400 | \$8,800,000 (c) | 11/1/07; 4/1/09 |
| 53 | BULLOCK PEN WATER DISTRICT | \$2,320,700 | \$2,192,700 (c) | 12/6/07 |
| 54 | HARDINSBURG, CITY OF | \$4,165,000 | \$1,999,250 (c) | 12/6/07 |
| 55 | BEREA, CITY OF | \$9,739,630 | \$5,000,000 (c) | 2/7/08; inc 11/6/08 |
| 56 | FRANKFORT, CITY OF | \$6,841,000 | \$6,841,000 | 2/7/08 |
| 57 | MANCHESTER, CITY OF | \$7,849,078 | \$1,989,578 (c) | 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 |
| TOTALS | | \$101,771,370 | \$54,877,421 | |
| <u>PROJECTS APPROVED FY2009</u> | | | | |
| 64 | PAINTSVILLE, CITY OF | \$29,135,364 | \$6,519,566 | 12/4/08 |
| TOTALS | | \$29,135,364 | \$6,519,566 | |
| <u>PROJECTS APPROVED FY2010</u> | | | | |
| 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 (c) | 6/3/10 |
| TOTALS | | \$59,204,500 | \$36,445,590 | |
| <u>PROJECTS APPROVED FY2011</u> | | | | |
| 69 | Adair Co Water District | \$4,133,000 | \$4,000,000 | 7/1/10 |
| 70 | Louisa, City of | \$1,700,000 | \$1,700,000 | 7/1/10 |
| 71 | Madison County Utilities District | \$940,225 | \$940,225 | 12/9/10 |
| 72 | Hardinsburg, City of | \$4,198,000 | \$4,000,000 | 2/3/11 |
| 73 | Williamstown, City of | \$2,250,000 | \$2,250,000 | 3/3/11 |
| 74 | Bullock Pen Water District | \$1,633,000 | \$1,633,000 | 4/7/11 |
| 75 | Brandenburg, City of | \$3,080,000 | \$2,080,000 | 4/7/11 |
| 76 | Barbourville, City of | \$6,000,000 | \$4,000,000 | 5/5/11 |
| 77 | Barlow, City of | \$230,000 | \$230,000 | 5/5/11 |
| 78 | West Liberty, City of | \$3,050,300 | \$3,050,300 | 5/5/11 |
| TOTALS | | \$27,214,525 | \$23,883,525 | |
| <u>PROJECTS APPROVED FY2012</u> | | | | |
| 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 | \$6,351,000 | \$4,000,000 | 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 |
|---|-----------------------------------|-------------------------------------|----------------------|------------------|----------|
| PROJECTS APPROVED IN FY 2012 (Continued) | | | | | |
| 88 | Mount Vernon, City of | \$2,600,000 | \$2,600,000 | 1/5/12 | |
| 89 | Lyon Co WD | \$2,000,000 | \$2,000,000 | 1/5/12 | |
| 90 | Campbellsville, City of | WX21217003 \$1,875,000 | \$1,875,000 | 3/1/12 | |
| 91 | Centertown, City of | WX21183030; WX21183031 \$922,850 | \$922,850 | 3/1/12 | |
| 92 | Sturgis, City of | WX21225034 \$4,000,000 | \$3,000,000 | 3/1/12 | |
| 93 | Hartford, City of | WX21183020 \$564,150 | \$564,150 | 6/7/12 | |
| | TOTALS | \$33,201,131 | \$27,911,131 | | |
| | GRAND TOTALS - COMMITMENTS | \$479,285,565 | \$247,652,529 | | |

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) |
| Transferred from Admin to Construction | \$369,683 |
| NET ARRA FUNDS | <u>\$19,285,933</u> |

| | TOTAL PROJECT AMOUNT | KIA AMOUNT | FIRST USE FUNDS | DATE APPROVED |
|---------------------------------------|----------------------------|----------------------------|----------------------------|------------------|
| PROJECTS APPROVED IN SFY 2009: | | | | |
| 1 CENTERTOWN, CITY OF | \$2,866,652 | \$222,606 | \$222,606 | 6/25/09 |
| 2 SPRINGFIELD, CITY OF | \$4,000,000 | \$947,901 (c) | \$947,901 | 6/25/09 |
| TOTALS | <u>\$6,866,652</u> | <u>\$1,170,507</u> | <u>\$1,170,507</u> | |
| PROJECTS APPROVED IN SFY 2010: | | | | |
| 3 BREATHITT CO WATER DISTRICT | \$1,322,000 | \$572,000 (c) | \$572,000 | 7/9/09; 11/24/09 |
| 4 WHITESBURG, CITY OF | \$171,840 | \$171,794 (c) | \$171,794 | 7/9/09 |
| 5 MCKEE, CITY OF | \$1,100,000 | \$1,099,903 (c) | \$1,099,903 | 8/6/09 |
| 6 BLACK MTN UTILITY DISTRICT | \$2,650,000 | \$500,000 (c) | \$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 (c) | \$2,120,000 | 8/20/09 |
| 10 BURKESVILLE, CITY OF | \$1,153,000 | \$1,153,000 (c) | \$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 (c) | \$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 (c) | \$500,000 | 10/1/09 |
| 17 GREENUP, CITY OF | \$2,915,099 | \$1,590,604 | \$1,590,604 | 11/12/09 |
| TOTALS | <u>\$44,563,111</u> | <u>\$17,684,526</u> | <u>\$17,684,526</u> | |
| GRAND TOTALS - COMMITMENTS | <u>\$51,429,763</u> | <u>\$18,855,033</u> | <u>\$18,855,033</u> | |
| BALANCE AVAILABLE FOR LOAN | | | <u>\$430,900</u> | |

bold, italics - pending board approval

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement