



**Revised**  
**Board Meeting Booklet**  
**for**  
**November 5, 2015**

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



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# AGENDA

KENTUCKY INFRASTRUCTURE AUTHORITY  
FULL BOARD MEETING  
1024 CAPITAL CENTER DRIVE, SUITE 340  
November 5, 2015 – 1:00 p.m.

**Call to Order:**

Chair Tony Wilder

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

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

**A. Minutes**

- |  |                   |   |
|--|-------------------|---|
| 1. Consideration of Approval of the <b>Minutes of the Kentucky Infrastructure Authority Regular Board Meeting of October 1, 2015</b><br><i>(Attachment I.A.1.)</i> | Chair Tony Wilder | 7 |
|--|-------------------|---|

**B. New Projects / Action Items**

- |  |  |    |
|--|--|----|
| 1. Resolution and Order of the Board of Directors Authorizing an <b>Amendment to a Fund A loan (A13-020) increasing the amount to \$4,365,793 to the Lincoln County Sanitation District, Lincoln County, Kentucky</b> (SX21137001, SX21137017)<br><i>(Attachment I.B.1.)</i>   | Mr. Jory Becker, DOW<br>Ms. Jami Johnson, KIA  | 15 |
| 2. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A16-004)</b> in the amount of <b>\$848,000</b> to the <b>Mercer County Sanitation District, Mercer County, Kentucky</b> (SX21167021)<br><i>(Attachment I.B.2.)</i>   | Mr. Jory Becker, DOW<br>Ms. Brandi Norton, KIA | 27 |
| 3. Resolution and Order of the Board of Directors for Approval of <b>Fund A loan (A16-003)</b> in the amount of <b>\$2,033,200</b> , <b>Fund A loan (A16-007)</b> in the amount of <b>\$2,163,000</b> and <b>Fund A loan (A16-028)</b> in the amount of <b>\$1,952,900</b> to the <b>City of Prestonsburg, Floyd County, Kentucky</b> (SX21071210, SX21071231, SX21071235)<br><i>(Attachment I.B.3.)</i> | Mr. Jory Becker, DOW<br>Ms. Brandi Norton, KIA | 39 |
| 4. Resolution and Order of the Board of Directors for Approval of a <b>Fund B loan (B16-006)</b> in the amount of <b>\$350,000</b> to the <b>Perry County Fiscal Court, Perry County, Kentucky</b> (WX21193029)<br><i>(Attachment I.B.4.)</i>  | Ms. Jami Johnson, KIA                          | 79 |

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5.	Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F16-002)</b> in the amount of <b>\$1,720,500</b> to the <b>Cumberland Falls Highway Water District, Whitley County, Kentucky</b> (WX21235002) <i>(Attachment I.B.5.)</i>	Mr. Jory Becker, DOW Ms. Sarah Aitken, KIA	95
6.	Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F16-003)</b> in the amount of <b>\$3,304,000</b> to the <b>Western Pulaski County Water District, Pulaski County, Kentucky</b> (WX21199123) <i>(Attachment I.B.6.)</i>	Mr. Jory Becker, DOW Ms. Sarah Aitken, KIA	107
7.	Resolution and Order of the Board of Directors Authorizing and Approving the Issuance of Obligations of the Kentucky Infrastructure Authority to <b>Reimburse Capital Expenditures</b> made by Governmental Agencies Pursuant to Loans made by the Kentucky Infrastructure Authority to such Governmental Agencies <i>(Attachment I.B.7.)</i>	Ms. Sarah Aitken, KIA	119
<b>II.</b>	<b>STATUS REPORTS FOR FUNDS A, A2, B, B1, C, F, F2</b>	Mr. Adam Scott, KIA	125
<b>III.</b>	<b>ANNOUNCEMENTS/NOTIFICATIONS</b>		
1.	KIA Contract Awards <i>(Attachment III.1.)</i>	Mr. Adam Scott, KIA	151
2.	<i>Next KIA Board Meeting: Tentatively set for Thursday, December 3, 2015 Kentucky Infrastructure Authority 1024 Capital Center Drive, Suite 340, Frankfort</i>		
<b>IV.</b>	<b>ADJOURN</b>	Chair Tony Wilder	

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

**Meeting Date/Location:     October 1, 2015 – 1:00 p.m.  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340, Frankfort**

**Members present:**

Mr. Tony Wilder, Commissioner, Department for Local Government  
Ms. Sandy Williams, Finance and Administration Cabinet  
    (Proxy for Secretary Lori H. Flanery, FAC)  
Ms. Lona Brewer, Energy and Environment Cabinet  
    (Proxy for Secretary Leonard K. Peters, EEC)  
Mr. John Fischer, Economic Development Cabinet  
    (Proxy for Secretary Larry Hayes, EDC)  
Mr. Jeff Derouen, Executive Director, Public Service Commission  
Mr. C. Ronald Lovan, representing the American Water Works Association  
Ms. Linda C. Bridwell, representing for-profit private water companies  
Mr. Martin T. Ivy, representing the Kentucky Municipal Utilities Association

**Members absent:**

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

**Guests:**

Mr. Jory Becker, Division of Water  
Mr. John Brady, Office of Financial Management  
Mr. Edward Bryant, Cave Run Water Commission  
Mr. Jeff Fultz, Cave Run Water Commission  
Mr. Joseph Kaiser, Crittenden-Livingston Water District  
Mr. Jamie Lawrence, Pennyryle Area Development District  
Mr. Bryan Lovan, Kentucky Engineering Group  
Mr. Phil Meador, Kenvirons, Inc.  
Mr. Randell O'Bryan, Crittenden-Livingston Water District  
Ms. Denise Pitts, Office of Financial Management  
Mr. Roger Recktenwald, Kentucky Association of Counties  
Mr. Ronnie Slayden, Crittenden-Livingston Water District

**PROCEEDINGS**

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

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

**APPROVAL OF MINUTES**

**For: KIA Regular Board Meeting of September 3, 2015**

*Ms. Linda Bridwell moved to approve the minutes of the September 3, 2015, regular board meeting. Mr. Jeff Derouen seconded, and the motion carried unanimously.*

**NEW PROJECTS/ACTION ITEMS**

**1. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING THE CHAIR TO EXECUTE AGREEMENTS ON BEHALF OF THE AUTHORITY**

Commissioner Tony Wilder discussed with the group the departure of Executive Director John Covington. Commissioner Wilder informed the board that Adam Scott would be handling the day-to-day operations of KIA. Mr. Scott and Mr. Russ Salsman, KIA Deputy Director, would need signatory authority for administrative activities until a new Executive Director has been put in place.

*Mr. Jeff Derouen moved to approve the motion for the administrative signatory authorization, Ms. Sandy Williams seconded and the motion was unanimously approve.*

**2. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B15-001) INCREASING THE AMOUNT TO \$606,700 TO THE CITY OF HUSTONVILLE, LINCOLN COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Jami Johnson, KIA, discussed the City of Hustonville's request for an increase of \$130,300 to an existing \$476,400 Fund "B" loan. The City received seven bids during the bid opening period. After reviewing the lowest bidder, additional funds were required to complete the project. The original project description is below:

The City of Hustonville is requesting a Fund "B" loan in the amount of \$476,400 for the Water System Improvement Project. The project will replace 16,000 linear feet of aged cast iron waterlines with four and six inch PVC lines. The existing lines are undersized and breaking preventing safe reliable drinking water. Frequent boil water advisories cause a significant hardship for the local elementary school. An additional 800 feet of water lines will be installed at the Huston Point Crossing to improve water pressure in the area. Meters that are connected to the aged lines will be replaced from Liberty to Mt Salem Road. The project will save approximately 10% of water consumption upon completion.

The City serves approximately 1,800 water customers and purchases an average of 125 million gallons of water per year from the City of Danville at an average cost of \$1.65 per thousand gallons. Danville has recently announced a 50% rate increase to \$2.47 per

thousand gallons. This increase is to support the water treatment project that Danville has recently undertaken.

***Ms. Sandy Williams abstained from voting. Ms. Linda Bridwell moved to approve the increase to the Fund B loan (B15-001) in the amount of \$130,300 to the previously approved \$476,400 Fund B Loan to the City of Hustonville with the standard conditions. Ms. Lona Brewer seconded and the motion was unanimously approve.***

**3. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F16-021) IN THE AMOUNT OF \$1,039,500 TO THE CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT, LIVINGSTON COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Sarah Aitken, KIA, discussed the Crittenden-Livingston County Water District's request for a Fund F Loan (F16-021) in the amount of \$1,039,500 for the Moore Hill Tank project.

The project will construct a 400,000 gallon elevated water tank on Moore Hill to replace a smaller standpipe tank installed in 1972. The project will increase pressure and relieve a bottle neck in the system allowing more water to be fed into the 600,000 gallon tank in the City of Marion.

The new tank will provide an additional 250,000 gallons of storage. The District provides services for Caldwell, Crittenden, and Livingston counties. Providers that purchase water from this system include Grand Rivers Water System, Ledbetter Water District, Lyon County Water District, Marion Water Department, Salem Municipal Water System and Smithland Water and Sewer System.

***Mr. Jeff Derouen abstained from voting. Ms. Linda Bridwell made the motion to approve the Fund F loan (F16-021)) in the amount of \$1,039,500 to the Crittenden-Livingston County Water District with the standard conditions. Mr. Ron Lovan seconded and the motion was unanimously approve.***

**4. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F16-032) IN THE AMOUNT OF \$700,000 TO THE CAVE RUN WATER COMMISSION, MENIFEE COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Ms. Jami Johnson, KIA, discussed the Cave Run Water Commission's request for a Fund F Loan (F16-032) in the amount of \$700,000. The project will install and replace various items at the water treatment plant and raw water intake. Improvements include instillation of a variable frequency drive, tube settlers and launders and replacing a filter media. The improvements at the raw water intake will allow continued service in the event of a flooding situation. The improvements at the water treatment plant will allow for more effective water treatment with the removal of pollutants.

The Cave Run Water Commission provides water services the City of Frenchburg, the City of Jeffersonville and the Morgan County Water District.

*Ms. Lona Brewer moved to approve the Fund F loan (F16-032) to the amount of \$700,000 to the Cave Run Water Commission with the standard conditions along with the following special conditions. The Cave Run Water Commission shall increase utility rates sufficient to generate an additional \$40,000 in cash flow effective no later than July 1, 2017, and \$40,000 in cash flow effective no later than July 1, 2018. Both increases must be passed within the same ordinance prior to the issuance of an Assistance Agreement. Mr. Linda Bridwell seconded and the motion was unanimously approve.*

**5. 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**

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

<b>APPLICANT</b>	<b>FUND</b>	<b>AMOUNT</b>
<b>City of Hustonville (Increase)</b>	<b>B15-001</b>	<b>\$ 606,700</b>
<b>Crittenden-Livingston Water District</b>	<b>F16-021</b>	<b>\$1,039,500</b>
<b>Cave Run Water Commission</b>	<b>F16-032</b>	<b>\$ 700,000</b>

*Ms. Linda Bridwell moved to approve the resolution. Mr. Ron Lovan seconded and the motion carried unanimously.*

*Ms. Linda Bridwell made the motion to adjourn to an Executive Session. Mr. John Fischer seconded and the motion carried unanimously.*

After a brief Executive Session, Ms. Linda Bridwell made the motion to reconvene the KIA Board meeting. Mr. Ron Lovan seconded and the motion carried unanimously. No actions were taken by the Executive Committee at this time.

**EXECUTIVE DIRECTOR'S REPORT**

Kentucky Infrastructure Authority Secretary Adam Scott addressed the group updating them on information previously reported by Mr. John Covington. At the August meeting, Mr. Covington mentioned the Call for Projects. The process begins today, October 1<sup>st</sup> and ends on December 11<sup>th</sup>. KIA staff will work with DOW to rank the projects accordingly. This is now a streamlined automated process. At this point in time, everyone understands the system and it is much less cumbersome.

Mr. Covington had also mentioned in a previous meeting a surplus of funds available for Clean Water projects. This is the first year to have a surplus of funds. KIA staff has

reviewed the projects and 21 additional projects have been invited from the Drinking Water IUP. The Area Development Districts were polled and they submitted 8 additional projects totaling \$8,000,000, leaving around \$35,000,000. The KIA staff has been working with the EPA Region 4 to ensure the money is transitioned appropriately. KIA is allowed to transfer funds through language in the Intended Use Plan (IUP). Mr. Scott said this is a great opportunity to eliminate some projects that have been bottlenecked due to the lack of funding.

Mr. Scott reminded the Board of previous discussions on abandonment of Package Treatment Plants (PTP). This is a growing concern; the Public Service Commission (PSC) has 37 that are utilities with a process in place for abandonment. There are over 400 in the state that are not utilities and could shut down at a moment's notice. KIA staff has been generating a list of potential abandonments. At one time, there was KSWIG, Kentucky Sewer Water Interagency Group. Mr. Scott and others from the Division of Water (DOW) and the Public Service Commission (PSC) are interested in resurrecting the group to discuss and possibly avert future problems with abandonments as well as other pertinent issues.

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

#### ANNOUNCEMENTS/NOTIFICATIONS

**Next scheduled KIA board meeting:**

Tentatively set for Thursday, November 5, 2015  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky

***There being no further business Mr. Marty Ivy moved to adjourn. Mr. Ron Lovan seconded and the motion carried unanimously. The October 1, 2015, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.***

**Submitted by:**



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**Adam J. Scott, Secretary  
Kentucky Infrastructure Authority**

10/27/2015

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**Date**

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A13-020) INCREASING THE AMOUNT TO \$4,365,793 TO THE LINCOLN COUNTY SANITATION DISTRICT, LINCOLN COUNTY, KENTUCKY**

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

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

**WHEREAS**, the Authority previously approved a Federally Assisted Clean Water Revolving Fund Loan (A13-020) to the Lincoln County Sanitation District on June 19, 2013, in the amount of \$2,000,000 and the Lincoln County Sanitation District has requested to increase loan A13-020 by \$2,365,793; and

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

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

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

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

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

Section 2. The Authority hereby authorizes the Amendment of a conditional Federally Assisted Clean Water Revolving Fund loan increasing the amount to \$4,365,793 of project expense including capitalized interest for the construction period, to the Lincoln County Sanitation District for the Phase 1 Sewer Project and Hustonville- Phase 1A Sewer 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 32% will be deducted from the approved loan amount. The unforgiven principal balance of \$2,965,793 shall be repaid.

Section 4. The unforgiven principal shall be repayable over 30 years at an interest rate of 0.75%. In addition to debt service, a .20% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$10,900 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$109,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

\_\_\_\_\_  
TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

\_\_\_\_\_  
ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

\_\_\_\_\_  
PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL, LLP, LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

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

October 27, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: CWL13021, A13-020  
Lincoln Co Wastewater Collection--44253  
Activity ID: FGL20130003  
HUC11: 05100205180  
Watershed Name: Hanging Fork Creek

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Lincoln County Sanitation District is eligible to receive an additional \$2,365,793.00 to go along with their initial \$2,000,000.00 loan bringing their total loan from the Clean Water State Revolving Fund to \$4,365,793.00. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Lincoln County Sanitation District's status relative to the Clean Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information was approved by DOW on February 10, 2010.
2. Plans and specifications were approved by DOW on September 14, 2015.
3. Construction bids were opened on October 13, 2015.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Buddy Griffin, Project Manager, at (502) 564-3410, extension 4971.

Sincerely,

Peter Goodmann, Director  
Division of Water

PG/BG:bg

c: Bill Payne, Chairman  
Betsy Laski, Bluegrass ADD

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer Date KIA Loan Number WRIS Number	Jami Johnson November 5, 2015 A13-020 (Increase) SX21137001 SX21137017	
BORROWER	LINCOLN COUNTY SANITATION DISTRICT LINCOLN COUNTY			
BRIEF DESCRIPTION				
This project will provide wastewater collection and treatment to approximately 593 unserved residential and commercial customers in the western portion of Lincoln County and a portion of the City of Hustonville. Current waste disposal methods consist of septic tanks and straight pipes which results in the discharge of raw sewage and septic tank effluent to the ground surface.				
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %	
KIA Fund A	\$4,365,793	Administrative Expenses	\$92,000	
RD Grant	1,663,500	Legal Expenses	45,101	
RD Loan	350,000	Land, Easements	115,987	
CDBG	1,000,000	Eng - Design / Const	6.6% 5.5% 373,816	
ARC	500,000	Eng - Insp	3.2% 3.1% 210,871	
Local	45,000	Construction	6,446,024	
		Contingency	319,501	
		Other	320,993	
TOTAL	\$7,924,293	TOTAL	\$7,924,293	
REPAYMENT	Rate Term	0.75% 30 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$116,514	
PROFESSIONAL SERVICES	Engineer Bond Counsel	Luther Galloway Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Oct-15 Feb-16 Feb-17		
DEBT PER CUSTOMER	Existing Proposed	N/A \$18,991		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	Users 0 593	Avg. Bill \$51.00 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	0	0	0	n/a
Audited 2014	0	0	0	n/a
Projected 2015	0	0	0	n/a
Projected 2016	0	0	0	n/a
Projected 2017	43,642	0	43,642	n/a
Projected 2018	212,559	130,436	82,123	1.6
Projected 2019	210,886	130,436	80,450	1.6
Projected 2020	209,179	130,436	78,743	1.6

Reviewer: Jami Johnson  
Date: November 5, 2015  
Loan Number: A13-020 Increase

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
LINCOLN COUNTY SANITATION DISTRICT, LINCOLN COUNTY  
PROJECT REVIEW  
SX21137001 and SX21137017**

**I. PROJECT DESCRIPTION**

The Lincoln County Sanitation District is requesting a \$2,365,793 increase to a Fund A loan that was previously approved on June 19, 2013 for \$2,000,000 for the Phase 1 Sewer Project. After the original project was approved, at the request of Department of Local Government, the District expanded the scope of the project to serve a portion of the City of Hustonville (labeled Hustonville-Phase 1A Sewer Project), including the Hustonville Elementary School. All portions (Phase 1 and Phase 1A) of the project will served a total of 593 unserved customers in the US 127 Corridor. The District has agreements with both the City of Danville for the treatment of wastewater and City of Hustonville for operations and maintenance. The original project description is below:

This project will provide wastewater collection and treatment to approximately 445 unserved residential and commercial customers in the western portion of Lincoln County. The area includes US 127 south of Junction City and proceeding to the Moreland area. Current waste disposal methods consist of septic tanks and straight pipes which results in the discharge of raw sewage and septic tank effluent to the ground surface.

The District was established on May 10, 2011 by the Lincoln County Fiscal Court. The District is governed by five directors who are appointed by the County Judge Executive and approved by the fiscal court. Connection to the public wastewater system is mandatory within four months of the date that a property owner is notified that service is available.

## II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 92,000
Legal Expenses	45,101
Land, Easements	115,987
Engineering Fees - Design / Const	373,816
Engineering Fees - Inspection	210,871
Construction	6,446,024
Contingency	319,501
Other	320,993
<b>Total</b>	<b>\$ 7,924,293</b>

## III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Increase	\$ 4,365,793	55%
RD Grant	1,663,500	21%
RD Loan	350,000	4%
CDBG	1,000,000	13%
ARC	500,000	6%
Local	45,000	1%
<b>Total</b>	<b>\$ 7,924,293</b>	<b>100%</b>

## IV. KIA DEBT SERVICE

Construction Loan	\$ 4,365,793
Less: Principal Forgiveness (32%)	1,400,000
Amortized Loan Amount	\$ 2,965,793
Interest Rate	0.75%
Loan Term (Years)	30
Estimated Annual Debt Service	\$ 110,583
Administrative Fee (0.20%)	5,932
<b>Total Estimated Annual Debt Service</b>	<b>\$ 116,514</b>

## V. PROJECT SCHEDULE

Bid Opening	October 2015
Construction Start	February 2016
Construction Stop	February 2017

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

Customers	<u>Proposed</u>
Residential	580
Commercial	<u>13</u>
Total	593

**B) Rates**

	<u>Current</u>
Date of Last Rate Increase	07/14/14
Minimum	\$25.00
Per 1,000 gallons	6.50
Cost for 4,000 gallons	\$51.00

**VII. DEMOGRAPHICS**

Based on Census data from the American Community Survey 5-Year Estimate 2006-2010 from the original project, the Districts' County population was 24,779 with a Median Household Income (MHI) of \$32,314. The median household income for the Commonwealth is \$44,576. The project will qualify for a 0.75% interest rate.

Year	Population		Unemployment	
	County	% Change	Date	Rate
1980	19,053		June 2004	7.4%
1990	20,045	5.2%	June 2009	13.1%
2000	23,361	16.5%	June 2013	11.8%
2010	24,742	5.9%	June 2014	9.5%
Current	24,602	-0.6%		
Cumulative %		29.1%		

**VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project qualifies does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$1,400,000.

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

This is a new utility and there is no financial history. Audited financial statements will be required annually once the District enters into an Assistance Agreement with KIA.

**PROJECTIONS**

Projections are based on the following assumptions:

- 1) Revenues will be sufficient to fund debt service, required reserves, operating expenses and a depreciation reserve. The revenue forecast is based on 593 customers with an average water use of 4,000 gallons per month.
- 2) Expenses are based on a budget that was provided by the applicant. Treatment costs from the City of Danville will initially be \$1.96 per thousand gallons.
- 3) Debt service coverage is 1.6 in 2018 when full year principal and interest repayments begin.

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

**REPLACEMENT RESERVE**

The annual replacement cost is \$10,900. This amount should be added to the replacement account each December 1 until the balance reaches \$109,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

None.

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

None.

**XII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	Lincoln County Sanitation District
Authorized Official	Bill Payne (Chairman)
County	Lincoln
Email	brpayne77@att.net
Phone	(606) 365-2534
Address	102 East Main Street Stanford, KY 40484



<b>Project Administrator</b>	
Name	Betsy Laski
Organization	Bluegrass Area Development District
Email	blaski@bgadd.org
Phone	(859) 269-8021
Address	699 Perimeter Drive Lexington, KY 40517
<b>Consulting Engineer</b>	
PE Name	Luther Galloway
Firm Name	AGE Engineering Services, Inc.
Email	lgalloway@ageengineering.com
Phone	(606) 365-8362
Address	P.O. Box 204 Stanford, KY 40484

**XIII. RECOMMENDATIONS**

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

**LINCOLN COUNTY SANITATION DISTRICT  
FINANCIAL SUMMARY (JUNE YEAR END)**

	<b>Projected <u>2017</u></b>	<b>Projected <u>2018</u></b>	<b>Projected <u>2019</u></b>	<b>Projected <u>2020</u></b>
<b>Balance Sheet</b>				
<b>Assets</b>				
Current Assets	91,721	152,682	192,907	232,278
Other Assets	-	7,757,193	7,559,193	7,361,193
Total	<u>91,721</u>	<u>7,909,875</u>	<u>7,752,100</u>	<u>7,593,471</u>
<b>Liabilities &amp; Equity</b>				
Current Liabilities	99,522	145,052	145,587	146,125
Long Term Liabilities	11,177,385	11,048,341	11,002,979	10,956,226
Total Liabilities	<u>11,276,907</u>	<u>11,193,394</u>	<u>11,148,566</u>	<u>11,102,351</u>
Net Assets	<u>(11,185,186)</u>	<u>(3,283,519)</u>	<u>(3,396,466)</u>	<u>(3,508,879)</u>
<b>Cash Flow</b>				
Revenues	181,458	362,916	362,916	362,916
Operating Expenses	137,816	150,357	152,030	153,737
Cash Flow Before Debt Service	43,642	212,559	210,886	209,179
<b>Debt Service</b>				
Existing Debt Service	-	13,922	13,922	13,922
Proposed KIA Loan	-	116,514	116,514	116,514
Total Debt Service	<u>-</u>	<u>130,436</u>	<u>130,436</u>	<u>130,436</u>
Cash Flow After Debt Service	<u>43,642</u>	<u>82,123</u>	<u>80,450</u>	<u>78,743</u>
<b>Ratios</b>				
Current Ratio	0.9	1.1	1.3	1.6
Debt to Equity	(1.0)	(3.4)	(3.3)	(3.2)
Days Sales in Accounts Receivable	40.0	40.0	40.0	40.0
Months Operating Expenses in Unrestricted Cash	6.3	9.7	13.0	16.2
Debt Coverage Ratio	n/a	1.6	1.6	1.6

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A16-004) IN THE AMOUNT OF \$848,000 TO THE MERCER COUNTY SANITATION DISTRICT, MERCER COUNTY, KENTUCKY**

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

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

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

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Clean Water Revolving Fund A loan for \$848,000 of project expense including capitalized interest for the construction period, to the Mercer County Sanitation District for

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

Section 3. The loan shall be repayable over 20 years at an interest rate of 1.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$2,100 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$21,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November 2015.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL LLP, LEGAL COUNSEL TO  
THE KENTUCKY INFRASTRUCTURE AUTHORITY

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

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

October 23, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: A16-004  
Mercer Co Sanitation District--80179  
Activity ID: FGL20160003  
HUC11: 05100205170  
Watershed Name: Dix River, Herrington Lake

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Mercer County Sanitation District is eligible to receive \$848,000.00 from the Clean Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Mercer County Sanitation District's status relative to the Clean Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW on January 1, 2016.
2. Plans and specifications are expected to be submitted to DOW on January 2, 2016.
3. Construction bids are expected to be opened on March 1, 2016.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Amber Vaughn, Project Manager, at (502) 564-3410, extension 4591.

Sincerely,

Peter Goodmann, Director  
Division of Water

PG/BG:av

c: Mike D. Sanford, MCSD  
Elizabeth Dienst, P.E., Strand Associates

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer Date KIA Loan Number WRIS Number	Brandi Norton November 5, 2015 A16-004 SX21167021	
BORROWER	MERCER COUNTY SANITATION DISTRICT MERCER COUNTY			
BRIEF DESCRIPTION The project will install new sanitary sewer collection mains which will be extended from an existing system in Chimney Rock. The areas to receive new sewer service include 1599 Kennedy Bridge Road, a mobile home park consisting of 25 lots and Maple Hill Subdivision consisting of 9 homes currently served by onsite septic systems and an apartment complex located at 1603 Kennedy Bridge Road, consisting of 15 units served by an onsite septic system. The project scope includes the construction of approximately 2,000 LF of 8" gravity sewer main and 1,000 LF of 3" sewer force main and will include an upgrade to the existing package treatment plant. The project would eliminate the approximately 35 aged and inadequate onsite septic systems, eliminate infiltration of sewage to the Herrington Lake watershed and protect the health of the citizens that reside in the three unserved areas.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$848,000	RD Fee %	Actual %	
		Administrative Expenses	\$5,000	
		Legal Expenses	5,000	
		Planning	14,000	
		Eng - Design / Const	9.5% 9.4% 65,740	
		Eng - Insp	6.4% 6.4% 44,590	
		Eng - Other	17,000	
		Construction	631,400	
		Contingency	65,270	
TOTAL	\$848,000	TOTAL	\$848,000	
REPAYMENT	Rate Term	1.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$52,131	
PROFESSIONAL SERVICES	Engineer Bond Counsel	Strand Associates Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	May-16 Jul-16 Mar-17		
DEBT PER CUSTOMER	Existing Proposed	\$1,630 \$4,073		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 254 53	<u>Avg. Bill</u> \$53.00 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	20,972	22,080	(1,108)	0.9
Audited 2014	10,501	13,490	(2,989)	0.8
Projected 2015	40,946	22,280	18,666	1.8
Projected 2016	37,658	22,060	15,598	1.7
Projected 2017	59,304	22,340	36,964	2.7
Projected 2018	83,783	74,231	9,552	1.1
Projected 2019	80,293	74,491	5,802	1.1
Projected 2020	76,734	74,191	2,543	1.0



Reviewer: Brandi Norton  
Date: November 5, 2015  
Loan Number: A16-004

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
MERCER COUNTY SANITATION DISTRICT, MERCER COUNTY  
PROJECT REVIEW  
SX21167021**

**I. PROJECT DESCRIPTION**

The Mercer County Sanitation District is requesting a Fund "A" loan in the amount of \$848,000 for the Kennedy Bridge Road Sanitary Sewer Improvements project. The project will install new sanitary sewer collection mains which will be extended from an existing system in Chimney Rock. The areas to receive new sewer service include 1599 Kennedy Bridge Road, a mobile home park consisting of 25 lots and Maple Hill Subdivision consisting of 9 single family homes currently served by onsite septic systems and an apartment complex located at 1603 Kennedy Bridge Road, consisting of 15 residential apartment units served by an onsite septic system.

The project scope includes the construction of approximately 2,000 linear feet of 8" gravity sewer main and 1,000 linear feet of 3" sewer force main. The existing collection system is connected to a privately owned package treatment plant. The KPDES permit for the plant indicates that capacity is available to provide treatment for additional properties located in the vicinity of the plant. The plant discharge is currently in compliance, but the plant is aging and requires renovation to maintain reliable operation, therefore the scope will include an upgrade to the existing package treatment plant. This upgrade will include new structure and new equipment. The project would eliminate approximately 35 aged and inadequate onsite septic systems, eliminate infiltration of sewage to the Herrington Lake watershed and protect the health of the citizens that reside in the three unserved areas.

The Mercer County Sanitation District provides sewer service to 211 households within Mercer County.

## II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 5,000
Legal Expenses	5,000
Planning	14,000
Engineering Fees - Design / Const	65,740
Engineering Fees - Inspection	44,590
Engineering Fees - Other	17,000
Construction	631,400
Contingency	65,270
<b>Total</b>	<b>\$ 848,000</b>

## III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 848,000	100%
<b>Total</b>	<b>\$ 848,000</b>	<b>100%</b>

## IV. KIA DEBT SERVICE

Construction Loan	\$ 848,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 50,435
Administrative Fee (0.20%)	1,696
<b>Total Estimated Annual Debt Service</b>	<b>\$ 52,131</b>

## V. PROJECT SCHEDULE

Bid Opening	May 2016
Construction Start	July 2016
Construction Stop	March 2017

## VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

### A) Customers

<u>Customers</u>	<u>Current</u>	<u>Proposed</u>	<u>Total</u>
Residential	249	51	300
Commercial	5	2	7
Industrial	0	0	0
<b>Total</b>	<b>254</b>	<b>53</b>	<b>307</b>

**B) Rates**

	Current	Prior
Date of Last Rate Increase	08/01/14	05/10/12
First 2,000 gallons (minimum)	\$40.00	\$35.00
Per 1,000 gallons in excess of 2,000	6.50	6.50
Cost for 4,000 gallons	\$53.00	\$48.00
Increase %	10.4%	
Affordability Index (Rate/MHI)	1.5%	

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the Utility’s service area population was 402 with a Median Household Income (MHI) of \$42,539. The median household income for the Commonwealth is \$43,036. The project will qualify for a 1.75% interest rate.

Year	Population		Unemployment	
	County	% Change	Date	Rate
1980	19,011		June 2004	5.3%
1990	19,148	0.7%	June 2009	11.9%
2000	20,817	8.7%	June 2013	8.6%
2010	21,331	2.5%	June 2014	7.1%
Current	21,313	-0.1%		
Cumulative %		12.1%		

**VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

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

Financial information was obtained from the audited financial statements for the years ended June 30, 2012 through 2014. Amounts for 2015 are estimated. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

## HISTORY

Operating revenues increased 69% from 2012 to 2014 from \$101,467 to \$171,690. Operating expenses increased 23% from \$130,822 to \$161,189. The debt coverage was (1.3), 0.9 and 0.8 for years 2012 through 2014, respectively.

The balance sheet reflects a current ratio of 1.3, a debt to equity ratio of 0.3 and unrestricted cash equals 0.5 months of operating expenses.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Sewer revenues reflect a previously approved 10% rate increase that was passed in August of 2014. Sewer revenues will be adjusted by an amount to increase revenues by \$30,000 or 15% by July, 1, 2017 and will remain flat thereafter.
- 2) Operating expenses will increase by 2% per year.
- 3) Debt service coverage is 1.1 in 2018 when full year principal and interest repayments begin.

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

## REPLACEMENT RESERVE

The annual replacement cost is \$2,100. This amount should be added to the replacement account each December 1 until the balance reaches \$21,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Series 2008 Bonds	\$ 419,500	2035
<b>Total</b>	<b>\$ 419,500</b>	

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

<u>Description</u>	<u>Funding Source</u>	<u>Type</u>
Mercer Co. Sanitary Sewer Service Project	KIA	Grant
Mercer Co. Sanitary Sewer Service Project	RD	Loan
Mercer Co. Sanitary Sewer Service Project	RD	Grant
City of Burgin Sanitary Sewer Extension	KIA	Grant
City of Burgin Sanitary Sewer Extension	HUD	Grant
City of Burgin Sanitary Sewer Extension	RD	Grant

**XII. CONTACTS**

<b>Legal Applicant</b>	
Name	Mercer County Sanitation District
Address	801 Pleasant Hill Drive, PO Box 303 Burgin, KY 40310
County	Mercer
Authorized Official	Jim Carpenter (Chairman)
Phone	(859) 784-5642
Email	lvwa2@yahoo.com

<b>Project Contact – Applicant &amp; Administrator</b>	
Name	Mike Sanford
Representing	Mercer County Sanitation District
Address	801 Pleasant Hill Drive, PO Box 303 Burgin, KY 40310
Phone	(859) 748-9654
Email	mike@lakevillagewater.org

<b>Consulting Engineer</b>	
Name	Elizabeth Dienst, P.E.
Firm	Strand Associates
Address	1525 Bull Lea Road, Suite 100 Lexington, KY 40511
Phone	(859) 225-8500
Email	liz.dienst@strand.com

**XIII. RECOMMENDATIONS**

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

1. The Mercer County Sanitation District shall increase sewer rates sufficient to generate an additional \$30,000 in cash flow effective no later than July 1, 2017.

MERCER COUNTY SANITATION DISTRICT  
FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Audited 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020
<b>Assets</b>									
Current Assets	39,908	118,781	41,642	61,009	77,307	114,971	125,223	131,725	135,068
Other Assets	1,747,364	2,048,217	2,051,873	1,992,665	1,871,851	2,599,037	2,435,823	2,270,209	2,104,595
Total	1,787,272	2,166,998	2,093,515	2,053,674	1,949,158	2,714,008	2,561,046	2,401,934	2,239,663
<b>Liabilities &amp; Equity</b>									
Current Liabilities	10,754	110,718	32,750	33,090	33,990	34,390	35,290	35,690	36,590
Long Term Liabilities	424,500	419,500	414,000	408,500	402,500	1,244,500	1,238,000	1,231,500	1,224,500
Total Liabilities	435,254	530,218	446,750	441,590	436,490	1,278,890	1,273,290	1,267,190	1,261,090
Net Assets	1,352,018	1,636,780	1,646,765	1,612,084	1,512,668	1,435,118	1,287,756	1,134,744	978,573

Cash Flow

Revenues	101,461	155,992	171,690	205,359	205,359	230,359	260,359	260,359	260,359
Operating Expenses	130,822	135,020	161,189	164,413	167,701	171,055	176,576	180,066	183,625
Cash Flow Before Debt Service	(29,361)	20,972	10,501	40,946	37,658	59,304	83,783	80,293	76,734
Debt Service									
Existing Debt Service	21,770	22,080	13,490	22,280	22,060	22,340	22,100	22,360	22,060
Proposed KIA Loan	0	0	0	0	0	0	52,131	52,131	52,131
Total Debt Service	21,770	22,080	13,490	22,280	22,060	22,340	74,231	74,491	74,191
Cash Flow After Debt Service	(51,131)	(1,108)	(2,989)	18,666	15,598	36,964	9,552	5,802	2,543

Ratios

Current Ratio	3.7	1.1	1.3	1.8	2.3	3.3	3.5	3.7	3.7
Debt to Equity	0.3	0.3	0.3	0.3	0.3	0.9	1.0	1.1	1.3
Days Sales in Accounts Receivable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Months Operating Expenses in Unrestricted Cash	1.7	0.4	0.5	1.9	2.9	5.5	6.0	6.3	6.3
Debt Coverage Ratio	-1.3	0.9	0.8	1.8	1.7	2.7	1.1	1.1	1.0

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<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer Date KIA Loan Number WRIS Number	Brandi Norton November 5, 2015 A16-003 -SX21071210 A16-007 -SX21071231 A16-028 -SX21071235
BORROWER	CITY OF PRESTONSBURG FLOYD COUNTY		
BRIEF DESCRIPTION			
A16-003: This project will provide sanitary sewer to the Stephens Branch and Lower Abbott Creek communities. Both areas will be served by a pressure sewer system with instillation of nearly 32,000 linear feet of force main pipe ranging in 1.5 to 3 inches. 180 individual grinder stations will be installed as well as two lift stations and the additional appurtenances to complete both systems. This project will eliminate the failing Music Manor package treatment plant.			
A16-007: This project will provide sanitary sewer service to the US 23 corridor and Lower Daniels Creek community. Both areas will be served by a pressure sewer system with instillation of nearly 32,000 linear feet of force main pipe ranging in 1.5 to 3 inches. 175 individual grinder stations will be installed as well as an upgrade to the Dwale Lift station. This project will eliminate the failing Eastern Heights Motel package treatment plant.			
A16-028: This project will provide sanitary sewer service to the KY 1428 and Stonecrest communities extending service from the Utility's existing collection system. Both areas will be served by a pressure sewer system with instillation of nearly 22,000 linear feet of force main pipe ranging in 1.5 to 6 inches. 150 individual grinder stations will be installed as well as a 80 GPM lift station and the additional appurtenances to complete both systems. This project will eliminate the failing Allen Elementary package treatment plant.			
PROJECT FINANCING		PROJECT BUDGET	
A16-003	\$2,033,200	Administrative Expenses	A16-003      A16-007      A16-028 \$35,000      \$35,000      \$35,000
A16-007	\$2,163,000	Land, Easements	20,000      20,000      20,000
A16-028	\$1,952,900	Eng - Design / Const	129,200      135,800      125,000
		Eng - Insp	79,500      83,100      77,200
		Eng - Other	25,000      25,000      25,000
		Construction	1,585,900      1,694,600      1,518,800
		Contingency	158,600      169,500      151,900
TOTAL	\$6,149,100	TOTAL	\$2,033,200      \$2,163,000      \$1,952,900
		EST. ANNUAL PAYMENT	\$ 85,299      \$ 90,744      \$ 81,930
REPAYMENT	Rate Term	0.75% 20 Years	Cumulative Est. Annual Payment \$ 257,973 1st Payment 6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer Bond Counsel	Regional Water Resource Agency Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Apr-16 Jun-16 Jan-17	
DEBT PER CUSTOMER	Existing Proposed	\$3,961 \$5,917	
OTHER DEBT	See Attached		
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached		
RESIDENTIAL RATES	Current Additional	Users 2,772 549	Avg. Bill \$26.24 (for 4,000 gallons) \$26.24 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service      Coverage Ratio
Audited 2013	1,135,254	869,878	265,376      1.3
Audited 2014	970,392	1,135,899	(165,507)      0.9
Projected 2015	1,070,300	(165,507)	1,235,807      1.1
Projected 2016	1,166,986	130,119	1,036,867      1.1
Projected 2017	1,192,320	264,016	928,304      1.2
Projected 2018	1,284,340	209,265	1,075,075      1.0
Projected 2019	1,313,936	2,318	1,311,618      1.0
Projected 2020	1,345,798	47,838	1,297,960      1.1

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND LOAN (A16-003) IN THE AMOUNT OF \$2,033,200 TO THE CITY OF PRESTONSBURG FOR THE BENEFIT OF PRESTONSBURG UTILITY COMMISSION, FLOYD 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 Clean Water Revolving Loan Program (Fund A) with the City of Prestonsburg for the benefit of Prestonsburg Utility Commission, 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 Clean Water Revolving Fund loan for \$2,033,200 of project expense including

capitalized interest for the construction period, to the City of Prestonsburg for the benefit of Prestonsburg Utility Commission for the Kennedy Bridge Road Sanitary Sewer Improvements Project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of 25% will be deducted from the approved loan amount. The unforgiven principal balance of \$1,524,900 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, \$5,100 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$51,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL, LLP, LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

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

October 26, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: A16-003  
Prestonsburg WWTP--1297  
Activity ID: FGL20160009  
HUC11: 05070203080; 05070203090  
Watershed Name: Abbott Ck, near  
Prestonsburg; Levisa Fork, near Thelma

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Prestonsburg City's Utility Commission is eligible to receive \$2,033,200 from the Clean Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Prestonsburg City's Utility Commission's status relative to the Clean Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW on December 15, 2015.
2. Plans and specifications are expected to be submitted to DOW on December 15, 2015.
3. Construction bids are expected to be opened on April 1, 2016.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Bill Averell, Project Manager, at (502) 564-3410, extension 4980.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Goodmann".

Peter Goodmann, Director  
Division of Water

PG/BG: ba

c: Prestonsburg City's Utility Commission  
Big Sandy ADD  
R. M. Johnson Engineering, Inc.

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer Date KIA Loan Number WRIS Number	Brandi Norton November 5, 2015 A16-003 SX21071210	
BORROWER	CITY OF PRESTONSBURG FLOYD COUNTY			
BRIEF DESCRIPTION				
This project will provide sanitary sewer to the Stephens Branch and Lower Abbott Creek communities. Both areas will be served by a pressure sewer system with instillation of nearly 32,000 linear feet of force main pipe ranging in 1.5 to 3 inches. 180 individual grinder stations will be installed as well as two lift stations and the additional appurtenances to complete both systems. This project will eliminate the failing Music Manor package treatment plant.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$2,033,200	RD Fee %	Actual %	
		Administrative Expenses	\$35,000	
		Land, Easements	20,000	
		Eng - Design / Const	8.0% 7.4% 129,200	
		Eng - Insp	4.9% 4.6% 79,500	
		Eng - Other	25,000	
		Construction	1,585,900	
		Contingency	158,600	
TOTAL	\$2,033,200	TOTAL	\$2,033,200	
REPAYMENT	Rate Term	0.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$85,299	
PROFESSIONAL SERVICES	Engineer Bond Counsel	Ronald Johnson Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Apr-16 Jun-16 Jan-17		
DEBT PER CUSTOMER	Existing Proposed	\$3,961 \$5,396		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 2,772 180	<u>Avg. Bill</u> \$26.24 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	1,135,254	869,878	265,376	1.3
Audited 2014	970,392	1,135,899	(165,507)	0.9
Projected 2015	1,070,300	(165,507)	1,235,807	1.1
Projected 2016	1,166,986	130,119	1,036,867	1.3
Projected 2017	1,192,320	264,016	928,304	1.2
Projected 2018	1,284,340	209,265	1,075,075	1.0
Projected 2019	1,313,936	2,318	1,311,618	1.0
Projected 2020	1,345,798	47,838	1,297,960	1.1

Reviewer: Brandi Norton  
 Date: November 5, 2015  
 Loan Number: A16-003

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 CITY OF PRESTONSBURG, FLOYD COUNTY  
 PROJECT REVIEW  
 SX21071210**

**I. PROJECT DESCRIPTION**

The City of Prestonsburg for the benefit of the Prestonsburg Utility Commission is requesting a Fund "A" loan in the amount of \$2,033,200 for the Stephens Branch and Lower Abbott Sewer Line Extension project. The project will provide sanitary sewer service to the Stephens Branch and Lower Abbott Creek communities. Both areas will be served by a pressure sewer system with instillation of nearly 32,000 linear feet of force main pipe ranging in 1.5 to 3 inches. In addition, 180 individual grinder stations will be installed as well as two lift stations and the additional appurtenances to complete both systems. This project will eliminate the failing Music Manor package treatment plant.

The Prestonsburg Utility Commission provides sewer services to 3,571 households within Floyd County.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 35,000
Land, Easements	20,000
Engineering Fees - Design / Const	129,200
Engineering Fees - Inspection	79,500
Engineering Fees - Other	25,000
Construction	1,585,900
Contingency	<u>158,600</u>
<b>Total</b>	<b>\$ 2,033,200</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 2,033,200	100%
<b>Total</b>	<b>\$ 2,033,200</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 2,033,200
Less: Principal Forgiveness (25%)	508,300
Amortized Loan Amount	\$ 1,524,900
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 82,249
Administrative Fee (0.20%)	3,050
<b>Total Estimated Annual Debt Service</b>	<b>\$ 85,299</b>

#### V. PROJECT SCHEDULE

Bid Opening	April 2016
Construction Start	June 2016
Construction Stop	January 2017

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

Customers	Current	Proposed	Total
Residential	2,163	180	2,343
Commercial	609	0	609
Industrial	0	0	0
Total	2,772	180	2,951

##### B) Rates

	In City		Out of City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	03/01/15	07/01/14	03/01/15	07/01/14
Per 1,000 Gallons	\$6.56	\$5.96	\$8.22	\$7.47
Cost for 4,000 gallons	\$26.24	\$23.84	\$32.88	\$29.88
Increase %	10.1%		10.0%	
Affordability Index (Rate/MHI)	1.2%		1.6%	

The Prestonsburg Utility Commission has an annual inflation CPI clause for water rates.



## VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the Utility's service area population was 3,571 with a Median Household Income (MHI) of \$25,316. The median household income for the Commonwealth is \$43,036. The project will qualify for a .75% interest rate because it is below 80% of the States MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	4,011		48,764		June 2004	8.1%
1990	3,558	-11.3%	43,586	-10.6%	June 2009	11.5%
2000	3,612	1.5%	42,441	-2.6%	June 2013	13.1%
2010	3,255	-9.9%	39,451	-7.0%	June 2014	10.5%
Current	3,571	9.7%	0	-100.0%		
Cumulative %		-11.0%		-100.0%		

## VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$508,300.

## IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2012 through 2014. Amounts for 2015 are estimated. The Commission reports water, gas and sewer services in a combined statement. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### HISTORY

Operating revenues increased 11% from 2012 to 2014 from \$7.4 million to \$8.2 million. Sewer revenues increase 15% from \$1.1 million to \$1.2 million during the same period. Operating expenses increased 9% from \$5.8 million to \$6.4 million. The increase is due to higher gas purchases along with increases in personnel costs. The debt coverage ratio remained consistent from 0.9 in 2012 to 0.9 in 2014.

The balance sheet reflects a current ratio of 1.2, a debt to equity ratio of 0.8 and unrestricted cash equals 1.2 months of operating expenses.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues reflect all previously approved rate increases as well as a 3% annual inflation increase due to a CPI clause.
- 2) Sewer revenues will be adjusted by an amount to increase revenues by \$80,000 or 6% by July 1, 2017 and will remain flat thereafter.
- 3) Gas revenues will remain flat.
- 4) Operating expenses will increase by 2% per year.
- 5) Debt service coverage is 1.0 in 2018 when full year principal and interest repayments begin.

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

## REPLACEMENT RESERVE

The annual replacement cost is \$5,100. This amount should be added to the replacement account each December 1 until the balance reaches \$51,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
USDA 91-12 Bond	\$ 149,500	2038
USDA 91-15 Bond	224,000	2039
USDA 93-21 Bond	943,000	2041
USDA 91-23 Bond	657,000	2043
USDA 91-25 Bond	133,500	2043
KADDFT 2011 E Bond	1,915,000	2031
KIA (B291-11)	0	2014
KIA (B98-01)	164,877	2019
KIA (B99-01)	276,169	2021
KIA (B07-10)	1,994,710	2028
KIA (B08-08)	627,318	2028
KIA (F209-15)	310,036	2030
KIA (A09-15)	234,577	2031
KIA (A10-02)	1,775,935	2033
KIA (A16-007 i/a/o \$2,163,000)	0	2045
KIA (A16-028 i/a/o \$1,952,900)	0	2045
KIA (A16 P&D i/a/o \$600,000)	0	2020
KIA (F16-045 i/a/o \$1,088,085)	0	2045
First Community Bank Loans	190,268	2017
<b>Total</b>	<b>\$11,830,188</b>	

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

Description	Funding Source	Type
By Pass Force Main Around Town	HB 1	Grant
Station Branch Sewer Project	HB 265	Grant

**XII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Prestonsburg
Authorized Official	Jerry Fannin (Mayor)
County	Floyd
Email	jerryfannin@prestonsburg.net
Phone	(606) 886-2335
Address	200 North Lake Drive Prestonsburg, KY 41653

<b>Project Contact – Applicant &amp; Administrator</b>	
Name	Libby Ratcliff
Organization	Big Sandy Area Development District
Email	libby.ratcliff@bigsandy.org
Phone	(606) 886-2374
Address	110 Resource Ct Prestonsburg, KY 41653

<b>Consulting Engineer</b>	
PE Name	Ronald Johnson
Firm Name	RM Johnson Engineering Inc
Email	rjohnson@rmje.net
Phone	(606) 785-5926
Address	PO Box 444 Hindman, KY 41822

**XIII. RECOMMENDATIONS**

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

The City of Prestonsburg for the benefit of the Prestonsburg Utility Commission shall increase sewer rates sufficient to generate an additional \$80,000 in cash flow effective no later than July 1, 2017.

**CITY OF PRESTONSBURG (UTILITY)  
FINANCIAL SUMMARY (JUNE YEAR END)**

**Balance Sheet**

	<u>Audited</u> <u>2012</u>	<u>Audited</u> <u>2013</u>	<u>Audited</u> <u>2014</u>	<u>Projected</u> <u>2015</u>	<u>Projected</u> <u>2016</u>	<u>Projected</u> <u>2017</u>	<u>Projected</u> <u>2018</u>	<u>Projected</u> <u>2019</u>	<u>Projected</u> <u>2020</u>
<b>Assets</b>									
Current Assets	2,438,287	2,196,690	2,086,467	1,942,621	2,097,140	2,378,156	2,613,621	2,634,039	2,700,477
Other Assets	29,645,508	28,497,715	26,382,331	23,995,182	21,509,424	26,860,852	24,375,094	21,889,337	19,403,579
<b>Total</b>	<b>32,083,795</b>	<b>30,694,405</b>	<b>28,468,798</b>	<b>25,937,803</b>	<b>23,606,564</b>	<b>29,239,008</b>	<b>26,988,715</b>	<b>24,523,376</b>	<b>22,104,056</b>
<b>Liabilities &amp; Equity</b>									
Current Liabilities	1,773,962	1,474,751	1,695,080	1,566,636	1,553,524	1,569,728	1,585,489	1,613,604	1,642,563
Long Term Liabilities	11,974,881	11,950,308	10,981,088	10,285,412	9,628,578	15,281,952	14,646,952	14,011,952	13,376,952
<b>Total Liabilities</b>	<b>13,748,843</b>	<b>13,425,059</b>	<b>12,676,168</b>	<b>11,852,048</b>	<b>11,182,102</b>	<b>16,851,680</b>	<b>16,232,441</b>	<b>15,625,556</b>	<b>15,019,515</b>
<b>Net Assets</b>	<b>18,334,952</b>	<b>17,269,346</b>	<b>15,792,630</b>	<b>14,085,755</b>	<b>12,424,462</b>	<b>12,387,328</b>	<b>10,756,274</b>	<b>8,897,819</b>	<b>7,084,540</b>

**Cash Flow**

Revenues	7,392,565	7,878,916	8,181,092	8,408,420	8,635,074	8,792,976	9,035,615	9,203,134	9,375,678
Operating Expenses	6,564,675	6,876,215	7,287,076	7,414,496	7,544,464	7,677,032	7,827,651	7,965,574	8,106,256
Other Income	104,740	132,553	76,376	76,376	76,376	76,376	76,376	76,376	76,376
<b>Cash Flow Before Debt Service</b>	<b>932,630</b>	<b>1,135,254</b>	<b>970,392</b>	<b>1,070,300</b>	<b>1,166,986</b>	<b>1,192,320</b>	<b>1,284,340</b>	<b>1,313,936</b>	<b>1,345,798</b>
<b>Debt Service</b>									
Existing Debt Service	1,012,339	869,878	1,135,899	940,181	902,970	983,055	1,196,723	1,180,799	1,175,799
Proposed KIA Loan	0	0	0	0	0	0	85,299	85,299	85,299
<b>Total Debt Service</b>	<b>1,012,339</b>	<b>869,878</b>	<b>1,135,899</b>	<b>940,181</b>	<b>902,970</b>	<b>983,055</b>	<b>1,282,022</b>	<b>1,266,098</b>	<b>1,261,098</b>
<b>Cash Flow After Debt Service</b>	<b>(79,709)</b>	<b>265,376</b>	<b>(165,507)</b>	<b>130,119</b>	<b>264,016</b>	<b>209,265</b>	<b>2,318</b>	<b>47,838</b>	<b>84,700</b>

**Ratios**

Current Ratio	1.4	1.5	1.2	1.2	1.3	1.5	1.6	1.6	1.6
Debt to Equity	0.7	0.8	0.8	0.8	0.9	1.4	1.5	1.8	2.1
Days Sales in Accounts Receivable	49.5	41.3	39.3	39.4	39.3	39.3	39.3	39.4	39.4
Months Operating Expenses in Unrestricted Cash	2.0	1.8	1.5	1.2	1.3	1.7	2.0	2.0	2.0
Debt Coverage Ratio	0.9	1.3	0.9	1.1	1.3	1.2	1.0	1.0	1.1

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND LOAN (A16-007) IN THE AMOUNT OF \$2,163,000 TO THE CITY OF PRESTONSBURG FOR THE BENEFIT OF PRESTONSBURG UTILITY COMMISSION, FLOYD 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 Clean Water Revolving Loan Program (Fund A) with the City of Prestonsburg for the benefit of Prestonsburg Utility Commission, 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 Clean Water Revolving Fund loan for \$2,163,000 of project expense including

capitalized interest for the construction period, to the City of Prestonsburg for the benefit of Prestonsburg Utility Commission for the US 23 Banner Community Sewer System 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 25% will be deducted from the approved loan amount. The unforgiven principal balance of \$1,622,250 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, \$5,400 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$54,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL, LLP, LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

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

October 26, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: A16-007  
Prestonsburg WWTP--1297  
Activity ID: FGL20160017  
HUC11: 05070203030  
Watershed Name: *Levisa Fork, near Prestonsburg*

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Prestonsburg City's Utility Commission is eligible to receive \$2,163,000 from the Clean Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Prestonsburg City's Utility Commission's status relative to the Clean Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW on December 15, 2015.
2. Plans and specifications are expected to be submitted to DOW on December 15, 2015.
3. Construction bids are expected to be opened on April 1, 2016.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Bill Averell, Project Manager, at (502) 564-3410, extension 4980.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Goodmann".

Peter Goodmann, Director  
Division of Water

PG/BG: ba

c: Prestonsburg City's Utility Commission  
Big Sandy ADD  
R. M. Johnson Engineering, Inc.

<b>EXECUTIVE SUMMARY</b>		Reviewer	Brandi Norton	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	November 5, 2015	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number	A16-007	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21071231	
BORROWER	CITY OF PRESTONSBURG FLOYD COUNTY			
BRIEF DESCRIPTION				
This project will provide sanitary sewer service to the US 23 corridor and Lower Daniels Creek community. Both areas will be served by a pressure sewer system with instillation of nearly 32,000 linear feet of force main pipe ranging in 1.5 to 3 inches. 175 individual grinder stations will be installed as well as an upgrade to the Dwale Lift station. This project will eliminate the failing Eastern Heights Motel package treatment plant.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$2,163,000	RD Fee %	Actual %	
				Administrative Expenses \$35,000
				Land, Easements 20,000
		Eng - Design / Const 7.8%	7.3%	135,800
		Eng - Insp 4.7%	4.5%	83,100
		Eng - Other		25,000
		Construction		1,694,600
		Contingency		169,500
TOTAL	\$2,163,000	TOTAL		\$2,163,000
REPAYMENT	Rate	0.75%	Est. Annual Payment	\$90,744
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Ronald Johnson		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Apr-16		
	Construction Start	Jun-16		
	Construction Stop	Jan-17		
DEBT PER CUSTOMER	Existing	\$3,961		
	Proposed	\$5,385		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	2,772	\$26.24	(for 4,000 gallons)
	Additional	186		
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	1,135,254	869,878	265,376	1.3
Audited 2014	970,392	1,135,899	(165,507)	0.9
Projected 2015	1,070,300	(165,507)	1,235,807	1.1
Projected 2016	1,166,986	130,119	1,036,867	1.3
Projected 2017	1,192,320	264,016	928,304	1.2
Projected 2018	1,284,340	209,265	1,075,075	1.0
Projected 2019	1,313,936	2,318	1,311,618	1.0
Projected 2020	1,345,798	47,838	1,297,960	1.1

Reviewer: Brandi Norton  
 Date: November 5, 2015  
 Loan Number: A16-007

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 CITY OF PRESTONSBURG, FLOYD COUNTY  
 PROJECT REVIEW  
 SX21071231**

**I. PROJECT DESCRIPTION**

The City of Prestonsburg for the benefit of the Prestonsburg Utility Commission is requesting a Fund "A" loan in the amount of \$2,163,000 for the US 23 Banner Community Sewer System project. The project will provide sanitary sewer service to the US 23 corridor and Lower Daniels Creek community. Both areas will be served by a pressure sewer system with instillation of nearly 32,000 linear feet of force main pipe ranging in 1.5 to 3 inches. Additionally, 175 individual grinder stations will be installed as well as an upgrade to the Dwale lift station. This project will eliminate the failing Eastern Heights Motel package treatment plant.

The Prestonsburg Utility Commission provides sewer services to 3,571 households within Floyd County.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 35,000
Land, Easements	20,000
Engineering Fees - Design / Const	135,800
Engineering Fees - Inspection	83,100
Engineering Fees - Other	25,000
Construction	1,694,600
Contingency	169,500
<b>Total</b>	<b>\$ 2,163,000</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 2,163,000	100%
<b>Total</b>	<b>\$ 2,163,000</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 2,163,000
Less: Principal Forgiveness (25%)	540,750
Amortized Loan Amount	\$ 1,622,250
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 87,500
Administrative Fee (0.20%)	3,245
<b>Total Estimated Annual Debt Service</b>	<b>\$ 90,744</b>

#### V. PROJECT SCHEDULE

Bid Opening	April 2016
Construction Start	June 2016
Construction Stop	January 2017

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

Customers	Current	Proposed	Total
Residential	2,163	175	2,338
Commercial	609	11	620
Industrial	0	0	0
Total	2,772	186	2,958

##### B) Rates

	In City		Out of City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	03/01/15	07/01/14	03/01/15	07/01/14
Per 1,000 Gallons	\$6.56	\$5.96	\$8.22	\$7.47
Cost for 4,000 gallons	\$26.24	\$23.84	\$32.88	\$29.88
Increase %	10.1%		10.0%	
Affordability Index (Rate/MHI)	1.2%		1.6%	

The Prestonsburg Utility Commission has an annual inflation CPI clause for water rates.

## VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the Utility's service area population was 3,571 with a Median Household Income (MHI) of \$25,316. The median household income for the Commonwealth is \$43,036. The project will qualify for a .75% interest rate because it is below 80% of the States MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	4,011		48,764		June 2004	8.1%
1990	3,558	-11.3%	43,586	-10.6%	June 2009	11.5%
2000	3,612	1.5%	42,441	-2.6%	June 2013	13.1%
2010	3,255	-9.9%	39,451	-7.0%	June 2014	10.5%
Current	3,571	9.7%	0	-100.0%		
Cumulative %		-11.0%		-100.0%		

## VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This qualifies for additional subsidization in the amount of \$540,750.

## IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2012 through 2014. Amounts for 2015 are estimated. The Commission reports water, gas and sewer services in a combined statement. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### HISTORY

Operating revenues increased 11% from 2012 to 2014 from \$7.4 million to \$8.2 million. Sewer revenues increase 15% from \$1.1 million to \$1.2 million during the same period. Operating expenses increased 9% from \$5.8 million to \$6.4 million. The increase is due to higher gas purchases along with increases in personnel costs. The debt coverage ratio remained consistent from 0.9 in 2012 to 0.9 in 2014.

The balance sheet reflects a current ratio of 1.2, a debt to equity ratio of 0.8 and unrestricted cash equals 1.2 months of operating expenses.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues reflect all previously approved rate increases as well as a 3% annual inflation increase due to a CPI clause.
- 2) Sewer revenues will be adjusted by an amount to increase revenues by \$80,000 or 6% by July 1, 2017 and will remain flat thereafter.
- 3) Gas revenues will remain flat.
- 4) Operating expenses will increase by 2% per year.
- 5) Debt service coverage is 1.0 in 2018 when full year principal and interest repayments begin.

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

## REPLACEMENT RESERVE

The annual replacement cost is \$5,400. This amount should be added to the replacement account each December 1 until the balance reaches \$54,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	Outstanding	Maturity
USDA 91-12 Bond	\$ 149,500	2038
USDA 91-15 Bond	224,000	2039
USDA 93-21 Bond	943,000	2041
USDA 91-23 Bond	657,000	2043
USDA 91-25 Bond	133,500	2043
KADDFT 2011 E Bond	1,915,000	2031
KIA (B291-11)	0	2014
KIA (B98-01)	164,877	2019
KIA (B99-01)	276,169	2021
KIA (B07-10)	1,994,710	2028
KIA (B08-08)	627,318	2028
KIA (F209-15)	310,036	2030
KIA (A09-15)	234,577	2031
KIA (A10-02)	1,775,935	2033
KIA (A16-003 i/a/o \$2,033,200)	0	2045
KIA (A16-028 i/a/o \$1,952,900)	0	2045
KIA (A16 P&D i/a/o \$600,000)	0	2020
KIA (F16-045 i/a/o \$1,088,085)	0	2045
First Community Bank Loans	190,268	2017
<b>Total</b>	<b>\$11,830,188</b>	

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

<u>Description</u>	<u>Funding Source</u>	<u>Type</u>
By Pass Force Main Around Town	HB 1	Grant
Station Branch Sewer Project	HB 265	Grant

**XII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Prestonsburg
Authorized Official	Jerry Fannin (Mayor)
County	Floyd
Email	jerryfannin@prestonsburg.net
Phone	(606) 886-2335
Address	200 North Lake Drive Prestonsburg, KY 41653

<b>Project Contact – Applicant &amp; Administrator</b>	
Name	Libby Ratcliff
Organization	Big Sandy Area Development District
Email	libby.ratcliff@bigsandy.org
Phone	(606) 886-2374
Address	110 Resource Ct Prestonsburg, KY 41653

<b>Consulting Engineer</b>	
PE Name	Ronald Johnson
Firm Name	RM Johnson Engineering Inc
Email	rjohnson@rmje.net
Phone	(606) 785-5926
Address	PO Box 444 Hindman, KY 41822

**XIII. RECOMMENDATIONS**

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

The City of Prestonsburg for the benefit of the Prestonsburg Utility Commission shall increase sewer rates sufficient to generate an additional \$80,000 in cash flow effective no later than July 1, 2017.



CITY OF PRESTONSBURG (UTILITY)  
 FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Audited 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020
<b>Assets</b>									
Current Assets	2,438,287	2,196,690	2,086,467	1,942,621	2,097,140	2,378,156	2,613,621	2,634,039	2,700,477
Other Assets	29,645,508	28,497,715	26,382,331	23,995,182	21,494,424	26,830,852	24,330,094	21,829,337	19,328,579
<b>Total</b>	<b>32,083,795</b>	<b>30,694,405</b>	<b>28,468,798</b>	<b>25,937,803</b>	<b>23,591,564</b>	<b>29,209,008</b>	<b>26,943,715</b>	<b>24,463,376</b>	<b>22,029,056</b>

**Liabilities & Equity**

Current Liabilities	1,773,962	1,474,751	1,695,080	1,566,636	1,553,524	1,569,728	1,585,489	1,613,604	1,642,563
Long Term Liabilities	11,974,881	11,950,308	10,981,088	10,285,412	9,628,578	15,281,952	14,646,952	14,011,952	13,376,952
<b>Total Liabilities</b>	<b>13,748,843</b>	<b>13,425,059</b>	<b>12,676,168</b>	<b>11,852,048</b>	<b>11,182,102</b>	<b>16,851,680</b>	<b>16,232,441</b>	<b>15,625,556</b>	<b>15,019,515</b>
<b>Net Assets</b>	<b>18,334,952</b>	<b>17,269,346</b>	<b>15,792,630</b>	<b>14,085,755</b>	<b>12,409,462</b>	<b>12,357,328</b>	<b>10,711,274</b>	<b>8,837,819</b>	<b>7,009,540</b>

**Cash Flow**

Revenues	7,392,565	7,878,916	8,181,092	8,408,420	8,635,074	8,792,976	9,035,615	9,203,134	9,375,678
Operating Expenses	6,564,675	6,876,215	7,287,076	7,414,496	7,544,464	7,677,032	7,827,651	7,965,574	8,106,256
Other Income	104,740	132,553	76,376	76,376	76,376	76,376	76,376	76,376	76,376
<b>Cash Flow Before Debt Service</b>	<b>932,630</b>	<b>1,135,254</b>	<b>970,392</b>	<b>1,070,300</b>	<b>1,166,986</b>	<b>1,192,320</b>	<b>1,284,340</b>	<b>1,313,936</b>	<b>1,345,798</b>
<b>Debt Service</b>									
Existing Debt Service	1,012,339	869,878	1,135,899	940,181	902,970	983,055	1,191,278	1,175,354	1,170,354
Proposed KIA Loan	0	0	0	0	0	0	90,744	90,744	90,744
<b>Total Debt Service</b>	<b>1,012,339</b>	<b>869,878</b>	<b>1,135,899</b>	<b>940,181</b>	<b>902,970</b>	<b>983,055</b>	<b>1,282,022</b>	<b>1,266,098</b>	<b>1,261,098</b>
<b>Cash Flow After Debt Service</b>	<b>(79,709)</b>	<b>265,376</b>	<b>(165,507)</b>	<b>130,119</b>	<b>264,016</b>	<b>209,265</b>	<b>2,318</b>	<b>47,838</b>	<b>84,700</b>

**Ratios**

Current Ratio	1.4	1.5	1.2	1.2	1.3	1.5	1.6	1.6	1.6
Debt to Equity	0.7	0.8	0.8	0.8	0.9	1.4	1.5	1.8	2.1
Days Sales in Accounts Receivable	49.5	41.3	39.3	39.4	39.3	39.3	39.3	39.4	39.4
Months Operating Expenses in Unrestricted Cash	2.0	1.8	1.5	1.2	1.3	1.7	2.0	2.0	2.0
Debt Coverage Ratio	0.9	1.3	0.9	1.1	1.3	1.2	1.0	1.0	1.1

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND LOAN (A16-028) IN THE AMOUNT OF \$1,952,900 TO THE CITY OF PRESTONSBURG FOR THE BENEFIT OF PRESTONSBURG UTILITY COMMISSION, FLOYD 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 Clean Water Revolving Loan Program (Fund A) with the City of Prestonsburg for the benefit of Prestonsburg Utility Commission, 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 Clean Water Revolving Fund loan for \$1,952,900 of project expense including

capitalized interest for the construction period, to the City of Prestonsburg for the benefit of Prestonsburg Utility Commission for the KY 1428 and Stonecrest 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 25% will be deducted from the approved loan amount. The unforgiven principal balance of \$1,464,675 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, \$4,900 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$49,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL, LLP, LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

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

October 27, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: A16-028  
Prestonsburg WWTP--1297  
Activity ID: FGL20160026  
HUC11: 05070203030, 05070203120  
Watershed Name: Fork, near Prestonsburg,  
Johns Creek, near Dewey Lake

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Prestonsburg City's Utility Commission is eligible to receive \$1,952,900 from the Clean Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Prestonsburg City's Utility Commission's status relative to the Clean Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW on December 15, 2015.
2. Plans and specifications are expected to be submitted to DOW on December 15, 2015.
3. Construction bids are expected to be opened on April 1, 2016.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Bill Averell, Project Manager, at (502) 564-3410, extension 4980.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Goodmann".

Peter Goodmann, Director  
Division of Water

PG/BG: ba

c: Prestonsburg City's Utility Commission  
Big Sandy ADD  
R. M. Johnson Engineering, Inc.

<b>EXECUTIVE SUMMARY</b>		Reviewer	Brandi Norton	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	November 5, 2015	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number	A16-028	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21071235	
BORROWER	CITY OF PRESTONSBURG FLOYD COUNTY			
BRIEF DESCRIPTION				
This project will provide sanitary sewer service to the KY 1428 and Stonecrest communities extending service from the Utility's existing collection system. Both areas will be served by a pressure sewer system with instillation of nearly 22,000 linear feet of force main pipe ranging in 1.5 to 6 inches. 150 individual grinder stations will be installed as well as a 80 GPM lift station and the additional appurtenances to complete both systems. This project will eliminate the failing Allen Elementary package treatment plant.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$1,952,900	RD Fee %	Actual %	
				Administrative Expenses \$35,000
				Land, Easements 20,000
		Eng - Design / Const 8.0%	7.5%	125,000
		Eng - Insp 4.9%	4.6%	77,200
		Eng - Other		25,000
		Construction		1,518,800
		Contingency		151,900
TOTAL	\$1,952,900	TOTAL		\$1,952,900
REPAYMENT	Rate	0.75%	Est. Annual Payment	\$81,930
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Ronald Johnson		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Apr-16		
	Construction Start	Jun-16		
	Construction Stop	Jan-17		
DEBT PER CUSTOMER	Existing	\$3,961		
	Proposed	\$5,390		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	2,772	\$26.24	(for 4,000 gallons)
	Additional	183		
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	1,135,254	869,878	265,376	1.3
Audited 2014	970,392	1,135,899	(165,507)	0.9
Projected 2015	1,070,300	(165,507)	1,235,807	1.1
Projected 2016	1,166,986	130,119	1,036,867	1.3
Projected 2017	1,192,320	264,016	928,304	1.2
Projected 2018	1,284,340	209,265	1,075,075	1.0
Projected 2019	1,313,936	2,318	1,311,618	1.0
Projected 2020	1,345,798	47,838	1,297,960	1.1

Reviewer: Brandi Norton  
 Date: November 5, 2015  
 Loan Number: A16-028

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 CITY OF PRESTONSBURG, FLOYD COUNTY  
 PROJECT REVIEW  
 SX21071235**

**I. PROJECT DESCRIPTION**

The City of Prestonsburg for the benefit of the Prestonsburg Utility Commission is requesting a Fund "A" loan in the amount of \$1,952,900 for the KY 1428 and Stonecrest project. The project will provide sanitary sewer service to the KY 1428 and Stonecrest communities. Both areas will be served by a pressure sewer system with instillation of nearly 22,000 linear feet of force main pipe ranging in 1.5 to 6 inches. In addition, 150 individual grinder stations will be installed as well as an 80 GPM lift station and the additional appurtenances to complete both systems. This project will eliminate the failing Allen Elementary package treatment plant.

The Prestonsburg Utility Commission provides sewer services to 3,571 households within Floyd County.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 35,000
Land, Easements	20,000
Engineering Fees - Design / Const	125,000
Engineering Fees - Inspection	77,200
Engineering Fees - Other	25,000
Construction	1,518,800
Contingency	151,900
<b>Total</b>	<b>\$ 1,952,900</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 1,952,900	100%
<b>Total</b>	<b>\$ 1,952,900</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 1,952,900
Less: Principal Forgiveness (25%)	488,225
Amortized Loan Amount	\$ 1,464,675
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 79,001
Administrative Fee (0.20%)	2,929
<b>Total Estimated Annual Debt Service</b>	<b>\$ 81,930</b>

#### V. PROJECT SCHEDULE

Bid Opening	April 2016
Construction Start	June 2016
Construction Stop	January 2017

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

Customers	Current	Proposed	Total
Residential	2,163	175	2,338
Commercial	609	8	617
Industrial	0	0	0
Total	2,772	183	2,955

##### B) Rates

	In City		Out of City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	03/01/15	07/01/14	03/01/15	07/01/14
Per 1,000 Gallons	\$6.56	\$5.96	\$8.22	\$7.47
Cost for 4,000 gallons	\$26.24	\$23.84	\$32.88	\$29.88
Increase %	10.1%		10.0%	
Affordability Index (Rate/MHI)	1.2%		1.6%	

The Prestonsburg Utility Commission has an annual inflation CPI clause for water rates.



## VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the Utility's service area population was 3,571 with a Median Household Income (MHI) of \$25,316. The median household income for the Commonwealth is \$43,036. The project will qualify for a .75% interest rate because it is below 80% of the States MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	4,011		48,764		June 2004	8.1%
1990	3,558	-11.3%	43,586	-10.6%	June 2009	11.5%
2000	3,612	1.5%	42,441	-2.6%	June 2013	13.1%
2010	3,255	-9.9%	39,451	-7.0%	June 2014	10.5%
Current	3,571	9.7%	0	-100.0%		
Cumulative %		-11.0%		-100.0%		

## VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$488,225.

## IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2012 through 2014. Amounts for 2015 are estimated. The Commission reports water, gas and sewer services in a combined statement. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### HISTORY

Operating revenues increased 11% from 2012 to 2014 from \$7.4 million to \$8.2 million. Sewer revenues increase 15% from \$1.1 million to \$1.2 million during the same period. Operating expenses increased 9% from \$5.8 million to \$6.4 million. The increase is due to higher gas purchases along with increases in personnel costs. The debt coverage ratio remained consistent from 0.9 in 2012 to 0.9 in 2014.

The balance sheet reflects a current ratio of 1.2, a debt to equity ratio of 0.8 and unrestricted cash equals 1.2 months of operating expenses.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues reflect all previously approved rate increases as well as a 3% annual inflation increase due to a CPI clause.
- 2) Sewer revenues will be adjusted by an amount to increase revenues by \$80,000 or 6% by July 1, 2017 and will remain flat thereafter.
- 3) Gas revenues will remain flat.
- 4) Operating expenses will increase by 2% per year.
- 5) Debt service coverage is 1.0 in 2018 when full year principal and interest repayments begin.

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

## REPLACEMENT RESERVE

The annual replacement cost is \$4,900. This amount should be added to the replacement account each December 1 until the balance reaches \$49,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	Outstanding	Maturity
USDA 91-12 Bond	\$ 149,500	2038
USDA 91-15 Bond	224,000	2039
USDA 93-21 Bond	943,000	2041
USDA 91-23 Bond	657,000	2043
USDA 91-25 Bond	133,500	2043
KADDFT 2011 E Bond	1,915,000	2031
KIA (B291-11)	0	2014
KIA (B98-01)	164,877	2019
KIA (B99-01)	276,169	2021
KIA (B07-10)	1,994,710	2028
KIA (B08-08)	627,318	2028
KIA (F209-15)	310,036	2030
KIA (A09-15)	234,577	2031
KIA (A10-02)	1,775,935	2033
KIA (A16-003 i/a/o \$2,033,200)	0	2045
KIA (A16-007 i/a/o \$2,163,000)	0	2045
KIA (A16 P&D i/a/o \$600,000)	0	2020
KIA (F16-045 i/a/o \$1,088,085)	0	2045
First Community Bank Loans	190,268	2017
<b>Total</b>	<b>\$11,830,188</b>	

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

Description	Funding Source	Type
By Pass Force Main Around Town	HB 1	Grant
Station Branch Sewer Project	HB 265	Grant

**XII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Prestonsburg
Authorized Official	Jerry Fannin (Mayor)
County	Floyd
Email	jerryfannin@prestonsburg.net
Phone	(606) 886-2335
Address	200 North Lake Drive Prestonsburg, KY 41653

<b>Project Contact – Applicant &amp; Administrator</b>	
Name	Libby Ratcliff
Organization	Big Sandy Area Development District
Email	libby.ratcliff@bigsandy.org
Phone	(606) 886-2374
Address	110 Resource Ct Prestonsburg, KY 41653

<b>Consulting Engineer</b>	
PE Name	Ronald Johnson
Firm Name	RM Johnson Engineering Inc
Email	rjohnson@rmje.net
Phone	(606) 785-5926
Address	PO Box 444 Hindman, KY 41822

**XIII. RECOMMENDATIONS**

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

The City of Prestonsburg for the benefit of the Prestonsburg Utility Commission shall increase sewer rates sufficient to generate an additional \$80,000 in cash flow effective no later than July 1, 2017.

CITY OF PRESTONSBURG (UTILITY)  
FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited <u>2012</u>	Audited <u>2013</u>	Audited <u>2014</u>	Projected <u>2015</u>	Projected <u>2016</u>	Projected <u>2017</u>	Projected <u>2018</u>	Projected <u>2019</u>	Projected <u>2020</u>
<b>Assets</b>									
Current Assets	2,438,287	2,196,690	2,086,467	1,942,621	2,097,140	2,378,156	2,613,621	2,634,039	2,700,477
Other Assets	29,645,508	28,497,715	26,382,331	23,995,182	21,536,627	26,915,256	24,456,701	21,998,145	19,539,590
Total	32,083,795	30,694,405	28,468,798	25,937,803	23,633,767	29,293,412	27,070,322	24,632,184	22,240,067
<b>Liabilities &amp; Equity</b>									
Current Liabilities	1,773,962	1,474,751	1,695,080	1,566,636	1,553,524	1,569,728	1,585,489	1,613,604	1,642,563
Long Term Liabilities	11,974,881	11,950,308	10,981,088	10,285,412	9,628,578	15,281,952	14,646,952	14,011,952	13,376,952
Total Liabilities	13,748,843	13,425,059	12,676,168	11,852,048	11,182,102	16,851,680	16,232,441	15,625,556	15,019,515
Net Assets	18,334,952	17,269,346	15,792,630	14,085,755	12,451,664	12,441,732	10,837,881	9,006,628	7,220,551

Cash Flow

Revenues	7,392,565	7,878,916	8,181,092	8,408,420	8,635,074	8,792,976	9,035,615	9,203,134	9,375,678
Operating Expenses	6,564,675	6,876,215	7,287,076	7,414,496	7,544,464	7,677,032	7,827,651	7,965,574	8,106,256
Other Income	104,740	132,553	76,376	76,376	76,376	76,376	76,376	76,376	76,376
Cash Flow Before Debt Service	932,630	1,135,254	970,392	1,070,300	1,166,986	1,192,320	1,284,340	1,313,936	1,345,798
Debt Service									
Existing Debt Service	1,012,339	869,878	1,135,899	940,181	902,970	983,055	1,200,092	1,184,168	1,179,168
Proposed KIA Loan	0	0	0	0	0	0	81,930	81,930	81,930
Total Debt Service	1,012,339	869,878	1,135,899	940,181	902,970	983,055	1,282,022	1,266,098	1,261,098
Cash Flow After Debt Service	(79,709)	265,376	(165,507)	130,119	264,016	209,265	2,318	47,838	84,700

Ratios

Current Ratio	1.4	1.5	1.2	1.2	1.3	1.5	1.6	1.6	1.6
Debt to Equity	0.7	0.8	0.8	0.8	0.9	1.4	1.5	1.7	2.1
Days Sales in Accounts Receivable	49.5	41.3	39.3	39.4	39.3	39.3	39.3	39.4	39.4
Months Operating Expenses in Unrestricted Cash	2.0	1.8	1.5	1.2	1.3	1.7	2.0	2.0	2.0
Debt Coverage Ratio	0.9	1.3	0.9	1.1	1.3	1.2	1.0	1.0	1.1

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B16-006) OF \$350,000 TO THE PERRY COUNTY FISCAL COURT, PERRY 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 Perry County Fiscal Court, 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 \$350,000 of project expense, to the Perry County Fiscal Court for the Vicco Water System Emergency Repair 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. Principal forgiveness of 14% not to exceed \$50,000 will be deducted from the approved loan amount. The unforgiven principal balance of \$300,000 shall be repaid.

Section 4. The loan shall be repayable in 20 years at an annual interest rate of 0.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$900 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$9,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL, LLP, LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

<b>EXECUTIVE SUMMARY</b>		Reviewer	Jami Johnson	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	November 5, 2015	
<b>FUND B, INFRASTRUCTURE</b>		KIA Loan Number	B16-006	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21193029	
BORROWER	PERRY COUNTY FISCAL COURT PERRY COUNTY			
BRIEF DESCRIPTION				
Perry County Fiscal Court recently acquired the Vicco Water & Wastewater System from the City of Vicco. The system is currently being operated under an emergency contract with Utility Management Group. This project will include the installation of two new pump stations, several water meters, replacement of the telemetry at the Acup Tank; replacement of approximately 3,385 linear feet (LF) exposed service line and a chlorine tester kit. A portion of the Fund B loan money will go towards debt to Knott Co Water and Sewer District in the amount of \$158,000.				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$350,000	RD Fee %	Actual %	
		Construction	192,000	
		Other	158,000	
TOTAL	\$350,000	TOTAL	\$350,000	
REPAYMENT	Rate	0.75%	Est. Annual Payment \$16,781	
	Term	20 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Oct-15		
	Construction Start	Nov-15		
	Construction Stop	Dec-15		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current	<u>Users</u> 1,032	<u>Avg. Bill</u> \$37.30 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Projected 2015	(120,210)	0	(120,210)	n/a
Projected 2016	(134,014)	0	(134,014)	n/a
Projected 2017	(148,594)	16,781	(165,375)	(8.9)
Projected 2018	56,782	16,781	40,001	3.4
Projected 2019	46,528	16,781	29,747	2.8
Projected 2020	36,069	16,781	19,288	2.1

Reviewer: Jami Johnson  
 Date: November 5, 2015  
 Loan Number: B16-006

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")  
 PERRY COUNTY FISCAL COURT, PERRY COUNTY  
 PROJECT REVIEW  
 WX21193029**

**I. PROJECT DESCRIPTION**

The Perry County Fiscal Court is requesting a Fund B loan in the amount of \$350,000 for the Vicco Water System Emergency Repair Project. Perry County Fiscal Court recently acquired the Vicco Water & Wastewater System from the City of Vicco and is currently being operated under an emergency contract with Utility Management Group. This project will eliminate several issues in the water system to include installation of two new pump stations, several water meters, replacement of the telemetry at the Acup Tank; replacement of approximately 3,385 linear feet (LF) exposed service line and a chlorine tester kit.

The Perry County Fiscal Court purchases approximately 81 million gallons of water annually from Knott Co Water and Sewer District. A portion of the Fund B loan money will go towards debt to Knott Co Water and Sewer District in the amount of \$158,000.

**II. PROJECT BUDGET**

	<u>Total</u>
Construction	192,000
Other	158,000
<b>Total</b>	<b>\$ 350,000</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 350,000	100%
<b>Total</b>	<b>\$ 350,000</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 350,000
Less: Principal Forgiveness (14%)	50,000
Amortized Loan Amount	<u>\$ 300,000</u>
Interest Rate	0.75%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 16,181
Administrative Fee (0.20%)	<u>600</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 16,781</b>

**V. PROJECT SCHEDULE**

Bid Opening	October 2015
Construction Start	November 2015
Construction Stop	December 2015

**VI. RATE STRUCTURE**

**A. Customers**

Customers	<u>Current</u>
Residential	982
Commercial	<u>50</u>
Total	1032

**B. Rates**

	With Sewer		Without Sewer	
	Inside City	Outside City	Inside City	Outside City
Date of Last Rate Increase	01/01/14	01/01/14	01/01/14	01/01/14
First 2000 with Sewer	\$21.38	24.36	\$21.84	24.83
Next 1,000 Gallons	7.96	9.81	8.19	9.81
Cost for 4,000 gallons	\$37.30	\$43.98	\$38.22	\$44.45
Affordability Index (Rate/MHI)	1.6%	1.9%	1.7%	1.9%

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the Utility’s service area population was 2,904 with a Median Household Income (MHI) of \$27,390. The median household income for the Commonwealth is \$43,036. The project will qualify for a 0.75% interest rate.

Year	Population				County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	456		33,763		June 2004	8.5%
1990	244	(46.5%)	30,283	(10.3%)	June 2009	11.8%
2000	318	30.3%	29,390	(2.9%)	June 2013	14.4%
2010	334	5.0%	28,712	(2.3%)	June 2014	10.9%
Current	444	32.9%	28,488	(0.8%)		
Cumulative %		(2.6%)		(15.6%)		

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

This is a new utility and there is no financial history. Audited financial statements will be required annually once the District enters into an Assistance Agreement with KIA. The Fiscal Court acquired Vicco's water and wastewater systems, where the city of Vicco had not performed an audit in many years. The most recent unaudited financial statements provided were 2011. KIA reviewed those as a reference while compiling the financial forecast.

#### PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will remain flat for growth.
- 2) Expenses will increase 2% annually for inflation.
- 3) Once all repairs have been completed, there will be a 30% reduction in annual expenses.

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 \$900. This amount should be added to the replacement account each December 1 until the balance reaches \$9,000 and maintained for the life of the loan.

### IX. DEBT OBLIGATIONS

	Outstanding	Maturity
Knott County Water and Sewer District	\$158,000	2016

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Sewer Plant Chavies	HB 235	180,000	Grant
Sewer Plant Chavies	HB 265	400,000	Grant
Water Projects North Perry	HB 265	250,000	Grant
Water Projects South Perry	HB 265	500,000	Grant
Water Projects South Perry	HB 235	225,000	Grant
Water Projects North Perry	HB 235	112,500	Grant

**XI. CONTACTS**

<b>Legal Applicant</b>	
Name	Scott Alexander
Organization	Perry County Fiscal Court
Email	perrycounty2yahoo.com
Phone	606-436-4513
Address	481 Main Street, PO Drawer 210 Hazard , KY 41702

<b>Project Administrator</b>	
Name	Benny Hamilton
Organization	Perry County Fiscal Court
Email	grants@perrycountyky.org
Phone	606-487-1376
Address	481 Main Street, PO Drawer 210 Hazard , KY 41702

**XII. RECOMMENDATIONS**

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

1. Perry County Fiscal Court will fund any shortfalls in any of the utility’s KIA debt service repayments.

**PERRY COUNTY FISCAL COURT (WATER AND SEWER FUND )  
 FINANCIAL SUMMARY (JUNE YEAR END)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Cash Flow</b>						
Revenues	570,000	570,000	570,000	570,000	570,000	570,000
Operating Expenses	690,210	704,014	718,994	513,619	523,872	534,331
Other Income	0	0	0	0	0	0
Cash Flow Before Debt Service	(120,210)	(134,014)	(148,994)	56,382	46,128	35,669
<b>Debt Service</b>						
Existing Debt Service	0	0	0	0	0	0
Proposed KIA Loan	0	0	16,781	16,781	16,781	16,781
Total Debt Service	0	0	16,781	16,781	16,781	16,781
Cash Flow After Debt Service	(120,210)	(134,014)	(165,775)	39,601	29,347	18,888

**Ratios**

Days Sales in Accounts Receivable	0.0	0.0	0.0	0.0	0.0	0.0
Months Operating Expenses in Unrestricted Cash	0.0	0.0	0.0	0.0	0.0	0.0
Debt Coverage Ratio	n/a	n/a	(8.9)	3.4	2.7	2.1



Office of the County Judge - Executive  
Scott Alexander



P.O. Box Drawer 210  
Hazard, Kentucky 41702  
(606) 436-4513  
TDD: 1-800-648-6057

October 21, 2015

Mr. Adam Scott,  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort KY 40601

**RE: Former Vicco Water System KIA loan request**

Dear Mr. Scott:

As you may be aware the Perry County Fiscal Court accepted the transfer and took responsibility of all assets and liabilities of the Vicco Water System in March of this year. The system was in the middle of a legal action from the Knott County Water and Sewer District due to non-payment of past water purchases. In order to protect county citizens, this action was determined to be necessary.

Since that time we have been working to strengthen the systems' integrity, pay off past debt, and stabilize the financial position of the water and sewer systems. We had an initial analysis of the system's water distribution components and identified many instances of poor, inadequate repairs; lines on top of the ground; improperly placed meter bases and other issues that cause the water loss rate to go from 23%-25% in summer months to a high of between 55%-60% during the winter months. Since all water for the system is purchased, this level of water loss causes a severe financial strain on our customers.

We have submitted a KIA Fund B request to address the emergency repairs needed in order to reduce water loss during winter months to manageable levels. We understand that the financial records of the water system are not as strong as we would like in order to be able to meet the required KIA debt service payments on a monthly basis. In order to provide assurance to the KIA Board of Directors, Perry County Fiscal Court will make the necessary debt service payment(s) during any months that the water system is unable to generate sufficient revenues to make the required payment.

On behalf of the Fiscal Court, please accept this letter as our assurance to KIA, that the Perry County Fiscal Court will make any required KIA debt service payments when the water system revenues are not adequate to make such payments. If you have questions or need additional information, feel free to contact me.

Thank you, the Board of Directors and all the KIA staff for your assistance with this difficult, but much needed project.

Sincerely,

Scott Alexander,  
County Judge Executive











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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F16-002) OF \$1,720,500 TO THE CUMBERLAND FALLS HIGHWAY WATER DISTRICT, WHITLEY COUNTY, KENTUCKY**

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

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

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

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$1,720,500 of project expense including capitalized interest for the construction period, to the Cumberland Falls Highway Water District for the CFHWD- Line Replacement and Reinforcement 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 25% will be deducted from the approved loan amount. The unforgiven principal balance of \$1,290,375 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 0.25% annual administration fee on the unpaid, unforgiven principal balance will be charged. From annual revenues, \$4,300 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$43,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

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

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

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

October 27, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: F16-002  
Cumberland Falls Hwy Water District--34132  
Activity ID: FGL20160003  
HUC11: 05130101370, 05130101380,  
05130101390, and 05130101450  
Watershed Name: Cumberland River, above  
Rockcastle River, Watts Creek, Youngs Creek, and  
Laurel River  
Project Name: Line Replacement and Reinforcement

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Cumberland Falls Highway Water District is eligible to receive \$1,720,500.00 from the Drinking Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Cumberland Falls Highway Water District's status relative to the Drinking Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW in December 2015.
2. Plans and specifications are expected to be submitted to DOW in December 2015.
3. Construction bids are expected to be opened in February 2016.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Goodman".

Peter Goodman, Director  
Division of Water

PG/BG:jjm

c: Bill Perkins, Cumberland Falls Highway Water District  
Tim Schwendeman, Cumberland Valley ADD  
Ken Taylor, Kenvirons

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer Date KIA Loan Number WRIS Number	Sarah Aitken November 5, 2015 F16-002 WX21235002	
BORROWER		CUMBERLAND FALLS HIGHWAY WATER DISTRICT WHITLEY COUNTY		
BRIEF DESCRIPTION				
The project will replace approximately 39,500 LF of waterline due to undersized lines and continuous leak repairs. In addition, extensions of the distribution system will be made totaling 17,200 LF which will serve approximately 20 additional users. The District will reinforce 3,200 LF of waterline, relocate approximately 500 LF of waterline, and replace the master meter. Lastly, the project includes replacement of the remaining conventional meters with new radio read meters and upgrades to the radio based SCADA system.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,720,500	RD Fee %	Actual %	
Local Funds	2,500	Administrative Expenses	\$36,500	
		Legal Expenses	25,000	
		Land, Easements	2,500	
		Planning	10,000	
		Eng - Design / Const	8.6% 8.0% 100,000	
		Eng - Insp	5.4% 5.0% 63,000	
		Eng - Other	10,000	
		Construction	1,150,000	
		Equipment	126,000	
		Contingency	100,000	
		Other	100,000	
TOTAL	\$1,723,000	TOTAL	\$1,723,000	
REPAYMENT	Rate	0.75%	Est. Annual Payment \$72,825	
	Term	20 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Kenvirons, Inc.		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Feb-16		
	Construction Start	Apr-16		
	Construction Stop	Jan-17		
DEBT PER CUSTOMER	Existing	\$691		
	Proposed	\$1,060		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current	Users	Avg. Bill	
	Additional	3,174	\$47.40 (for 4,000 gallons)	
		20		
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	282,414	143,997	138,417	2.0
Audited 2014	254,138	144,266	109,872	1.8
Projected 2015	406,250	143,401	262,849	2.8
Projected 2016	577,587	164,244	413,343	3.5
Projected 2017	544,469	200,537	343,933	2.7
Projected 2018	515,075	249,242	265,833	2.1
Projected 2019	485,093	249,624	235,469	1.9
Projected 2020	454,511	250,086	204,425	1.8

Reviewer: Sarah Aitken  
 Date: November 5, 2015  
 Loan Number: F16-002

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND "F")  
 CUMBERLAND FALLS HIGHWAY WATER DISTRICT, WHITLEY COUNTY  
 PROJECT REVIEW  
 WX21235002**

**I. PROJECT DESCRIPTION**

The Cumberland Falls Highway Water District is requesting a Fund "F" loan in the amount of \$1,720,500 for the CFHWD - Line Replacement and Reinforcement project. The project will replace approximately 39,500 LF of waterline due to undersized lines and continuous leak repairs. In addition, extensions of the distribution system will be made totaling 17,200 LF which will serve approximately 20 additional users. The District will reinforce 3,200 LF of waterline, relocate approximately 500 LF of waterline, and replace the master meter. Lastly, the project includes replacement of the remaining conventional meters with new radio read meters and upgrades to the radio based SCADA system.

The District provides services for Whitley County. The District purchases water from Corbin Utilities Commission, West Laurel Water Association, and Williamsburg Municipal WTP.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 36,500
Legal Expenses	25,000
Land, Easements	2,500
Planning	10,000
Engineering Fees - Design / Const	100,000
Engineering Fees - Inspection	63,000
Engineering Fees - Other	10,000
Construction	1,150,000
Equipment	126,000
Contingency	100,000
Other	100,000
<b>Total</b>	<b>\$ 1,723,000</b>

### III. PROJECT FUNDING

	Amount	%
Fund F Loan	\$ 1,720,500	100%
Local Funds	2,500	0%
<b>Total</b>	<b>\$ 1,723,000</b>	<b>100%</b>

### IV. KIA DEBT SERVICE

Construction Loan	\$ 1,720,500
Less: Principal Forgiveness (25%)	430,125
Amortized Loan Amount	\$ 1,290,375
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 69,599
Administrative Fee (0.25%)	3,226
<b>Total Estimated Annual Debt Service</b>	<b>\$ 72,825</b>

### V. PROJECT SCHEDULE

Bid Opening:	February 2016
Construction Start:	April 2016
Construction Stop:	January 2017

### VI. RATE STRUCTURE

#### A) Customers

Customers	Current	Proposed	Total
Residential	3,114	20	3,134
Commercial	56	0	56
Industrial	4	0	4
Institutional	31	0	31
<b>Total</b>	<b>3,205</b>	<b>20</b>	<b>3,225</b>

#### B) Rates

	Current	Prior
Date of Last Rate Increase	06/01/15	03/22/12
First 1,000 Gallons	\$21.18	\$17.36
Over 1,000 Gallons per 1,000 Gallons	8.74	7.16
Cost for 4,000 gallons	\$47.40	\$38.84
Increase %	22.0%	
Affordability Index (Rate/MHI)	2.1%	

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the District’s service area population was 8,953 with a Median Household Income (MHI) of \$27,721. The median household income for the Commonwealth is \$43,036. The project will qualify for a 0.75% interest rate because the District’s service area MHI is below 80% of the State’s MHI.

Year	Population				County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	8,075		33,396		June 2004	6.4%
1990	7,419	-8.1%	33,326	-0.2%	June 2009	11.9%
2000	7,742	4.4%	35,865	7.6%	June 2013	10.0%
2010	7,304	-5.7%	35,637	-0.6%	June 2014	9.3%
Current	7,305	0.0%	35,718	0.2%		
Cumulative %		-9.5%		7.0%		

**VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization in the amount of \$430,125.

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

Financial information was obtained from the audited financial statements for the years ended December 31, 2012 through 2014. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

**HISTORY**

Revenues increased 3% from \$1.57 million in 2012 to \$1.63 million in 2014 due to a previously approved rate increase. Operating expenses decreased 7% from \$805,876 in 2012 to \$754,469 in 2014 as result of a decrease in District staff. The debt coverage ratio was 1.2, 2.0 and 1.8 for 2012, 2013 and 2014, respectively. The balance sheet reflects a current ratio of 17.0, a debt to equity ratio of 0.6 and the number of months of operating expenses in unrestricted cash is 3.9.

**PROJECTIONS**

Projections are based on the following assumptions:

- 1) Revenues will increase approximately 11% in 2015 and 2016 to account for the 22% rate increase effective March 22, 2015, and will remain flat thereafter.
- 2) Operating expenses will increase 2% annually for inflation.

- 3) Debt coverage ratio will be 2.7 in 2017 when principal and interest repayments begin.

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

**REPLACEMENT RESERVE**

The annual replacement cost is \$4,300. This amount should be added to the replacement account each December 1 until the balance reaches \$43,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	Outstanding	Maturity
Waterworks Revenue Bond, Series 1996	\$ 549,037	2035
Waterworks Revenue Bond, Series 2001	420,949	2041
Waterworks Revenue Bond, Series 2007	1,271,054	2044
RD, 2015	803,000	2055
<b>Total</b>	<b>\$ 3,044,040</b>	

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
US 25 Transmission Main and Pump	USDA RD	1,200,00	Loan/Grant

**XII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	Cumberland Falls Highway Water District
Authorized Official	Jimmy Creekmore (Chairman)
County	Whitley
Email	cfhwd@yahoo.com
Phone	606-528-0222
Address	6926 Cumberland Falls Highway Corbin, KY 40701

<b>Applicant Contact</b>	
Name	Les Moses
Organization	Cumberland Falls Highway Water District
Email	cfhwd@yahoo.com
Phone	606-528-0222
Address	6926 Cumberland Falls Highway Corbin, KY 40701



**Project Administrator**

Name	Timothy M Schwendeman
Organization	Cumberland Valley Area Development District
Email	timsch@cvadd.org
Phone	606-864-7391
Address	342 Old Whitley Road London, KY 40744

**Consulting Engineer**

PE Name	Kenneth Taylor, PE
Firm Name	Kenvirons, Inc.
Email	ktaylor@kenvirons.com
Phone	502-695-4357
Address	452 Versailles Road Frankfort, KY 40601

**XIII. RECOMMENDATIONS**

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

**CUMBERLAND FALLS HIGHWAY WATER DISTRICT (WATER FUND)  
FINANCIAL SUMMARY (DECEMBER YEAR END)**

**Balance Sheet**

	<u>Audited</u> <u>2012</u>	<u>Audited</u> <u>2013</u>	<u>Audited</u> <u>2014</u>	<u>Projected</u> <u>2015</u>	<u>Projected</u> <u>2016</u>	<u>Projected</u> <u>2017</u>	<u>Projected</u> <u>2018</u>	<u>Projected</u> <u>2019</u>	<u>Projected</u> <u>2020</u>
<b>Assets</b>									
Current Assets	1,084,508	1,149,437	1,175,799	1,244,032	1,344,100	1,412,887	1,466,054	1,513,147	1,554,032
Other Assets	5,602,926	5,481,595	5,362,789	5,334,696	7,149,999	7,143,698	7,074,917	6,981,845	6,863,938
<b>Total</b>	<b>6,687,434</b>	<b>6,631,032</b>	<b>6,538,588</b>	<b>6,578,728</b>	<b>8,494,099</b>	<b>8,556,585</b>	<b>8,540,971</b>	<b>8,494,993</b>	<b>8,417,971</b>
<b>Liabilities &amp; Equity</b>									
Current Liabilities	48,568	64,808	69,268	71,577	73,892	88,714	92,042	95,377	84,718
Long Term Liabilities	2,365,055	2,321,719	2,280,669	2,231,669	3,471,044	3,405,544	3,337,044	3,265,544	3,205,044
<b>Total Liabilities</b>	<b>2,413,623</b>	<b>2,386,527</b>	<b>2,349,937</b>	<b>2,303,246</b>	<b>3,544,936</b>	<b>3,494,258</b>	<b>3,429,086</b>	<b>3,360,921</b>	<b>3,289,762</b>
<b>Net Assets</b>	<b>4,273,811</b>	<b>4,244,505</b>	<b>4,188,651</b>	<b>4,275,482</b>	<b>4,949,163</b>	<b>5,062,327</b>	<b>5,111,885</b>	<b>5,134,072</b>	<b>5,128,209</b>

**Cash Flow**

Revenues	1,577,498	1,590,790	1,634,631	1,814,441	2,014,030	2,014,030	2,014,030	2,014,030	2,014,030
Operating Expenses	1,411,136	1,313,871	1,384,925	1,412,623	1,440,875	1,473,993	1,503,387	1,533,369	1,563,951
Other Income	6,484	5,495	4,432	4,432	4,432	4,432	4,432	4,432	4,432
<b>Cash Flow Before Debt Service</b>	<b>172,846</b>	<b>282,414</b>	<b>254,138</b>	<b>406,250</b>	<b>577,587</b>	<b>544,469</b>	<b>515,075</b>	<b>485,093</b>	<b>454,511</b>
<b>Debt Service</b>									
Existing Debt Service	143,345	143,997	144,266	143,401	164,244	164,124	176,417	176,799	177,261
Proposed KIA Loan	0	0	0	0	0	36,413	72,825	72,825	72,825
<b>Total Debt Service</b>	<b>143,345</b>	<b>143,997</b>	<b>144,266</b>	<b>143,401</b>	<b>164,244</b>	<b>200,537</b>	<b>249,242</b>	<b>249,624</b>	<b>250,086</b>
<b>Cash Flow After Debt Service</b>	<b>29,501</b>	<b>138,417</b>	<b>109,872</b>	<b>262,849</b>	<b>413,343</b>	<b>343,933</b>	<b>265,833</b>	<b>235,469</b>	<b>204,425</b>

**Ratios**

Current Ratio	22.3	17.7	17.0	17.4	18.2	15.9	15.9	15.9	18.3
Debt to Equity	0.6	0.6	0.6	0.5	0.7	0.7	0.7	0.7	0.6
Days Sales in Accounts Receivable	33.2	33.0	31.7	31.7	31.8	31.8	31.8	31.8	31.8
Months Operating Expenses in Unrestricted Cash	3.1	3.9	3.9	4.3	4.9	5.4	5.7	5.9	6.1
Debt Coverage Ratio	1.2	2.0	1.8	2.8	3.5	2.7	2.1	1.9	1.8

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**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F16-003) IN THE AMOUNT OF \$3,304,000 TO THE WESTERN PULASKI COUNTY WATER DISTRICT, PULASKI COUNTY, KENTUCKY**

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

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

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

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$3,304,000 of project expense including capitalized interest for the construction period, to the Western Pulaski County Water District for the Water System Improvements and Replacements project. Such amounts are

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

Section 3. The loan shall be repayable over 20 years at an interest rate of 1.75%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$8,300 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$83,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 5th day of November, 2015.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL LLP, LEGAL COUNSEL TO  
THE KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

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

October 27, 2015

Mr. Tony Wilder  
Chairman  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: F16-003  
Western Pulaski Co Water District--34092  
Activity ID: FGL20150003  
*HUC11: 05130103010 Lake Cumberland, above White Oak  
Creek; 05130103050 Pitman Creek; 05130103070 Rock Lick  
Creek; 05130103080 Fishing Creek, below Rock Lick Creek;  
05130103090 Big Clifty Creek ; 05130103110 White Oak Creek;  
05130103120 Lake Cumberland, above Wolf Creek Dam*

Dear Mr. Wilder:

The Division of Water (DOW) hereby certifies that the Western Pulaski County Water District is eligible to receive \$3,304,000 from the Drinking Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Western Pulaski County Water District's status relative to the Drinking Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW on January 1, 2016.
2. Plans and specifications are expected to be submitted to DOW on January 1, 2016.
3. Construction bids are expected to be opened on April 1, 2016.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Cathy Arnett, Project Manager, at (502) 564-3410, extension 4594.

Sincerely,

Peter Goodmann, Director  
Division of Water

PG/BG:CA

c: Don Calder, Chairman  
Deron S. Byrne, Monarch Engineering  
David Bowles, Monarch Engineering

<b>EXECUTIVE SUMMARY</b>		Reviewer	Sarah Aitken	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	November 5, 2015	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F16-003	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21199123	
<b>BORROWER</b>	WESTERN PULASKI COUNTY WATER DISTRICT PULASKI COUNTY			
<b>BRIEF DESCRIPTION</b>				
The project consists of approximately 1,800 LF of 3 inch water line replacement and 650 LF 3 inch water line extensions; 8,200 LF of 4 inch water line replacement; 21,000 LF of 6 inch water line replacement and 1,800 LF of 6 inch water line relocation; and 7,500 LF of new 12 inch water transmission main. The project also includes the installation of a 300,000 gallon elevated water storage tank to replace an existing 100,000 gallon ground storage tank and the renovation of an existing 300,000 gallon water storage tank. Lastly, the project will include the installation of two new pressure reducing stations and 100 radio read meter system.				
<b>PROJECT FINANCING</b>		<b>PROJECT BUDGET</b>		
Fund F Loan	\$3,304,000	RD Fee %	Actual %	
		Administrative Expenses		\$15,000
		Legal Expenses		15,000
		Eng - Design / Const	7.2%	6.7%
		Eng - Insp	4.0%	3.8%
		Eng - Other		30,000
		Construction		2,668,450
		Contingency		267,550
<b>TOTAL</b>	<b>\$3,304,000</b>	<b>TOTAL</b>		<b>\$3,304,000</b>
<b>REPAYMENT</b>	Rate	1.75%	Est. Annual Payment	\$204,767
	Term	20 Years	1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	David M. Bowles		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
<b>PROJECT SCHEDULE</b>	Bid Opening	Apr-16		
	Construction Start	May-16		
	Construction Stop	Jan-17		
<b>DEBT PER CUSTOMER</b>	Existing	\$539		
	Proposed	\$977		
<b>OTHER DEBT</b>	See Attached			
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached			
<b>RESIDENTIAL RATES</b>	Current	<u>Users</u>	<u>Avg. Bill</u>	
		8,260	\$30.14	(for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2013	664,631	225,977	438,654	2.9
Audited 2014	756,185	287,328	468,857	2.6
Projected 2015	789,345	320,453	468,892	2.5
Projected 2016	770,447	342,533	427,914	2.2
Projected 2017	742,871	446,241	296,631	1.7
Projected 2018	723,209	547,447	175,762	1.3
Projected 2019	703,154	548,023	155,131	1.3
Projected 2020	682,698	564,965	117,733	1.2



Reviewer: Sarah Aitken  
 Date: November 5, 2015  
 Loan Number: F16-003

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND "F")  
 WESTERN PULASKI COUNTY WATER DISTRICT, PULASKI COUNTY  
 PROJECT REVIEW  
 WX21199123**

**I. PROJECT DESCRIPTION**

The Western Pulaski County Water District is requesting a Fund "F" loan in the amount of \$3,304,000 for the Water System Improvements and Replacement project. The project consists of approximately 1,800 LF of 3 inch water line replacement and 650 LF 3 inch water line extensions; 8,200 LF of 4 inch water line replacement; 21,000 LF of 6 inch water line replacement and 1,800 LF of 6 inch water line relocation; and 7,500 LF of new 12 inch water transmission main. The project also includes the installation of a 300,000 gallon elevated water storage tank to replace an existing 100,000 gallon ground storage tank, as well as the renovation of an existing 300,000 gallon water storage tank. Lastly, the project will include the installation of two new pressure reducing stations and one hundred radio read meter systems.

This project will provide major improvements to the District's water distribution system, eliminate several dilapidated /undersized water lines, provide additional water storage by replacing an undersized water storage tank, and provide pressure reduction to areas experiencing high pressures. The project will also improve the quality of water by renovating an existing water storage tank that is experiencing large scale paint loss on both the interior and exterior surfaces. Additionally, there are certain structural and safety components which will require repair in order to ensure continued operation.

The District purchases water from the City of Somerset and the City of Russell Springs. Counties directly serviceable by the District include Casey, Pulaski, Russell and Wayne. The Public Service Commission has jurisdiction over this project.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 15,000
Legal Expenses	15,000
Engineering Fees - Design / Const	196,000
Engineering Fees - Inspection	112,000
Engineering Fees - Other	30,000
Construction	2,668,450
Contingency	267,550
<b>Total</b>	<b>\$ 3,304,000</b>

**III. PROJECT FUNDING**

	Amount	%
Fund F Loan	\$ 3,304,000	100%
<b>Total</b>	<b>\$ 3,304,000</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Amortized Loan Amount	\$ 3,304,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 196,507
Administrative Fee (0.25%)	8,260
<b>Total Estimated Annual Debt Service</b>	<b>\$ 204,767</b>

**V. PROJECT SCHEDULE**

Bid Opening: April 2016  
Construction Start: May 2016  
Construction Stop: January 2017

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

Customers	Current
Residential	8,134
Commercial	126
Industrial	0
<b>Total</b>	<b>8,260</b>

**B) Rates**

	Proposed	Current	Prior
Date of Last Rate Increase	TBD	06/02/14	8/1/2012
First 2,000 Gallons	\$17.58	\$15.34	\$14.34
Over 2,000 Gallons	6.28	5.82	5.82
Cost for 4,000 gallons	\$30.14	\$26.98	\$25.98
Increase %	11.7%	3.8%	
Affordability Index (Rate/MHI)	0.9%	0.8%	

The District has proposed a rate increase of 11.7%, pending PSC approval.

## VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2009-2013, the District's service area population was 16,902 with a Median Household Income (MHI) of \$39,512. The median household income for the Commonwealth is \$43,036. The project will qualify for a 1.75% interest rate because the District's service area MHI is above 80% of the State's MHI.

Year	Population		County		County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	10,649		45,803		June 2004	5.7%
1990	10,733	0.8%	49,489	8.0%	June 2009	10.5%
2000	11,352	5.8%	56,217	13.6%	June 2013	9.8%
2010	11,196	-1.4%	63,063	12.2%	June 2014	8.5%
Current	11,291	0.8%	63,369	0.5%		
Cumulative %		6.0%		38.4%		

## VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

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

## IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended December 31, 2012 through 2014. Percentages referenced in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### HISTORY

Revenues increased 14% from \$2.5 million in 2012 to \$2.9 million in 2014 due to a previously approved rate increase. Operating expenses increased 10% from \$829,842 in 2012 to \$926,395 in 2014. The debt coverage ratio was 1.7, 2.9 and 2.6 for 2012, 2013 and 2014, respectively. The balance sheet reflects a current ratio of 3.1, a debt to equity ratio of 0.7 and the number of months of operating expenses in unrestricted cash is 6.1.

### PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase approximately 1.9% in 2015 to account for the 3.8% rate increase effective June 2, 2014 and will remain flat thereafter.

- 2) Proposed rate increase was not factored since the District has not yet received PSC approval.
- 3) Operating expenses will increase 2% annually for inflation.
- 4) Debt coverage ratio will be 1.7 in 2017 when principal and interest repayments begin.

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

**REPLACEMENT RESERVE**

The annual replacement cost is \$8,300. This amount should be added to the replacement account each December 1 until the balance reaches \$83,000 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
RD 2002A	\$ 785,000	2042
RD 2002B	478,000	2042
RD 2010	868,000	2049
KRWFC 2012E	1,910,000	2035
RD 2014	<u>1,400,000</u>	2053
<b>Total</b>	<b>\$ 5,441,000</b>	

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

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Hickory Nut Xing & WL Ext	USDA	391,000	Grant
Phase 1 Improvements	USDA	522,000	Grant

**XII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	Western Pulaski County Water District
Authorized Official	Don Calder (Chairman )
County	Pulaski
Email	tvaughtwpcwd@windstream.net
Phone	606-679-1569
Address	1059 W Hwy 80 Somerset , KY 42503

**Applicant Contact**

Name	Joe McClendon
Organization	Western Pulaski County Water District
Email	joe-mcclendon@hotmail.com
Phone	606-679-1569
Address	1059 W Hwy 80 Somerset , KY 42503

**Project Administrator**

Name	Deron S. Byrne
Organization	Monarch Engineering, Inc.
Email	dbyrne@monarchengineering.net
Phone	502-839-1310
Address	556 Carlton Drive Lawrenceburg, KY 40342

**Consulting Engineer**

PE Name	David M. Bowles
Firm Name	Monarch Engineering, Inc.
Email	dbowles@monarchengineering.net
Phone	502-839-1310
Address	556 Carlton Drive Lawrenceburg, KY 40342

**XIII. RECOMMENDATIONS**

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

WESTERN PULASKI COUNTY WATER DISTRICT (WATER FUND)  
 FINANCIAL SUMMARY (DECEMBER YEAR END)

**Balance Sheet**

	Audited <u>2012</u>	Audited <u>2013</u>	Audited <u>2014</u>	Projected <u>2015</u>	Projected <u>2016</u>	Projected <u>2017</u>	Projected <u>2018</u>	Projected <u>2019</u>	Projected <u>2020</u>
<b>Assets</b>									
Current Assets	1,149,105	1,346,178	1,524,768	1,532,019	1,532,019	1,532,019	1,532,019	1,532,019	1,532,019
Other Assets	11,963,101	12,171,007	13,152,749	13,021,836	16,153,944	15,866,574	15,458,335	15,029,465	14,563,197
<b>Total</b>	<b>13,112,206</b>	<b>13,517,185</b>	<b>14,677,517</b>	<b>14,553,855</b>	<b>17,685,963</b>	<b>17,398,593</b>	<b>16,990,354</b>	<b>16,561,484</b>	<b>16,095,216</b>

**Liabilities & Equity**

Current Liabilities	238,406	300,909	484,687	396,662	296,612	294,427	291,779	290,424	304,474
Long Term Liabilities	4,330,020	4,604,879	5,397,870	4,494,785	7,975,377	8,119,883	8,148,742	8,160,951	8,124,390
<b>Total Liabilities</b>	<b>4,568,426</b>	<b>4,905,788</b>	<b>5,882,557</b>	<b>4,891,447</b>	<b>8,271,989</b>	<b>8,414,310</b>	<b>8,440,521</b>	<b>8,451,375</b>	<b>8,428,864</b>

<b>Net Assets</b>	<b>8,543,780</b>	<b>8,611,397</b>	<b>8,794,960</b>	<b>9,662,408</b>	<b>9,413,974</b>	<b>8,984,284</b>	<b>8,549,834</b>	<b>8,110,110</b>	<b>7,666,353</b>
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**Cash Flow**

Revenues	2,482,761	2,756,073	2,884,869	2,936,557	2,936,557	2,936,557	2,936,557	2,936,557	2,936,557
Operating Expenses	2,032,350	2,099,804	2,131,530	2,150,058	2,168,956	2,196,532	2,216,194	2,236,249	2,256,705
Other Income	28,075	8,362	2,846	2,846	2,846	2,846	2,846	2,846	2,846

Cash Flow Before Debt Service	478,486	664,631	756,185	789,345	770,447	742,871	723,209	703,154	682,698
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**Debt Service**

Existing Debt Service	281,149	225,977	287,328	320,453	342,533	343,857	342,680	343,256	360,198
Proposed KIA Loan	0	0	0	0	0	102,384	204,767	204,767	204,767
<b>Total Debt Service</b>	<b>281,149</b>	<b>225,977</b>	<b>287,328</b>	<b>320,453</b>	<b>342,533</b>	<b>446,241</b>	<b>547,447</b>	<b>548,023</b>	<b>564,965</b>

Cash Flow After Debt Service	197,337	438,654	468,857	468,892	427,914	296,631	175,762	155,131	117,733
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**Ratios**

Current Ratio	4.8	4.5	3.1	3.9	5.2	5.2	5.3	5.3	5.0
Debt to Equity	0.5	0.6	0.7	0.5	0.9	0.9	1.0	1.0	1.1
Days Sales in Accounts Receivable	57.6	54.9	51.6	51.5	51.5	51.5	51.5	51.5	51.5
Months Operating Expenses in Unrestricted Cash	4.4	5.1	6.1	6.1	6.0	6.0	5.9	5.9	5.8
Debt Coverage Ratio	1.7	2.9	2.6	2.5	2.2	1.7	1.3	1.3	1.2

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

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

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

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

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

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

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

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

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

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

Passed and adopted this 5th day of November, 2015.

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TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

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ADAM J. SCOTT, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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PECK, SHAFFER & WILLIAMS, A DIVISION OF  
DINSMORE & SHOHL, LLP, LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

**EXHIBIT A**

<b><u>APPLICANT</u></b>	<b><u>FUND</u></b>	<b><u>AMOUNT</u></b>
Lincoln County Sanitation District	A13-020 (Increase)	\$ 4,365,793
Mercer County Sanitation District	A16-004	\$ 848,000
City of Prestonsburg fbo Prestonsburg Utility Commission	A16-003	\$ 2,033,200
City of Prestonsburg fbo Prestonsburg Utility Commission	A16-007	\$ 2,163,000
City of Prestonsburg fbo Prestonsburg Utility Commission	A16-028	\$ 1,952,900
Perry County Sanitation District	B16-006	\$ 350,000
Cumberland Falls Highway Water District	F16-002	\$ 1,720,500
Western Pulaski County Water District	F16-003	\$ 3,304,000

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

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**Kentucky Infrastructure Authority**  
**Amounts Available to Loan**  
**September 28, 2015**

**Clean Water State Revolving Fund (Fund A)**

Funds Available from IUP	\$85,000,000
Loan Commitments	0
Invited Projects (net of project declinations)	(44,275,000)
Additional Collections Over Projections	6,151,370
Adjustments (changes to bond reserves, project closeouts, increases)	0
Funds Available to Loan	<u>\$46,876,370</u>

**Infrastructure Revolving Fund (Fund B)**

Trustee Funds Not Committed / Current Billings Receivable	\$3,841,575
Pending Applications	(1,263,000)
Funds Available to Loan	<u>\$2,578,575</u>

**Governmental Agencies Program (Fund C)**

Trustee Funds Not Committed / Bond Proceeds	\$9,088,185
Pending Applications	(6,721,000)
Funds Available to Loan	<u>\$2,367,185</u>

**Drinking Water State Revolving Fund (Fund F)**

Funds Available from IUP	\$31,500,000
Loan Commitments	0
Invited Projects (net of project declinations)	(31,765,000)
Additional Collections Over Projections	2,304,880
Adjustments (increases / accelerated approvals after IUP estimate, project closeouts)	0
Funds Available to Loan	<u>\$2,039,880</u>

**Fund A** Loans for construction of wastewater infrastructure, 20-year term (may be 30 years if disadvantaged), must be on CWSRF priority list – Federal funds with 20% state match

**Fund B** Planning, design and construction loans for all infrastructure projects as defined by KRS 224A.011 – State funds

**Fund C** Market rate pooled loan program with surplus funds for direct loans for infrastructure projects as defined by KRS 224A.011

**Fund F** Loans for construction of drinking water infrastructure, 20-year term (may be 30 years if disadvantaged), must be on DWSRF priority

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

**AVAILABLE FUNDS FFY 1989:**

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

**AVAILABLE FUNDS FFY 1990:**

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

**AVAILABLE FUNDS FFY 1991:**

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

**AVAILABLE FUNDS FFY 1992:**

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

**AVAILABLE FUNDS FFY 1993:**

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

**AVAILABLE FUNDS FFY 1994:**

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

**AVAILABLE FUNDS FFY 1995:**

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

**AVAILABLE FUNDS FFY 1996:**

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

**ADDITIONAL FUNDS FFY 1997:**

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

**AVAILABLE FUNDS FFY 1998:**

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

**AVAILABLE FUNDS FFY 1999:**

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

**AVAILABLE FUNDS FFY 2000:**

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

**AVAILABLE FUNDS FFY 2001:**

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

**AVAILABLE FUNDS FFY 2002:**

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

**AVAILABLE FUNDS FFY2003:**

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

**AVAILABLE FUNDS FFY2004:**

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

**AVAILABLE FUNDS FFY2005:**

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

**AVAILABLE FUNDS FFY2006:**

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

**AVAILABLE FUNDS FFY2007:**

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

**AVAILABLE FUNDS FFY2008:**

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

**AVAILABLE FUNDS FFY2009:**

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

**AVAILABLE FUNDS FFY2010:**

FEDERAL TITLE VI GRANT FUNDS	\$25,932,000
BOND PROCEEDS (20%)	\$5,186,400
ADMINISTRATION (4%)	(\$1,037,280)
NET 10 SRF FUNDS	\$30,081,120

**AVAILABLE FUNDS FFY2011:**

FEDERAL TITLE VI GRANT FUNDS	\$18,794,000
BOND PROCEEDS (20%)	\$3,758,800
ADMINISTRATION (4%)	(\$751,760)
NET 11 SRF FUNDS	\$21,801,040

**AVAILABLE FUNDS FFY2012:**

FEDERAL TITLE VI GRANT FUNDS	\$17,987,000
BOND PROCEEDS (20%)	\$3,597,400
ADMINISTRATION (4%)	(\$719,480)
NET 12 SRF FUNDS	\$20,864,920

**AVAILABLE FUNDS FFY2013:**

FEDERAL TITLE VI GRANT FUNDS	\$16,992,000
BOND PROCEEDS (20%)	\$3,398,400
ADMINISTRATION (4%)	(\$679,680)
NET 13 SRF FUNDS	\$19,710,720

**AVAILABLE FUNDS FFY2014:**

FEDERAL TITLE VI GRANT FUNDS	\$17,845,000
BOND PROCEEDS (20%)	\$3,569,000
ADMINISTRATION (4%)	(\$713,800)
NET 14 SRF FUNDS	\$20,700,200

**NET FY 1989-2014 SRF FUNDS** **\$550,784,088**

**CURRENT REVOLVING/SURPLUS FUND BALANC** **\$249,789,753**

**Leverage Bonds - Balance** **\$0**



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

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

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

**PROJECTS APPROVED IN SFY 1996:**

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

**PROJECTS APPROVED IN SFY 1997:**

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

**PROJECTS APPROVED IN SFY 1998:**

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

**PROJECTS APPROVED IN SFY 1999:**

96	PARIS, CITY OF	\$7,528,385	\$5,943,287 (c)	9-1-98	
97	MIDWAY, CITY OF	\$282,250	\$141,125 (c)	10-13-98	(A1)
98	MAYFIELD, CITY OF	\$1,401,962	\$1,160,472 (c)	10-13-98	
99	GREENUP JOINT SEWER AGENCY	\$125,900	\$103,950 (c)	12/18/98; 6/26/14 (A1)	Assumed from Wurtland
100	DANVILLE, CITY OF	\$7,712,132	\$7,615,106 (c)	12-18-98	(AMD 01/8/04)
101	LEWIS COUNTY SANITATION DIST NO. 1	\$2,924,800	\$620,001 (c)	04-27-99	AMD 10/7/99
	<b>TOTALS</b>	<b>\$19,975,429</b>	<b>\$15,583,941</b>		

**PROJECTS APPROVED IN SFY 2000:**

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

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

108	PIKEVILLE, CITY OF	\$1,205,484	\$1,116,574 (c)	07/18/2000; 5/16/01 9/6/01; 3/2/06	Assumed from Mtn WD
109	GREENUP JOINT SEWER AGENCY	\$1,717,540	\$1,561,400 (c)	7/18/00; 6/26/14	Assumed from Wurtland
110	LEITCHFIELD, CITY OF	\$6,146,196	\$5,355,560 (c)	8/29/00	
111	CLOVERPORT, CITY OF	\$57,500	\$57,500 (c)	11/22/00	(A1)
112	WHITE PLAINS, CITY OF	\$2,250,400	\$669,700 (c)	12/21/00	
113	MANCHESTER, CITY OF	\$5,060,376	\$1,053,589 (c)	1/25/01	
114	ARLINGTON, CITY OF	\$677,333	\$167,567 (c)	6/7/01	
<b>TOTALS</b>		<b>\$17,114,829</b>	<b>\$9,981,890</b>		

**PROJECTS APPROVED IN SFY2002:**

115	CARROLLTON, CITY OF	\$6,997,101	\$2,518,301 (c)	8/9/01	AMD 9/6/01
116	MT. STERLING WAT & SEW COMMISSION	\$13,908,185	\$11,936,783 (c)	2/7/02	
117	SHEPHERDSVILLE, CITY OF	\$9,976,728	\$7,581,466 (c)	2/7/02	
118	MARION, CITY OF	\$312,715	\$312,715 (c)	3/7/02	(A1) AMD 1/9/03
119	GREENVILLE, CITY OF	\$2,242,571	\$2,223,347 (c)	3/7/02	
120	LEBANON JUNCTION, CITY OF	\$2,898,419	\$1,813,385 (c)	4/4/02	AMD 7/1/05
121	HARRODSBURG, CITY OF	\$4,418,916	\$3,314,760 (c)	5/2/02	
122	GREENUP JOINT SEWER AGENCY	\$1,782,900	\$1,782,872 (c)	6/6/02; 6/26/14	Assumed from Wurtland
<b>TOTALS</b>		<b>\$42,537,535</b>	<b>\$31,483,629</b>		

**PROJECTS APPROVED IN SFY 2003**

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

**PROJECTS APPROVED IN SFY 2004**

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

**PROJECTS APPROVED IN SFY 2005**

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

**PROJECTS APPROVED IN SFY 2006**

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

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

150	REGIONAL WAT RES AGENCY	\$9,405,000	\$7,196,879 (c)	7/13/06
151	N MADISON CO SD	\$1,925,000	\$307,952 (c)	8/3/06
152	BOYD CO SANITATION DIST #2	\$1,918,000	\$666,811 (c)	10/5/06
153	N MADISON CO SD	\$12,736,123	\$8,104,622 (c)	10/5/06; 12/7/06
154	OHIO CO REG WASTEWATER DIST	\$15,940,000	\$6,607,612 (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

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

159	CITY OF BARLOW	\$169,500	\$168,954 (c)	9/6/07 (A1)
160	CITY OF WHITESBURG	\$7,474,000	\$1,040,900 (c)	9/6/07
161	CITY OF OWENSBORO	\$25,981,634	\$24,350,578	10/4/07; 6/26/14
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	\$53,881,569 (c)	4/3/08; 11/12/09; 8/4/11
168	Sanitation District #1	\$83,147,554	\$69,403,566 (c)	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	\$8,138,274 (c)	4/3/08
172	Williamstown, City of	\$18,748,000	\$15,214,408 (c)	6/2/08

<b>TOTAL</b>	<b>\$300,885,449</b>	<b>\$260,014,598</b>
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**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	\$14,045,119 (c)	1/8/09
175	Paducah McCracken JSA	\$14,323,800	\$6,100,150 (c)	4/9/09
176	Mt Washington, City of	\$15,000,000	\$9,061,772 (c)	5/7/09; 9/1/10
177	Sanitation District #1	\$5,802,300	\$4,920,300 (c)	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	\$12,735,256 (c)	6/4/09
180	Sanitation District #1	\$6,968,000	\$4,726,828 (c)	6/4/09
181	Sanitation District #1	\$3,287,000	\$2,149,345 (c)	6/4/09
182	Sanitation District #1	\$12,065,000	\$8,069,123 (c)	6/4/09

<b>TOTAL</b>	<b>\$107,886,200</b>	<b>\$67,267,880</b>
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**PROJECTS APPROVED IN SFY 2010**

183	Kentucky Horse Park	\$1,950,000	\$717,039.80 (c)	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	\$7,488,282 (c)	11/12/09
189	Hardinsburg, City of	\$550,000	\$549,594 (c)	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	\$6,644,995 (c)	1/7/10; 2/3/11
192	Winchester, City of	\$37,000,000	\$36,600,000 (c)	2/4/10
193	Prestonsburg, City of	\$4,530,405	\$1,860,405 (c)	2/4/10
194	Oldham Co Env Auth	SX21185017 \$2,846,174	\$2,843,153 (c)	5/6/10; 7/7/11; 6/7/12
195	Oldham Co Env Auth -	SX21185029 \$1,477,000	\$1,000,000 (c)	5/6/10; 1/5/12
196	Oldham Co Env Auth	SX21185050; SX21185036 \$2,601,420	\$2,538,415 (c)	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

<b>Total</b>	<b>\$103,083,700</b>	<b>\$83,483,238</b>
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TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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**PROJECTS APPROVED IN SFY 2011**

199	Oldham Env Auth	SX21185028	\$500,000	\$121,419 (c)	7/1/10;1/5/12	
200	Sanitation District #1	SX21117126	\$19,935,700	\$15,989,714 (c)	7/1/10	
201	Bardstown, City of	SX21179019	\$1,800,000	\$1,800,000 (c)	12/9/10; 6/10/11	
202	LaCenter, City of	SX21007015	\$895,000	\$895,000 (c)	12/9/10	
203	Livermore, City of	SX21049008	\$2,105,000	\$1,062,219 (c)	12/9/10	
204	Morehead, City of	SX21205034	\$3,000,000	\$3,000,000 (c)	12/9/10	
205	Regional Water Resource Agency		\$6,331,887	\$6,037,387 (c)	12/9/10;3/1/12;8/1/13	
206	Campton, City of		\$3,217,200	\$1,400,000 (c)	2/3/11	
207	Hardinsburg, City of		\$400,000	\$394,849 (c)	2/3/11	
208	Louisa, City of		\$2,058,580	\$1,399,237 (c)	2/3/11	
209	Flemingsburg, City of		\$10,619,600	\$10,619,600	3/3/11;12/6/12	
210	Louisville-Jefferson Co MSD		\$3,400,000	\$0	3/3/11	withdrawn 2/3/12
211	Vanceburg, City of		\$3,400,000	\$2,000,000	3/3/11	
212	Williamsburg, City of		\$1,035,517	\$955,960 (c)	3/3/11	
213	Hopkinsville, City of		\$500,000	\$483,710 (c)	4/7/11	
214	Hopkinsville, City of		\$26,641,000	\$26,641,000	4/7/11	
215	Hopkinsville, City of		\$8,010,000	\$7,100,000	4/7/11;5/9/12	The 5/9/12 increase was rescinded
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	\$3,011,505	5/5/11; revised for ARRA fdg	
<b>Total</b>			<b>\$144,085,094</b>	<b>\$120,565,256</b>		

**PROJECTS APPROVED IN SFY 2012**

221	Oldham Co Env Authority	SX21185037	\$670,588	\$670,588 (c)	7/7/11;6/7/12	
222	Southern Water & Sewer		\$3,750,087	\$1,094,143 (c)	8/4/11;4/12/12	
223	Hodgenville, City of		\$1,635,000	\$1,635,000 (c)	11/10/11	
224	Burkesville, City of		\$1,000,000	\$1,000,000 (c)	11/10/11	
225	Bloomfield, City of		\$0	\$0	11/10/11	Request for funds withdrawn
226	Harrodsburg, City of		\$418,500	\$418,500 (c)	12/8/11	
227	Grant Co Sanitary SD		\$1,276,449	\$941,718 (c)	1/5/12; 10/3/13	
228	Barbourville, City of	SX21121139	\$6,391,817	\$6,391,817 (c)	2/2/12; 11/1/12	
229	Sanitation District #1 of Northern Ky		\$1,001,717	\$851,857 (c)	2/2/12	
230	Sanitation District #1 of Northern Ky		\$0	\$0	2/2/12	Request for funds withdrawn
231	Winchester, City of		\$1,010,000	\$537,235 (c)	2/2/12	
232	Harrodsburg, City of		\$1,157,000	\$706,000 (c)	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		\$0	\$0	3/1/12	Request for funds withdrawn
236	Murray, City of	SX21035001	\$61,515,000	\$61,515,000	3/1/12; 6/4/15	
237	Grant Co Sanitary SD		\$0	\$0	3/1/12	Request for funds withdrawn
238	Lexington-Fayette Urban Co Govt		\$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	SX21059042	\$2,336,875	\$2,336,875	3/1/12; 7/2/15	
241	Flemingsburg, City of		\$2,000,000	\$500,000	4/12/12	
242	Jackson, City of		\$1,200,000	\$700,000 (c)	4/12/12	
243	Russell Springs, City of		\$719,000	\$719,000 (c)	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	\$445,000	\$440,000 (c)	5/3/12;10/25/13	
247	Grayson, City of	SX21043032	\$785,000	\$785,000	5/3/12	
248	Oak Grove, City of	SX21047025	\$0	\$0	5/3/12	Request for funds withdrawn
249	Russell, City of	SX21089091	\$0	\$0	5/3/12	Commitment Expired 9/2013
250	Earlington, City of	SX21107017	\$1,575,000	\$825,000	6/7/12	
251	Lawrenceburg, City of	SX21005007	\$1,157,623.47	\$1,157,623.47 (c)	6/7/12	
252	Perry County Sanitation District	SX21193100	\$3,060,000	\$1,675,000 (c)	6/7/12; 2/6/14	
<b>Total</b>			<b>\$111,659,726</b>	<b>\$101,193,691</b>		

		TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	
<b>PROJECTS APPROVED IN SFY 2013</b>					
253	Jenkins, City of	SX21133013	\$1,500,000	\$495,511 (c)	8/2/12
254	Frankfort, City of	SX21073058	\$9,500,000	\$8,000,000	2/7/13
255	Regional Water Resource Agency	SX21059031	\$1,655,565	\$1,655,565	2/7/13
256	Lexington-Fayette Urban Co Govt	SX21067045 SX21067047 SX21067038	\$5,232,640	\$4,657,640	3/7/13
257	Lexington-Fayette Urban Co Govt	SX21067043 SX21067044 SX21067037 SX21067039 SX21067040	\$13,674,302	\$13,674,302	3/7/13
258	Lexington-Fayette Urban Co Govt	SX21067043	\$10,194,421	\$10,194,421	3/7/13
259	Lexington-Fayette Urban Co Govt	SX21067041	\$31,801,000	\$31,801,000	3/7/13; 6/26/14
260	Lexington-Fayette Urban Co Govt	SX21067006	\$9,100,000	\$6,000,000	3/7/13
261	Pineville, City of	SX21013151	\$2,233,485	\$533,485	4/4/13
262	Regional Water Resource Agency	SX21059014	\$1,538,750	\$1,538,750	5/2/13
263	Oldham Co Env Auth	SX21185052	\$6,650,000	\$6,500,000	5/2/13
264	<b>Lincoln County Sanitation District</b>	<b>SX21137001</b> <b>SX21137017</b>	<b>\$7,924,293</b>	<b>\$4,365,793</b>	<b>6/19/13; 11/5/15</b>
	<b>Total</b>		<b>\$101,004,456</b>	<b>\$89,416,467</b>	
<b>PROJECTS APPROVED IN SFY 2014</b>					
265	Frankfort, City of	SX21073059	\$4,905,000	\$4,905,000	10/3/13
266	London, City of	SX21125001	\$4,391,702	\$4,371,452	10/3/13; 9/4/14
267	Regional Water Resource Agency	SX21059044	\$525,000	\$525,000	3/6/14
268	City of Vanceburg	SX21135009	\$665,000	\$665,000	4/3/14
269	Lexington-Fayette Urban Co Govt	SX21067049	\$19,837,063	\$19,837,063	6/26/14
	<b>Total</b>		<b>\$30,323,765</b>	<b>\$30,303,515</b>	
<b>PROJECTS APPROVED IN SFY 2015</b>					
270	Catlettsburg, City of	SX21019075	\$3,335,000	\$2,485,000	9/4/14
271	Augusta Regional Sewer Auth, Inc.	SX21023010	\$700,000	\$600,000	9/4/14 (A1)
272	Owensboro, City of	SX21059047	\$4,372,500	\$4,372,500	10/2/14; 7/2/15
273	Morganfield, City of	SX21225024	\$2,642,200	\$2,642,200	11/6/14
274	Lexington-Fayette Urban Co Govt	SX21067048	\$71,303,742	\$36,000,000	12/4/14
275	Frankfort, City of	SX21073038	\$3,881,000	\$3,731,000	12/4/14
276	Harrodsburg, City of	SX21167014	\$1,420,000	\$1,420,000	12/4/14
277	Hardinsburg, City of	SX21027021	\$1,279,500	\$1,279,500	2/5/15
278	West Point, City of	SX21093024	\$507,500	\$250,000	2/5/15
279	Barbourville, City of	SX21121133	\$1,856,109	\$1,856,109	4/2/15
280	Harrodsburg, City of	SX21167003	\$21,400,000	\$10,000,000	4/2/15
281	Harrodsburg, City of	SX21167013	\$810,000	\$810,000	4/2/15
282	Mountain Water District	SX21195699	\$3,700,000	\$3,102,921	4/2/15
283	Nicholasville, City of	SX21113027	\$340,980	\$340,980	4/2/15
284	Sanitation District #1	SX21117001	\$3,330,000	\$3,000,000	4/2/15
285	Sanitation District #1	SX21117006	\$2,990,194	\$2,750,194	4/2/15
286	Corbin, City of	SX21235117	\$9,691,600	\$8,684,115	5/7/15
287	Frankfort, City of	SX21073063	\$1,058,000	\$747,041	5/7/15
288	Frankfort, City of	SX21073066	\$1,570,000	\$1,570,000	5/7/15
289	Frankfort, City of	SX21073067	\$2,950,000	\$1,500,000	5/7/15
290	Frankfort, City of	SX21073062	\$1,630,000	\$1,320,000	5/7/15
291	Glasgow, City of	SX21009018	\$5,500,000	\$3,500,000	5/7/15
292	Liberty, City of	SX21045002	\$4,156,000	\$4,156,000	5/7/15
293	Regional Water Resource Agency	SX21059033	\$7,282,500	\$7,282,500	6/4/15
294	Regional Water Resource Agency	SX21059045	\$1,425,000	\$1,425,000	6/4/15
295	Regional Water Resource Agency	SX21059048	\$3,296,951	\$3,296,951	6/4/15
296	Fulton, City of	SX21075003	\$1,139,000	\$1,139,000	6/4/15
297	Owingsville, City of	SX21011022	\$2,700,000	\$2,700,000	6/4/15
	<b>Total</b>		<b>\$166,267,776</b>	<b>\$111,961,011</b>	
<b>PROJECTS APPROVED IN SFY 2016</b>					
298	Eddyville, City of	SX21143007	\$1,484,500	\$1,400,000	7/2/15
299	Brodhead, City of	SX21203316	\$1,275,000	\$1,275,000	8/6/15
300	Hazard, City of	SX21193003	\$1,300,000	\$1,000,000	8/6/15
301	Harrison Co Sanitation District	SX21097015	\$2,567,885	\$1,567,885	9/3/15
302	Elkhorn City, City of	SX21195018	\$3,815,000	\$1,000,000	9/3/15
303	<b>Mercer County Sanitation District</b>	<b>SX21167021</b>	<b>\$848,000</b>	<b>\$848,000</b>	<b>11/5/15</b>
304	<b>Prestonsburg, City of</b>	<b>SX21071210</b>	<b>\$2,033,200</b>	<b>\$2,033,200</b>	<b>11/5/15</b>
305	<b>Prestonsburg, City of</b>	<b>SX21071231</b>	<b>\$2,163,000</b>	<b>\$2,163,000</b>	<b>11/5/15</b>
306	<b>Prestonsburg, City of</b>	<b>SX21071235</b>	<b>\$1,952,900</b>	<b>\$1,952,900</b>	<b>11/5/15</b>
	<b>Total</b>		<b>\$17,439,485</b>	<b>\$13,239,985</b>	
<b>GRAND TOTALS - COMMITMENTS</b>			<b>\$1,745,564,488</b>	<b>\$1,357,085,568</b>	

**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	\$910,506
<b>NET ARRA FUNDS</b>	<b>\$48,793,482</b>

	<b>TOTAL PROJECT AMOUNT</b>	<b>KIA AMOUNT</b>	<b>FIRST USE FUNDS</b>	<b>DATE APPROVED</b>
<b>PROJECTS APPROVED IN SFY 2009:</b>				
1 Sanitation District #1	\$395,000	\$395,000 (c)	\$395,000	6/4/09
2 Sanitation District #1	\$1,755,545	\$1,371,545 (c)	\$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 (c)	\$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 (c)	\$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
<b>TOTALS</b>	<b>\$19,563,325</b>	<b>\$13,265,418</b>	<b>\$13,265,418</b>	
<b>PROJECTS APPROVED IN SFY 2010:</b>				
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 (c)	\$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 (c)	\$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	\$1,331,773 (c)	\$1,331,773	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 (c)	\$1,150,000	10/1/09
32 Louisville & Jefferson Co. Metro. Sewer Dist.	\$17,500,000	\$5,000,000 (c)	\$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	\$433,176 (c)	\$433,176	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 (c)	\$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 (c)	\$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 (c)	\$749,903	12/3/09; 2/4/10
44 West Liberty, City of	\$3,937,950	\$926,445	\$926,445	5/5/11; revised from base fdg
<b>TOTALS</b>	<b>\$63,487,044</b>	<b>\$35,528,064</b>	<b>\$35,528,064</b>	
<b>GRAND TOTALS - COMMITMENTS</b>	<b>\$83,050,369</b>	<b>\$48,793,482</b>	<b>\$48,793,482</b>	
<b>BALANCE AVAILABLE FOR LOAN</b>			<b>\$0</b>	

*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 1989-2014:** \$45,495,408

**Revolving Available to Loan/Grant Before Current Meeting** \$3,733,870

	TOTAL INFRASTRUCTURE AMOUNT	KIA Grnt/Prin Forg AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 1989:</b>							
1	WILMORE, CITY OF	\$1,059,938	\$407,770 (c)	\$13,700,000	257	12-21-88	
2	AUBURN, CITY OF	\$2,175,540	\$1,475,540 (c)	\$2,225,000	96	12-21-88	
3	SOMERSET, CITY OF	\$2,402,764	\$1,500,000 (c)	\$75,000,000	326	12-21-88	
4	HENRY COUNTY	\$775,627	\$287,984 (c)	\$4,380,000	210	03-22-89	(REAP. 1-31-91 & AMD. 6-20-91)
5	GRAVES COUNTY	\$3,717,000	\$3,717,000 (c)	\$31,037,070	600	05-03-89	
	<b>TOTALS</b>	<b>\$10,130,869</b>	<b>\$7,388,294</b>	<b>\$126,342,070</b>	<b>1,489</b>		
<b>PROJECTS APPROVED IN FY 1990:</b>							
6	LAWRENCEBURG, CITY OF	\$301,000	\$86,114 (c)	\$426,187	30	08-07-89	
7	LEITCHFIELD, CITY OF	\$1,296,200	\$699,674 (c)	\$2,470,000	200	08-07-89	
8	LIBERTY, CITY OF	\$319,573	\$163,822 (c)	\$1,533,133	140	08-07-89	
9	BEREA, CITY OF	\$1,200,000	\$340,000 (c)	\$0	750	08-07-89	
10	GAMALIEL, CITY OF	\$2,040,263	\$490,425 (c)	\$2,000,000	125	09-27-89	(REAP. 3-28-91 & AMD. 6-26-92)
11	GRAYSON, CITY OF (1)	\$1,875,000	\$1,000,000 (c)	\$10,000,000	300	12-13-89	
12	LEBANON JUNCTION, CITY OF	\$701,900	\$148,649 (c)	\$7,500,000	200	04-25-90	
13	MT. VERNON, CITY OF	\$864,347	\$456,480 (c)	\$20,000,000	154	04-25-90	(AMD. 3-28-91)
14	RUSSELLVILLE, CITY OF	\$1,591,673	\$1,434,750 (c)	\$0	0	04-25-90	
	<b>TOTALS</b>	<b>\$10,189,956</b>	<b>\$4,819,914</b>	<b>\$43,929,320</b>	<b>1,899</b>		
<b>PROJECTS APPROVED IN FY 1991:</b>							
15	RICHMOND, CITY OF	\$1,508,300	\$250,000 (c)	\$1,500,000	100	09-26-90	
16	WARREN COUNTY W.D. (Chg)	\$638,035	\$229,035 (c)	\$14,000,000	280	09-26-90	
17	LAUREL COUNTY FISCAL COURT	\$964,742	\$319,969 (c)	\$2,900,000	74	09-26-90	
18	MOUNTAIN WATER DISTRICT (Mtn. Top E	\$890,977	\$186,711 (c)	\$2,250,000	500	11-19-90	
19	MONTICELLO, CITY OF (1)	\$336,450	\$366,293 (c)	\$2,300,000	432	06-20-91	
20	JEFFERSON COUNTY / KROGER	\$1,425,575	\$1,310,251 (c)	\$23,950,000	101	06-20-91	(AMD. 3-17-93)
	<b>TOTALS</b>	<b>\$5,764,079</b>	<b>\$2,662,259</b>	<b>\$46,900,000</b>	<b>1,487</b>		
<b>PROJECTS APPROVED IN FY 1992:</b>							
21	NEWPORT, CITY OF	\$4,017,704	\$2,931,899 (c)	\$2,931,899	220	09-16-91	(AMD. 7-23-92; 6-29-94; 12/9/04)
22	HODGENVILLE, CITY OF	\$125,900	\$114,931 (c)	\$400,000	16	11-01-91	
23	SCOTTSVILLE, CITY OF	\$4,252,173	\$2,660,800 (c)	\$0	260	12-04-91	
24	MONTICELLO, CITY OF (2)	\$2,610,040	\$1,495,628 (c)	\$0		12-04-91	
25	WARREN COUNTY WATER DISTRICT (W	\$121,000	\$92,809 (c)	\$32,000,000	200	02-25-92	
26	WARREN COUNTY WATER DISTRICT (Se	\$297,000	\$203,233 (c)	\$0		02-25-92	
27	LIVERMORE, CITY OF	\$86,039	\$86,039 (c)	\$0	12	06-26-92	
	<b>TOTALS</b>	<b>\$11,509,856</b>	<b>\$7,585,339</b>	<b>\$35,331,899</b>	<b>708</b>		
<b>PROJECTS APPROVED IN FY 1993:</b>							
28	MARION, CITY OF	\$1,218,460	\$379,510 (c)	\$1,412,000	40	12-17-92	
29	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)
	<b>TOTALS</b>	<b>\$12,188,789</b>	<b>\$7,474,447</b>	<b>\$359,412,000</b>	<b>1,320</b>		
<b>PROJECTS APPROVED IN FY 1994:</b>							
32	GRAYSON, CITY OF (2)	\$1,712,759	\$1,412,759 (c)	\$0	155	08-31-93	
33	PIKEVILLE, CITY OF	\$5,037,889	\$611,397 (c)	\$4,396,000	93	08-31-93	
34	LANCASTER, CITY OF	\$1,710,420	\$781,462 (c)	\$0	100	09-29-93	
35	GALLATIN COUNTY	\$4,089,434	\$4,000,000 (c)	\$400,089,434	400	09-29-93	(AMD. 6-29-94, REAP. 3-31-95)
36	CAMPBELLSVILLE, CITY OF	\$4,905,000	\$1,905,000 (s)	\$0	295	12-05-95	(REAP.)(AMD. 7-13-98)
	<b>TOTALS</b>	<b>\$38,849,110</b>	<b>\$21,645,392</b>	<b>\$781,897,434</b>	<b>3,363</b>		
<b>PROJECTS APPROVED IN FY 1995:</b>							
30	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	
* 31	WEBSTER COUNTY WATER DISTRICT	\$1,268,460	\$638,000 (c)	\$0	58	05-30-95	
	<b>TOTALS</b>	<b>\$8,713,832</b>	<b>\$4,408,243</b>	<b>\$0</b>	<b>1,558</b>		
<b>PROJECTS APPROVED IN FY 1996:</b>							
* 32	OAK GROVE, CITY OF	\$787,990	\$498,295 (c)	\$0	134	05-14-96	
33	MOUNT STERLING, CITY OF	\$2,467,009	\$2,467,009 (c)	\$0	400	05-14-96	
	<b>TOTALS</b>	<b>\$3,254,999</b>	<b>\$2,965,304</b>	<b>\$0</b>	<b>534</b>		



	TOTAL INFRASTRUCTURE AMOUNT	KIA Grnt/Prin Forg AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 1997:</b>							
34							
	\$583,878		\$300,000 (c)	\$0	30	8-29-96	
42	\$1,028,000		\$528,000 (c)	\$0	95	12-4-96; 4/4/13	REAP 9-1-98; assumed from Hickory
<b>TOTALS</b>	<b>\$1,611,878</b>		<b>\$828,000</b>	<b>\$0</b>	<b>125</b>		
<b>PROJECTS APPROVED IN FY 1998:</b>							
* 42	\$4,392,500		\$600,000 (c)	\$0	77	2-26-98	\$50M inc. app. 2-5-99
* 43	\$8,070,950		\$1,772,800 (c)	\$0	400	2-26-98	(REAP. 12-10-99)
<b>TOTALS</b>	<b>\$12,463,450</b>		<b>\$2,372,800</b>	<b>\$0</b>	<b>477</b>		
<b>PROJECTS APPROVED IN FY 1999:</b>							
* 44	\$5,239,680		\$131,231 (c)	\$0	14	7-13-98	
* 45	\$1,591,200		\$795,600 (c)	\$0	400	4-27-99	
<b>TOTALS</b>	<b>\$6,830,880</b>		<b>\$926,831</b>	<b>\$0</b>	<b>414</b>		
<b>PROJECTS APPROVED IN FY 2000:</b>							
* 46	\$1,100,000		\$744,796 (c)	\$95,000,000	130	09/01/1999; AMD 4/4/00	
* 47	\$184,300		\$112,200 (c)	\$75,000,000	122	12/10/1999; AMD 9/1/01	
<b>TOTALS</b>	<b>\$1,284,300</b>		<b>\$856,996</b>	<b>\$170,000,000</b>	<b>122</b>		
<b>PROJECTS APPROVED IN FY2005:</b>							
* 48	\$1,550,000		\$0	\$0	NA	11/04/2004	commitment expired
* 40	\$736,890		\$0	\$0	NA	11/04/2004	commitment expired
* 41	\$3,192,000		\$2,170,999 (c)	\$0	NA	03/03/2005	
* 42	\$3,548,148		\$2,506,118 (c)	\$0	NA	6/2/05; 7/11/10	assumed from Boone Co FC
<b>TOTALS</b>	<b>\$9,027,038</b>		<b>\$4,677,117</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2006:</b>							
* 43	\$596,776		\$596,776 (c)	\$0	NA	1/2005; 7/26/06; 10/2/08	Assumed from Fancy Farm WD
* 44	\$152,176		\$152,176 (c)	\$0	NA	9/1/2005; 10/2/08	Assumed from Fancy Farm WD
* 45	\$4,644,000		\$560,272 (c)	\$0	NA	12/01/2005	
* 46	\$3,160,000		\$0	\$0	NA	12/01/2005	commitment expired
* 47	\$808,000		\$808,000 (c)	\$0	NA	03/02/2006	
* 48	\$2,055,000		\$945,000 (c)	\$0	NA	05/04/2006	
<b>TOTALS</b>	<b>\$11,415,953</b>		<b>\$3,062,225</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2007:</b>							
* 49	\$0		\$0	\$0	NA	08/03/2006	Withdrawn
* 50	\$4,367,250		\$797,250 (c)	\$0	NA	006;10/01/2009	338,997 In; 50,000 grant
* 51	\$13,065,000		\$3,588,700 (c)	\$0	NA	12/07/2006	3,038,700 In; 550,000 grant
* 52	\$2,400,000		\$837,856 (c)	\$0	NA	02/08/2007	broadband
* 53	\$7,366,000		\$749,947 (c)	\$0	NA	05/10/2007	EO 2007-298 GF
* 54	\$849,154		\$849,154 (c)	\$0	NA	5/10/2007; 10/2/08	S Graves WD
<b>TOTALS</b>	<b>\$28,047,403</b>		<b>\$6,822,906</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2008:</b>							
* 55	\$2,910,000		\$125,000 (c)	\$0	NA	09/06/2007	sewer
* 56	\$3,000,000		\$3,000,000 (c)	\$0	NA	10/04/2007	fiber optic communications
* 57	\$750,000		\$340,000 (c)	\$0	NA	10/04/2007	water
* 58	\$3,237,440		\$400,000 (c)	\$0	NA	10/04/2007	water
* 59	\$1,500,000		\$400,000 (c)	\$0	NA	11/01/2007	water
* 60	\$50,000		\$50,000 (c)	\$0	NA	11/01/2007	water
61	\$2,700,000		\$2,700,000 (c)	\$0	NA	12/06/2007	purchase Auxier Water
62	\$1,200,000		\$1,200,000 (c)	\$0	NA	2/7/2008; 10/9/08	broadband
63	\$690,000		\$490,000 (c)	\$0	NA	03/06/2008	sewer
64	\$2,708,000		\$932,800 (c)	\$0	NA	3/6/08; 7/27/11	water
65	\$500,000		\$500,000 (c)	\$0	NA	04/03/2008	water
66	\$4,000,000		\$1,000,000 (c)	\$0	NA	06/05/2008	sewer
<b>TOTALS</b>	<b>\$23,245,440</b>		<b>\$11,137,800</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2009:</b>							
67	\$2,949,731		\$867,091 (c)	\$0	NA	8/7/08; 12/8/11	sewer
68	\$1,075,000		\$972,330 (c)	\$0	NA	08/07/2008	sewer
69	\$841,000		\$841,000 (c)	\$0	NA	10/02/2008	water meters
70	\$1,119,707		\$582,883 (c)	\$0	NA	12/04/2008	water
71	\$2,500,000		\$2,500,000 (c)	\$0	NA	06/25/09; 4/7/11	broadband; assumed from Murray
72	\$0		\$0	\$0	NA	06/25/2009	sewer - withdrawn 9/24/09
<b>TOTALS</b>	<b>\$8,485,438</b>		<b>\$5,763,304</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2010:</b>							
73	\$2,670,000		\$0	\$0	NA	10/01/2009	sewer
74	\$564,835		\$564,835 (c)	\$0	NA	10/01/2009	sewer
75	\$500,000		\$500,000 (c)	\$0	NA	02/04/2010	sewer
76	\$2,300,000		\$999,811 (c)	\$3,000,000	40	02/04/2010	sewer
77	\$1,075,000	\$800,000	\$275,000	\$0	NA	6/3/10;12/6/12	80% grant/ 20% loan
<b>TOTALS</b>	<b>\$7,109,835</b>	<b>\$800,000</b>	<b>\$2,339,646</b>	<b>\$3,000,000</b>	<b>40</b>		

	TOTAL INFRASTRUCTURE AMOUNT	KIA Grnt/Prin Forg AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY2011:</b>							
78	Bullitt Co Sanitation District	\$500,000	\$0	\$500,000 (c)	\$0 NA	08/05/2010	sewer
79	Greenville, City of	\$1,226,500	\$0	\$1,226,500 (c)	\$0 NA	10/14/10; 10/25/13	sewer
80	Marion, City of	\$2,100,000	\$0	\$1,175,526 (c)	\$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 (c)	\$0 NA	12/09/2010	water
83	Caneyville, City of	\$445,000	\$0	\$110,000 (c)	\$0 NA	12/09/2010	sewer
84	Crab Orchard, City of	\$1,660,000	\$400,000	\$409,999 (c)	\$0 NA	12/09/2010	water
85	Flatwoods, City of	\$887,500	\$514,800	\$128,700 (c)	\$0 NA	2/3/2011; 8/2/12	
86	Graves County Water District	\$1,111,266	\$220,000	\$780,000 (c)	\$0 NA	02/03/2011	
87	Mt. Washington, City of	\$700,000	\$560,000	\$140,000 (c)	\$0 NA	02/03/2011	
88	White Plains, City of	\$657,000	\$525,600	\$131,400 (c)	\$0 NA	02/03/2011	
89	Beattyville, City of	\$675,000	\$140,000	\$35,000 (c)	\$0 NA	03/03/2011	water
90	Elkton, City of	\$141,700	\$0	\$136,761 (c)	\$0 NA	03/03/2011	water
91	Nicholas County Sanitation District	\$2,641,000	\$0	\$550,000 (c)	\$0 NA	03/03/2011	sewer
92	North McLean Co WD	\$737,871	\$200,000	\$50,000 (c)	\$0 NA	03/03/2011	water
93	MuniNet	\$2,031,370	\$0	\$2,031,370 (c)	\$0 NA	04/07/2011	broadband
<b>TOTALS</b>	<b>\$16,419,852</b>	<b>\$2,940,400</b>	<b>\$7,901,930</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2012:</b>							
94	Crittenden-Livingston Water District	\$300,000	\$0	\$300,000 (c)	\$0 NA	08/04/2011	water
95	Lewisburg, City of	\$0	\$0	\$0	\$0 NA	03/01/2012	water - withdrawn 12/2/13
96	Olive Hill, City of	\$505,000	\$0	\$505,000 (c)	\$0 NA	03/01/2012	water
97	Mount Olivet, City of	\$1,100,000	\$0	\$350,000 (c)	\$0 NA	04/12/2012	water
98	Nebo Water District	\$92,000	\$0	\$92,000 (c)	\$0 NA	06/07/2012	water - WX21107002
<b>TOTALS</b>	<b>\$1,997,000</b>	<b>\$0</b>	<b>\$1,247,000</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2013:</b>							
99	East Pendleton Water District	\$160,000	\$0	\$160,000 (c)	\$0 NA	08/02/2012	water WX21191002
100	Marion County Water District	\$548,180	\$0	\$548,180 (c)	\$0 NA	08/02/2012	water - WX21155031
101	Symsonia Water District	\$924,016	\$0	\$329,016	\$0 NA	8/2/12; 12/4/14	water - WX21083055
102	Scottsville, City of	\$716,000	\$0	\$261,068 (c)	\$0 NA	08/02/2012	sewer - SX21003032
103	South Shore, City of	\$2,082,411	\$0	\$1,882,411	\$0 NA	8/2/12; 4/2/15	purchase water system; WX21089067
104	City of Elkton	\$346,243	\$0	\$346,243 (c)	\$0 NA	3/7/13; 10/25/13	water - WX21219030
105	Bullitt Co Sanitation District	\$89,217	\$84,756	\$4,461 (c)	\$0 NA	03/07/2013	sewer - SX21029031
106	Pineville, City of	\$1,380,000	\$0	\$1,380,000	\$0 NA	04/04/2013	water - WX21013926
107	Green River Valley Water District	\$1,606,593	\$0	\$1,292,500	\$0 NA	4/4/13; 6/4/15	water - WX21099037
108	Burkesville, City of	\$1,500,000	\$0	\$500,000 (c)	\$0 NA	05/02/2013	sewer - SX21057003
109	Scottsville, City of	\$2,093,465	\$0	\$1,416,540	\$0 NA	05/02/2013	sewer - SX21003027
<b>TOTALS</b>	<b>\$11,446,125</b>	<b>\$84,756</b>	<b>\$8,120,420</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2014:</b>							
110	Paradise Park Reg Industrial Dev Auth	\$853,585	\$0	\$350,000	\$0 NA	09/05/2013	water - WX21177029
111	US 60 Water District	\$1,605,810	\$0	\$1,300,000 (c)	\$0 NA	09/05/2013	water - WX21211033
112	Greensburg, City of	\$83,813	\$0	\$83,813	\$0 NA	02/06/2014	water - WX21087018
113	Edmonton, City of	\$174,907	\$0	\$174,907 (c)	\$0 NA	02/06/2014	water - WX21169031
114	Dawson Springs, City of	\$450,000	\$0	\$350,000	\$0 NA	03/06/2014	water - WX21107035
115	Wickliffe, City of	\$150,000	\$0	\$150,000	\$0 NA	03/06/2014	water - WX21007006
116	Lebanon Junction, City of	\$300,000	\$0	\$300,000	\$0 NA	4/3/14; 9/3/15	sewer - SX21029032
117	Grand Rivers, City of	\$263,000	\$0	\$263,000 (c)	\$0 NA	04/03/2014	water - WX21139017
118	Mount Olivet, City of	\$65,000	\$0	\$65,000	\$0 NA	04/03/2014	sewer - SX21201007
119	Hickman, City of	\$0	\$0	\$0	\$0 NA	04/03/2014	water - WX21075017 - withdrawn 8/20/14
120	London, City of	\$1,100,300	\$0	\$1,100,300 (c)	\$0 NA	05/01/2014	sewer - SX21125004
121	Greenup Joint Sewer Agency	\$2,000,000	\$0	\$2,000,000	\$0 NA	06/26/2014	sewer - SX21089072
122	Greensburg, City of	\$0	\$0	\$0	\$0 NA	06/26/2014	water - WX21087008 - withdrawn 2/20/14
<b>TOTALS</b>	<b>\$7,046,415</b>	<b>\$0</b>	<b>\$6,137,020</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2015:</b>							
123	Hustonville, City of	\$606,700	\$0	\$606,700	\$0 NA	9/4/14; 10/1/15	water - WX21137046
124	Bracken Co Water District	\$358,000	\$0	\$358,000	\$0 NA	12/04/2014	water - WX21023045
125	Northern Kentucky Water District	\$1,834,917	\$0	\$1,500,000	\$0 NA	02/05/2015	water - WX21117002
126	Cattlettsburg, City of	\$270,000	\$0	\$270,000 (c)	\$0 NA	02/05/2015	sewer - SX21019076
127	Barbourville, City of	\$130,000	\$0	\$130,000	\$0 NA	04/02/2015	water - WX21121007
128	US 60 Water District	\$2,326,000	\$0	\$2,300,000	\$0 NA	06/04/2015	water - WX21211033
129	McLean County Regional Water Commissic	\$10,992,089	\$0	\$2,500,936	\$0 NA	06/04/2015	water - WX21149042
<b>TOTALS</b>	<b>\$16,517,706</b>	<b>\$0</b>	<b>\$7,665,636</b>	<b>\$0</b>			
<b>PROJECTS APPROVED IN FY2016:</b>							
130	Bullitt County Sanitation District	\$175,000	\$0	\$87,500	\$0 NA	07/02/2015	sewer - SX21029030
131	Muhlenberg County Water District #3	\$391,000	\$0	\$250,000	\$0 NA	07/02/2015	water - WX21177038
132	Jeffersonville, City of	\$309,600	\$0	\$309,000	\$0 NA	08/06/2015	water - WX21173112
133	Pineville, City of	\$323,313	\$0	\$323,313	\$0 NA	08/06/2015	sewer - SX21013004
134	Martin, City of	\$400,000	\$0	\$400,000	\$0 NA	09/03/2015	sewer - SX21071008
135	<b>Perry County Fiscal Court</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$0 NA</b>	<b>10/05/2015</b>	<b>water - WX21193029</b>
<b>TOTALS</b>	<b>\$1,948,913</b>	<b>\$0</b>	<b>\$1,719,813</b>	<b>\$0</b>			
<b>GRAND TOTALS</b>	<b>\$265,499,117</b>	<b>\$3,825,156</b>	<b>\$130,528,636</b>	<b>\$1,566,812,723</b>	<b>13,536</b>		

**bold, italics - pending board approval**  
\* Bonds have not been sold for these projects  
+ Projects were funded under the master note  
(c) - Final amounts; Loan has been closed  
(s) - Amount represented in the assistance agreement

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

<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>WATER RESOURCES GRANT----- (FUND B1)</b>
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TOTAL INFRASTRUCTURE AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
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**PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:**

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

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

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

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

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

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

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

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

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

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

31	Columbia-Campbellsville	WX21001008	\$3,415,000	\$55,000	12/06/2001
32	Bath County Water District	WX21011002	\$2,253,000	\$1,150,000	12/06/2001
33	City of Paris	WX21017002	\$2,300,000	\$1,000,000	12/06/2001
34	City of Ashland	WX21019006	\$2,362,626	\$750,000	12/06/2001
35	Bracken County Water District	WX21023001	\$1,810,000	\$93,500	12/06/2001
36	City of Murray	WX21035005	\$1,126,000	\$0	12/06/2001
37	Center Ridge Water District	WX21035011	\$262,200	\$262,200	12/06/2001
38	West Carroll Water District	WX21041301	\$2,200,000	\$500,000	12/06/2001
39	Rattlesnake Ridge Water District	WX21043001	\$4,130,000	\$440,000	12/06/2001
40	Christian County Water District	WX21047011	\$2,200,000	\$1,000,000	12/06/2001
41	Owensboro Municipal Utilities	WX21059001	\$2,500,000	\$1,000,000	12/06/2001
42	Consumers Water District	WX21083002	\$1,117,868	\$1,000,000	12/06/2001
43	City of Caneyville	WX21085001	\$486,000	\$186,000	12/06/2001
44	Grayson County Water District	WX21085009	\$2,878,000	\$1,000,000	12/06/2001
45	City of Cumberland	WX21095662	\$1,600,000	\$400,000	12/06/2001
46	Henderson Water Utility	WX21101005	\$600,000	\$600,000	12/06/2001
47	Wood Creek water District	WX21125527	\$350,364	\$350,364	12/06/2001
48	Louisa Water District	WX21127001	\$5,570,570	\$1,000,000	12/06/2001
49	Electric Plant Board of the City of Vanceburg	WX21135001	\$4,077,000	\$977,000	12/06/2001
50	City of Sacramento	WX21149002	\$150,000	\$150,000	12/06/2001
51	Western Lewis Rectorville Water District	WX21161001	\$1,399,000	\$275,000	12/06/2001
52	Edmonton Water Works	WX21169001	\$2,222,782	\$595,782	12/06/2001
53	Tri-Village Water District	WX21187205	\$1,800,000	\$800,000	12/06/2001
54	City of Falmouth	WX21191311	\$1,000,000	\$300,000	12/06/2001
55	City of Hazard	WX21193009	\$5,500,000	\$250,000	12/06/2001
56	Buffalo Trail Water Association	WX21201005	\$1,500,000	\$750,000	12/06/2001
57	US 60 Water District	WX21211026	\$1,375,000	\$650,000	12/06/2001
58	Taylorville Water Works	WX21215087	\$3,500,000	\$430,400	12/06/2001
59	Campbellsville-Greensburg	WX21217004	\$3,181,900	\$0	12/06/2001
60	Cadiz-Trigg County Regional Water Commissio	WX21221002	\$14,000,000	\$70,000	12/06/2001
61	City of Midway	WX21239003	\$766,000	\$150,000	12/06/2001
62	City of Booneville	WX21189002	\$687,000	\$130,000	06/06/2002
<b>TOTALS</b>			<b>\$78,320,310</b>	<b>\$16,315,246</b>	(rlf)

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

63	Knott Co Water & Sewer		\$500,000	\$500,000	10/05/2006
64	Bath Co WD		\$514,340	\$250,000	12/07/2006
65	Western Pulaski Co Water District		\$620,000	\$620,000	5/10/07; 6/21/07
66	City of Harlan		\$200,000	\$200,000	06/21/2007
<b>TOTALS</b>			<b>\$1,834,340</b>	<b>\$1,570,000</b>	(rlf)

**PROJECTS APPROVED IN FY2008:**

67	City of Arlington		\$190,750	\$190,750	07/19/2007
68	City of Elkton		\$200,000	\$200,000	07/19/2007
69	City of Georgetown		\$80,000	\$80,000	07/19/2007
70	Morehead Utility Plant Board		\$373,900	\$373,900	07/19/2007
<b>TOTALS</b>			<b>\$844,650</b>	<b>\$844,650</b>	

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

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

(s) - Amount represented in the assistance agreement

(c) - Grant has been closed.

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

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

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

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

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

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

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

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

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

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

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
<b>Fd C Available to Loan/Grant Before Current Meeting</b>		\$4,089,368		
ORIGINAL KENTUCKY POLLUTION ABATEMENT AUTHORITY LOANS (42) REFINANCED BY THE KENTUCKY INFRASTRUCTURE AUTHORITY (1989)		<b>\$32,025,000</b>		
<b><u>PROJECTS APPROVED IN FY 1989:</u></b>				
1 CAMPBELLSVILLE, CITY OF	\$3,450,000	\$2,500,000	(c)	
2 CARLISLE, CITY OF	\$3,958,731	\$1,764,950	(c)	
3 CRITTENDEN, CITY OF	\$1,725,300	\$913,800	(c)	
4 EDMONTON, CITY OF	\$740,728	\$505,728	(c)	
5 FULTON, CITY OF	\$1,200,000	\$380,000	(c)	
6 INEZ, CITY OF	\$5,692,657	\$825,477	(c)	
7 PADUCAH-MCCRACKEN JOINT SEWER COM	\$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 COM	\$1,528,626	\$1,528,626	(c)	ASSUMED FROM MCCRACKEN CO SEWER
14 PADUCAH-MCCRACKEN JOINT SEWER COM	\$2,099,125	\$2,099,125	(c)	ASSUMED FROM MCCRACKEN CO SEWER
15 OLDHAM COUNTY WATER DISTRICT	\$1,191,282	\$1,330,500	(c)	
16 LOUISVILLE WATER COMPANY	\$2,593,497	\$1,094,330	(c)	ASSUMED FROM KENTUCKY TURNPIKE WATER DISTRICT 3/7/02
<b>TOTALS</b>	<b>\$38,061,943</b>	<b>\$21,411,392</b>		
<b><u>PROJECTS APPROVED IN FY 1990:</u></b>				
17 BULLOCK-PEN WATER DISTRICT	\$779,649	\$399,049	(c)	08-07-89
18 BOYD COUNTY SANITATION DISTRICT #2	\$2,525,506	\$1,477,350	(c)	08-07-89 (AMD. 8-16-90 & 12-4-91)
19 FLEMINGSBURG, CITY OF	\$1,218,286	\$1,066,000	(c)	08-07-89
20 FRANKLIN, CITY OF	\$695,690	\$687,204	(c)	05-03-89 (AMD. 8-7-89)
21 PINEVILLE, CITY OF	\$3,099,590	\$308,767	(c)	09-27-89
22 EDMONSON COUNTY WATER DISTRICT	\$860,117	\$507,767	(c)	12-13-89
23 HENDERSON COUNTY WATER DISTRICT #4	\$581,609	\$550,000	(c)	12-13-89 (AMD. 6-20-91)
24 EAST LOGAN COUNTY WATER DISTRICT	\$1,253,120	\$514,303	(c)	12-13-89
25 MCKEE, CITY OF	\$562,789	\$185,289	(c)	04-25-90
<b>TOTALS</b>	<b>\$11,576,356</b>	<b>\$5,695,729</b>		
<b><u>PROJECTS APPROVED IN FY 1991:</u></b>				
26 U.S. 60 WATER DISTRICT	\$391,065	\$202,400	(c)	08-16-90
27 EDMONTON, CITY OF	\$727,621	\$502,621	(c)	08-16-90
28 MUNFORDVILLE, CITY OF	\$107,320	\$100,850	(c)	09-26-90
29 LEXINGTON-SOUTH ELKHORN WATER DIST	\$1,750,000	\$1,712,000	(c)	03-28-91
30 PADUCAH-MCCRACKEN JOINT SEWER COM	\$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 #2	\$633,013	\$325,000	(c)	06-20-91
<b>TOTALS</b>	<b>\$5,263,172</b>	<b>\$4,350,963</b>		
<b><u>PROJECTS APPROVED IN FY 1992:</u></b>				
34 TOMPKINSVILLE, CITY OF	\$648,200	\$306,200	(c)	07-24-91
35 WALTON, CITY OF	\$140,577	\$140,577	(c)	07-24-91
36 WILMORE, CITY OF	\$745,155	\$228,355	(c)	09-16-91
37 EDMONSON COUNTY WATER DISTRICT	\$197,959	\$92,747	(c)	09-16-91
38 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
<b>TOTALS</b>	<b>\$4,361,311</b>	<b>\$2,715,815</b>		
<b><u>PROJECTS APPROVED IN FY 1993:</u></b>				
43 GEORGETOWN, CITY OF	\$554,870	\$162,870	(c)	11-12-92 (AMD. 6-29-94)(Assumed from Stamping Ground 3/2/06)
44 PIKEVILLE, CITY OF	\$1,317,639	\$419,771	(c)	11-12-92
45 NORTH MARSHALL COUNTY WATER DISTRI	\$1,414,199	\$1,414,199	(c)	12-17-92
46 TAYLORSVILLE, CITY OF	\$188,000	\$188,000	(c)	03-03-93
47 WURLAND, CITY OF	\$336,885	\$264,145	(c)	05-05-93
<b>TOTALS</b>	<b>\$3,811,593</b>	<b>\$2,448,985</b>		

	TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 1994:</b>					
48	WHITESBURG, CITY OF	\$1,701,993	\$381,855	(c)	09-29-93
49	JONATHAN CREEK WATER DISTRICT	\$2,768,000	\$2,302,500	(c)	09-29-93 (AMD 9/7/03)
50	NORTHERN ROCKCASTLE COUNTY WATER	\$455,226	\$265,226	(c)	09-29-93
51	Shelbyville, City of	\$2,100,000	\$697,263	(c)	05-11-94 Assumed from Shelby Co SD #1
52	LAUREL COUNTY WATER DISTRICT #2	\$1,324,000	\$900,950	(c)	05-11-94 (AMD. 12-5-95)
	<b>TOTALS</b>	<b>\$8,349,219</b>	<b>\$4,547,794</b>		
<b>PROJECTS APPROVED IN FY 1995:</b>					
53	CARLISLE, CITY OF	\$715,000	\$425,895	(c)	11-29-94
**	54 HENRY COUNTY WATER DISTRICT #2	\$8,426,000	\$5,026,000	(s)(n)	03-31-95 (AMD. 12-5-95)
55	CALHOUN, CITY OF	\$506,100	\$453,299	(c)	5-30-95
	<b>TOTALS</b>	<b>\$9,647,100</b>	<b>\$5,905,194</b>		
<b>PROJECTS APPROVED IN FY 1996:</b>					
56	OLDHAM COUNTY WATER DISTRICT	\$1,174,500	\$1,062,256	(c)	2-26-95
57	HOPKINSVILLE, CITY OF	\$1,156,400	\$912,970	(c)	12-4-96; 4-7-11 assumed from Oak Grove
	<b>TOTALS</b>	<b>\$2,330,900</b>	<b>\$1,975,226</b>		
<b>PROJECTS APPROVED IN FY 1997:</b>					
58	EAST PENDLETON WATER DISTRICT	\$202,004	\$219,856	(c)	6-19-97
	<b>TOTALS</b>	<b>\$202,004</b>	<b>\$219,856</b>		
<b>PROJECTS APPROVED IN FY 1998:</b>					
	<b>TOTALS</b>	<b>\$0</b>	<b>\$0</b>		
<b>PROJECTS APPROVED IN FY 1999:</b>					
59	LOUISA, CITY OF	\$387,500	\$442,857	(c)	7/13/98 (AMD 9-1-99)
*	60 WEBSTER COUNTY WATER DISTRICT	\$6,165,911	\$4,000,000	(c)	9/1/98
61	MEADE COUNTY WATER DISTRICT	\$4,204,225	\$407,608	(c)	12/18/98
	<b>TOTALS</b>	<b>\$10,757,636</b>	<b>\$4,850,465</b>		
<b>PROJECTS APPROVED IN FY 2001:</b>					
62	BARLOW, CITY OF	\$416,000	\$237,714	(c)	3/1/01
	<b>TOTALS</b>	<b>\$416,000</b>	<b>\$237,714</b>		
<b>PROJECTS APPROVED IN FY 2002:</b>					
63	OLDHAM COUNTY WATER DISTRICT	\$7,043,642	\$5,560,339	(c)	7/12/01
	<b>TOTALS</b>	<b>\$7,043,642</b>	<b>\$5,560,339</b>		
<b>PROJECTS APPROVED IN FY 2003:</b>					
*	64 MCCREARY COUNTY FISCAL COURT	7,996,000	1,474,999	(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
	<b>TOTAL</b>	<b>\$7,996,000</b>	<b>\$5,634,999</b>		
<b>PROJECTS APPROVED IN FY 2004:</b>					
68	KNOTT CO WATER & SEWER DISTRICT	\$2,628,821	\$640,367		08/07/2003
*	69 CAWOOD WATER DISTRICT	\$2,020,000	\$500,000		12/04/2003
*	70 BLACK MTN UTILITIES DISTRICT	\$2,295,000	\$250,000	(c)	01/08/2004
	<b>TOTAL</b>	<b>\$6,943,821</b>	<b>\$1,390,367</b>		
<b>PROJECTS APPROVED IN FY 2005:</b>					
*	71 NORTONVILLE, CITY OF	\$5,300,000	\$2,768,556	(c)	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
	<b>TOTAL</b>	<b>\$8,243,900</b>	<b>\$3,715,456</b>		
<b>PROJECTS APPROVED IN FY 2007:</b>					
*	74 MAYFIELD, CITY OF	\$393,250	\$389,255	(c)	05/10/2007 broadband
	<b>TOTAL</b>	<b>\$393,250</b>	<b>\$389,255</b>		

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 2008:</b>						
*	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
		<b>TOTAL</b>	<b>\$8,598,703</b>	<b>\$7,744,488</b>		
<b>PROJECTS APPROVED IN FY 2009:</b>						
*	78	UNION, CITY OF	\$1,147,500	\$248,294	(c)	10/02/2008 sewer
		<b>TOTAL</b>	<b>\$1,147,500</b>	<b>\$248,294</b>		
<b>PROJECTS APPROVED IN FY 2010:</b>						
*	79	BARDSTOWN, CITY OF	\$1,800,000	\$1,800,000	(c)	10/01/2009; 8/4/2011 industrial park transmission
*	80	BARDSTOWN, CITY OF	\$5,050,000	\$3,500,000	(c)	10/01/2009 water
		<b>TOTAL</b>	<b>\$6,850,000</b>	<b>\$5,300,000</b>		
<b>PROJECTS APPROVED IN FY 2011:</b>						
*	81	Bracken Co Water District	\$621,000	\$621,000	(c)	03/03/2011 water main replacement
		<b>TOTAL</b>	<b>\$621,000</b>	<b>\$621,000</b>		
<b>PROJECTS APPROVED IN FY 2012:</b>						
*	82	Warren Co Water District	\$1,114,400	\$823,900	(c)	10/06/2011 Buchanan 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
		<b>TOTAL</b>	<b>\$4,887,449</b>	<b>\$4,596,949</b>		
<b>PROJECTS APPROVED IN FY 2014:</b>						
*	85	Bowling Green, City of	\$1,192,485	\$1,192,485		02/06/2014 WX21227077 - Reservoir Hill Piping Renovation Project
*	86	Glasgow, City of	\$3,364,860	\$3,000,000	(c)	06/26/2014 SX21009017 - New sewer basin
		<b>TOTAL</b>	<b>\$4,557,345</b>	<b>\$4,192,485</b>		
<b>PROJECTS APPROVED IN FY 2015:</b>						
*	87	Northern Madison Co SD	\$1,500,000	\$1,200,000		10/02/2014 SX21151036 - Muddy Creek Waste Water Treatment Plant
*	88	Richmond, City of	\$1,422,370	\$1,422,370		11/06/2014 WX21151058 - Raw Water Intake Electric Relocation
*	89	Warren County Water District	\$1,760,700	\$1,090,050		02/15/2015 SX21227047 - Alvaton Area Sewer Extension
		<b>TOTAL</b>	<b>\$4,683,070</b>	<b>\$3,712,420</b>		
		<b>KIA TOTALS</b>	<b>\$156,742,914</b>	<b>\$97,465,184</b>		
		<b>GRAND TOTALS (including KPAA)</b>		<b>\$129,490,184</b>		
		Funds committed; not issued:		<b>\$37,192,925</b>		

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

\* Bonds have not been sold for these projects.

\*\* Withdrew from bond sale.

(s) - Amount represented in the assistance agreement.

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

(n) - Participating in BAN's



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

**AVAILABLE FUNDS FY 1997:**

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

**AVAILABLE FUNDS FY 1998:**

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

**AVAILABLE FUNDS FY 1999:**

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

**AVAILABLE FUNDS FY 2000:**

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

**AVAILABLE FUNDS FY 2001:**

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

**AVAILABLE FUNDS FY 2002:**

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

**AVAILABLE FUNDS FY 2003:**

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

**AVAILABLE FUNDS FY 2004:**

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

**AVAILABLE FUNDS FY 2005:**

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

**AVAILABLE FUNDS FY 2006:**

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

**AVAILABLE FUNDS FY 2007:**

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

**AVAILABLE FUNDS FY 2008:**

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

**AVAILABLE FUNDS FY 2009:**

FEDERAL TITLE VI GRANT FUNDS	\$8,543,000
BOND PROCEEDS (20%)	\$1,708,600
ADMINISTRATION (4%)	(\$85,430)
OTHER SET ASIDES	(\$2,281,788)
NET 09 SRF FUNDS	\$7,884,382

**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	\$13,595,000
BOND PROCEEDS (20%)	\$2,675,800
ADMINISTRATION (4%)	(\$535,160)
OTHER SET ASIDES	(\$3,210,960)
NET 11 SRF FUNDS	\$12,524,680

**AVAILABLE FUNDS FY 2012:**

FEDERAL TITLE VI GRANT FUNDS	\$12,956,000
BOND PROCEEDS (20%)	\$2,591,200
ADMINISTRATION (4%)	(\$388,680)
OTHER SET ASIDES	(\$3,362,082)
NET 12 SRF FUNDS	\$11,796,438

**AVAILABLE FUNDS FY 2013:**

FEDERAL TITLE VI GRANT FUNDS	\$12,156,000
BOND PROCEEDS (20%)	\$2,431,200
ADMINISTRATION (4%)	(\$364,680)
OTHER SET ASIDES	(\$2,911,362)
NET 13 SRF FUNDS	\$11,311,158

**AVAILABLE FUNDS FY 2014:**

FEDERAL TITLE VI GRANT FUNDS	\$13,770,000
BOND PROCEEDS (20%)	\$2,754,000
ADMINISTRATION (4%)	(\$413,100)
OTHER SET ASIDES	(\$3,717,900)
NET 13 SRF FUNDS	\$12,393,000

NET FY 97-14 SRF FUNDS \$200,091,675

CURRENT REVOLV/SURPL FUND BALANCE \$ 60,727,286

Leverage Fund Balance \$0

	TOTAL PROJECT AMOUNT	KIA LOAN AMOUNT		DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED IN FY 2000</b>					
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
	<b>TOTALS</b>	<b>\$3,795,165</b>	<b>\$3,227,254</b>		
<b>PROJECTS APPROVED IN FY2001</b>					
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)	9/29/00; 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	
	<b>TOTALS</b>	<b>\$37,599,303</b>	<b>\$18,014,961</b>		
<b>PROJECTS APPROVED IN FY2002</b>					
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	
	<b>TOTALS</b>	<b>\$60,854,422</b>	<b>\$23,652,849</b>		
<b>PROJECTS APPROVED IN FY2003</b>					
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	
	<b>TOTALS</b>	<b>\$32,672,680</b>	<b>\$13,670,733</b>		
<b>PROJECTS APPROVED IN FY2004</b>					
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
	<b>TOTALS</b>	<b>\$27,321,108</b>	<b>\$9,964,599</b>		
<b>PROJECTS APPROVED IN FY2005</b>					
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	
	<b>TOTALS</b>	<b>\$19,256,537</b>	<b>\$9,814,900</b>		
<b>PROJECTS APPROVED IN FY 2006</b>					
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; 11/1/12	assumed from Columbia-Adair Wat Com
44	\$6,844,310	\$4,000,000	(c)	6/1/06	
	<b>TOTALS</b>	<b>\$35,342,460</b>	<b>\$12,920,000</b>		
<b>PROJECTS APPROVED IN FY 2007</b>					
45	\$6,865,000	\$4,000,000	(c)	10/5/06	
46	\$3,302,000	\$1,000,000	(c)	6/21/07	
47	\$1,750,000	\$1,746,043	(c)	6/21/07	
	<b>TOTALS</b>	<b>\$11,917,000</b>	<b>\$6,746,043</b>		

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
<b>PROJECTS APPROVED FY 2008</b>						
48	LETCHER CO WAT & SEW DISTRICT	\$1,193,000	\$781,000 (c)		10/4/07	
49	RICHMOND, CITY OF	\$7,108,951	\$4,000,000 (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	\$6,743,307 (c)		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 (c)		2/7/08	
60	HOPKINSVILLE, CITY OF	\$14,000,000	\$8,800,000 (c)		3/6/08; 5/7/09; 12/1/11	
61	NORTHERN KY WATER DISTRICT	\$6,565,000	\$4,000,000 (c)		3/6/08	
62	OHIO CO WATER DISTRICT	\$19,698,500	\$4,146,831 (c)		3/6/08; 6/4/09	
63	CENTERTOWN, CITY OF	\$2,866,652	\$1,097,430		3/6/08; 6/25/09	
	<b>TOTALS</b>	<b>\$101,771,370</b>	<b>\$53,926,559</b>			
<b>PROJECTS APPROVED FY2009</b>						
64	PAINTSVILLE, CITY OF	\$29,135,364	\$6,519,566 (c)		12/4/08	
	<b>TOTALS</b>	<b>\$29,135,364</b>	<b>\$6,519,566</b>			
<b>PROJECTS APPROVED FY2010</b>						
65	PADUCAH, CITY OF	\$7,510,000	\$7,500,000		9/3/09	
66	HARDINBURG, CITY OF	\$4,700,500	\$3,251,590		11/12/09	
67	NORTHERN KY WATER DISTRICT	\$45,300,000	\$24,000,000 (c)		12/3/09; 12/9/10; 10/6/11	
68	ADAIR CO WD DBA COLUMBIA/ADAIR UTIL DIST	\$1,694,000	\$1,694,000 (c)		6/3/10; 11/1/12	assumed from Columbia-Adair Wat Com
	<b>TOTALS</b>	<b>\$59,204,500</b>	<b>\$36,445,590</b>			
<b>PROJECTS APPROVED FY2011</b>						
69	Adair Co Water District	\$4,133,000	\$4,000,000 (c)		7/1/10	
70	Louisa, City of	\$1,690,629	\$1,690,629 (c)		7/1/10	
71	Madison County Utilities District	\$940,225	\$940,225 (c)		12/9/10	
72	Hardinsburg, City of	\$4,198,000	\$4,000,000 (c)		2/3/11; 6/24/14	Request for increase withdrawn
73	Williamstown, City of	\$2,250,000	\$1,786,300 (c)		3/3/11	
74	Bullock Pen Water District	\$1,876,300	\$1,796,300 (c)		4/7/11; 11/01/12	
75	Brandenburg, City of	\$0	\$0		4/7/11	Request for funds withdrawn
76	Barbourville, City of	\$6,000,000	\$4,000,000 (c)		5/5/11	
77	Barlow, City of	\$520,000	\$430,000 (c)		5/5/11; 3/7/13	
78	West Liberty, City of	\$3,050,300	\$2,148,488.70 (c)		5/5/11; revised for ARRA fdg	
	<b>TOTALS</b>	<b>\$24,658,454</b>	<b>\$20,791,942</b>			
<b>PROJECTS APPROVED FY2012</b>						
79	Breathitt Co Water District	\$2,500,000	\$2,500,000		7/7/11	
80	Adair Co WD dba Columbia Adair Utilities	\$3,439,000	\$1,500,000		8/4/11	
81	Jessamine South Elkhorn WD	\$3,025,300	\$3,025,300		11/10/11	
82	Hodgenville, City of	\$774,183	\$774,183		11/10/11	
83	East Casey County WD	\$1,545,000	\$1,545,000		11/10/11	
84	Nicholasville, City of	\$0	\$0		11/10/11	rescinded
85	Harrodsburg, City of	\$518,000	\$518,000 (c)		12/8/11; 3/7/13	
86	Bowling Green Municipal Utilities	\$1,316,378	\$1,066,250 (c)		12/8/11	
87	Carrollton, City of	\$1,850,270	\$1,977,731 (c)		12/8/11	
<b>PROJECTS APPROVED IN FY 2012 (Continued)</b>						
88	Mount Vernon, City of	\$3,023,310	\$3,023,310		1/5/12; 10/2/14	
89	Lyon Co WD	\$2,000,000	\$2,000,000		1/5/12	
90	Campbellsville, City of	\$1,875,000	\$1,875,000		3/1/12	
91	Centertown, City of	\$922,850	\$922,850 (c)		3/1/12	
92	Sturgis, City of	\$4,000,000	\$3,000,000		3/1/12	
93	Hartford, City of	\$564,150	\$486,840 (c)		6/7/12	
	<b>TOTALS</b>	<b>\$27,353,441</b>	<b>\$24,214,464</b>			

		TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS	
<b>PROJECTS APPROVED IN FY 2013</b>						
94	Adair Co WD dba Columbia Adair Ut	WX21001024	\$4,000,000	\$4,000,000	11/1/12	
95	Nicholasville, City of	WX21113042	\$983,400	\$488,400	12/6/12; 3/6/14; 9/3/15	
96	Nicholasville, City of	WX21113041	\$110,000	\$110,000	12/6/12; 3/6/14	
97	Danville, City of	WX21021017	\$28,608,171	\$12,467,849	2/7/13; 2/6/14; 6/26/14	
98	Madison Co Utility District	WX21151051	\$876,528	\$856,528 (c)	2/7/13	
99	Vanceburg, City of	WX21135017	\$849,878	\$849,878 (c)	2/7/13	
		WX21167022				
		WX21167026				
100	City of Harrodsburg	WX21167027	\$2,701,543	\$2,701,543 (c)	3/7/13; 6/26/14	
101	Frankfort Electric & Water Plant Boa	WX21073018	\$4,000,000	\$4,000,000	3/7/13	
102	Henry Co Water District #2	WX21103039	\$3,340,000	\$2,153,041 (c)	3/7/13	
103	Sebree, City of	WX21233108	\$1,835,738	\$885,738	4/4/13	
104	Carrollton, City of	WX21041001	\$1,757,706	\$1,657,988	5/2/13; 11/6/14	
105	Northern Ky Water District	WX21037003	\$9,824,000	\$8,000,000	5/2/13; 6/26/14	
106	Hopkinsville, City of	WX21047010	\$6,000,000	\$4,000,000	5/2/13	
107	Williamstown, City of	WX21081001	\$17,249,165	\$6,249,165	6/19/13; 5/1/14; 9/3/15	
	<b>TOTALS</b>		<b>\$82,136,129</b>	<b>\$48,420,130</b>		
<b>PROJECTS APPROVED IN FY 2014</b>						
108	Garrison-Quincy KY-O-Heights WD	WX21135013	\$831,000	\$831,000	10/3/13	
109	Carrollton, City of	WX21041002	\$963,931	\$963,931	12/5/13	
110	Hardinsburg, City of	WX21027014	\$1,190,000	\$1,190,000	12/5/13	
111	Northern Ky Water District	WX21037004	\$5,734,000	\$4,000,000	12/5/13	
112	North Middletown, City of	WX21017019	\$680,000	\$680,000	2/6/14; 6/26/14	Interest rate reduction to .75%
113	Jenkins, City of	WX21133043	\$2,400,000	\$2,400,000	3/6/14	
114	Bullock Pen Water District	WX21081006	\$869,600	\$849,600	3/6/14	
115	Midway, City of	WX21239027	\$215,000	\$215,000 (c)	5/1/14	
116	Flatwoods, City of	WX21089064	\$277,822	\$277,822 (c)	6/26/14	
	<b>TOTALS</b>		<b>\$13,161,353</b>	<b>\$11,407,353</b>		
<b>PROJECTS APPROVED IN FY 2015</b>						
117	Cumberland County WD	WX21057013	\$1,368,000	\$1,268,000	10/2/14	
118	Western Lewis-Rectorville Wtr & Gas Dist	WX21161039	\$1,280,000	\$1,266,500	10/2/14	
119	Henry County WD #2	WX21103037	\$3,254,000	\$2,800,000	10/2/14	
120	Northern Ky Water District	WX21037006	\$6,406,830	\$4,000,000	11/6/14	
121	Pineville, City of	WX21013918	\$220,000	\$220,000	11/6/14	F1
122	Lebanon, City of	WX21155039	\$3,230,000	\$3,230,000	12/4/14	
123	Monroe Co Water District	WX21171045	\$12,412,000	\$12,013,638	12/4/14; 7/2/15	
124	Campbellsville, City of	WX21217023	\$6,428,000	\$6,428,000	12/4/14	
125	Fleming-Neon, City of	WX21133029	\$143,598	\$143,598	12/4/14	
126	Burkesville, City of	WX21057017	\$811,600	\$811,600	2/5/15	
127	Whitley County Water District	WX21235434	\$937,500	\$932,500	4/2/15	
128	Harrodsburg, City of	WX21167028	\$326,660	\$326,660	4/2/15	
129	Lebanon, City of	WX21155040	\$720,000	\$720,000	5/7/15	
130	Paducah, City of	WX21145085	\$4,508,000	\$4,493,000	5/7/15	
131	Ohio County Water District	WX21183039	\$1,630,000	\$1,630,000	6/4/15	
	<b>TOTALS</b>		<b>\$43,676,188</b>	<b>\$40,283,496</b>		
<b>PROJECTS APPROVED IN FY 2016</b>						
132	Nicholasville, City of	WX21113040	\$416,120	\$416,120	7/2/15	F1
133	Crab Orchard, City of	WX21137045	\$265,000	\$265,000	8/6/15	
134	Bath Co Water District	WX21011034	\$925,470	\$925,470	9/3/15	
135	Cave Run Water Commission	WX21165023	\$700,000	\$700,000	10/1/15	
136	Crittenden-Livingston Co WD	WX21055009	\$1,039,500	\$1,039,500	10/1/15	
137	<b>Cumberland Falls Highway WD</b>	<b>WX21235002</b>	<b>\$1,723,000</b>	<b>\$1,720,500</b>	<b>11/5/15</b>	
138	<b>Western Pulaski County WD</b>	<b>WX21199123</b>	<b>\$3,304,000</b>	<b>\$3,304,000</b>	<b>11/5/15</b>	
	<b>TOTALS</b>		<b>\$8,373,090</b>	<b>\$8,370,590</b>		
<b>GRAND TOTALS - COMMITMENTS</b>			<b>\$609,855,474</b>	<b>\$340,020,440</b>		

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(F1) - Planning and Design Loan

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

**AVAILABLE FUNDS FFY 2009:**

FEDERAL ARRA GRANT FUNDS	\$20,450,000
ADMINISTRATION (4%)	(\$818,000)
OTHER SET ASIDES	(\$715,750)
Transferred from Admin to Construction	\$369,683
<b>NET ARRA FUNDS</b>	<b>\$19,285,933</b>

	TOTAL PROJECT AMOUNT	KIA AMOUNT	FIRST USE FUNDS	DATE APPROVED
<b>PROJECTS APPROVED IN SFY 2009:</b>				
1 CENTERTOWN, CITY OF	\$2,866,652	\$222,606 (c)	\$222,606	6/25/09
2 SPRINGFIELD, CITY OF	\$4,000,000	\$947,901 (c)	\$947,901	6/25/09
<b>TOTALS</b>	<b>\$6,866,652</b>	<b>\$1,170,507</b>	<b>\$1,170,507</b>	
<b>PROJECTS APPROVED IN SFY 2010:</b>				
3 BREATHITT CO WATER DISTRICT	\$1,322,000	\$572,000 (c)	\$572,000	7/9/09; 11/24/09
4 WHITESBURG, CITY OF	\$171,840	\$171,794 (c)	\$171,794	7/9/09
5 MCKEE, CITY OF	\$1,100,000	\$1,099,903 (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	\$1,855,004 (c)	\$1,855,004	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 (c)	\$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 (c)	\$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	\$1,381,963 (c)	\$1,381,963	11/12/09
18 WEST LIBERTY, CITY OF	\$3,050,300	\$684,537	\$684,537	5/5/11; revised from base fdg
<b>TOTALS</b>	<b>\$44,563,111</b>	<b>\$18,115,426</b>	<b>\$18,115,426</b>	
<b>GRAND TOTALS - COMMITMENTS</b>	<b>\$51,429,763</b>	<b>\$19,285,933</b>	<b>\$19,285,933</b>	
<b>BALANCE AVAILABLE FOR LOAN</b>			<b>\$0</b>	

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

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**STEVEN L. BESHEAR**  
Governor

**LORI H. FLANERY**  
Secretary

**Commonwealth of Kentucky**  
**FINANCE AND ADMINISTRATION CABINET**  
**Office of Financial Management**  
702 Capitol Avenue  
Suite 76  
Frankfort, Kentucky 40601  
(502) 564-2924  
(502) 564-7416 Facsimile

**RYAN BARROW**  
Executive Director

October 15, 2015

Mr. Dirk M. Bedarff  
Dinsmore & Shohl LLP  
50 East RiverCenter Blvd Suite 1150  
Covington, KY 41011

Dear Dirk:

This letter shall serve as confirmation that Dinsmore & Shohl LLP has been selected by the Kentucky Infrastructure Authority ("KIA" or the "Authority") Selection Committee to provide bond counsel services to the Authority during Fiscal Year 2016.

Dinsmore & Shohl LLP is engaged through fiscal year ending June 30, 2016. KIA and the Office of Financial Management ("OFM") shall have the option to extend the engagement for an additional twelve (12) month period beginning July 1, 2016 through June 30, 2017, on the same terms and conditions. There can be no assurance that any transaction will be completed during the engagement period.

As per your winning bid, Dinsmore & Shohl LLP will be compensated for its services at the rate of \$0.35 per one thousand dollars principal amount of bonds issued with a minimum fee per issuance of \$20,000 and a maximum fee per issuance of \$100,000. Bond counsel fees will only be paid upon the successful closing of an issuance by the Authority. All bond series sold on the same date or multiple series of notes issued simultaneously under a single trust indenture will be considered one issue for billing purposes. KIA will reimburse bond counsel for necessary invoiced overnight mail expenses and for the cost of CD-ROM and binding of final transcripts in addition to the quoted fee.

Dinsmore & Shohl LLP will be responsible for duties which include but are not limited to: providing legal opinions and legal advice related to debt structuring; program and loan documentation; the sale and closing of securities; tax issues; continuing disclosure and arbitrage compliance issues; drafting and circulating all required bond issuance documents; reviewing the Preliminary Official Statement and the final Official Statement; and coordinating the closing of all bond issues. Bond counsel may also be called upon to assist in drafting legislation and administrative regulations related to KIA.

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Please acknowledge acceptance of this engagement by signing and returning the original of this letter to my attention. This office looks forward to working with you and your firm.

Sincerely,

**ACCEPTED:**

Ryan Barrow  
Executive Director

  
\_\_\_\_\_  
Date

  
Dinsmore & Shohl LLP

  
\_\_\_\_\_  
Date

c: Commissioner Tony Wilder, Chair  
KIA Board

c: Denise Pitts, Chair  
KIA Bond Counsel Selection Committee, File FY 2016

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Commonwealth of Kentucky  
FINANCE AND ADMINISTRATION CABINET  
Office of Financial Management  
702 Capitol Avenue  
Suite 76  
Frankfort, Kentucky 40601  
(502) 564-2924  
(502) 564-7416 Facsimile

STEVEN L. BESHEAR  
Governor

LORI H. FLANERY  
Secretary

RYAN BARROW  
Executive Director

October 15, 2015

William Mack  
Executive Director  
440 S. LaSalle Street, 37<sup>th</sup> Floor  
Chicago, Illinois 60605  
(312) 706-4266

Dear Bill;

This letter shall serve as confirmation that Morgan Stanley has been selected by the Kentucky Infrastructure Authority ("KIA" or the "Authority") Selection Committee to provide senior managing underwriter services during Fiscal Year 2016.

Morgan Stanley is engaged through fiscal year ending June 30, 2016. KIA and the Office of Financial Management ("OFM") shall have the option to extend the engagement for an additional twelve (12) month period beginning July 1, 2016 through June 30, 2017 on the same terms and conditions. There can be no assurance that any transaction will be completed during the engagement period.

Your firm will be compensated for its services at a maximum not-to-exceed, all-in fee component of **\$.188** per thousand dollars principal amount of bonds issued (management fee of \$.00 and expense of \$.188), exclusive of underwriter's counsel fees and applicable takedown.

Your firm is responsible for selecting its own underwriter's counsel and will be reimbursed in accordance with the provisions of 200 KAR 21:050. Takedowns and designation policies will be determined during the pre-pricing phase of each transaction. All fees incurred will be payable only upon successful closing of the issue(s).

OFM and KIA also reserve the right to work with Morgan Stanley under this engagement to develop an interim borrowing program and issue short-term financing notes, as necessary, on behalf of the Authority. Fees and expenses (including remarketing fees) related to any short-term financings will be negotiated prior to any issuance and will be based on prevailing short-term market conditions.

As senior managing underwriter, your firm will be responsible for coordinating the entire bond issue(s), unless certain responsibilities have been delegated to a financial/municipal advisor, if any.

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These duties include, but are not limited to: structuring the issue(s); providing debt management and marketing advice; competitively bidding printing and electronic delivery services for the preliminary (POS) and final official statements (OS), as well as, posting the POS and OS on the MSRB's EMMA web site; bidding for a verification agent, if applicable; coordinating the sale and closing of the securities, including any escrow securities, with the trustee and the Commonwealth; and serving as a point of contact with the rating agencies and any credit enhancers.

KIA acknowledges that Morgan Stanley is not acting as a municipal advisor and that this letter is neither an expressed nor an implied commitment by Morgan Stanley to purchase or place any securities in connection with any such transaction, which commitment shall only be set forth in a separate underwriting, placement agency or other applicable type of agreement.


Please acknowledge acceptance of this engagement by signing and returning the original letter to my attention. This office looks forward to working with you and your firm during the coming year.

Sincerely,

**ACCEPTED:**

Ryan Barrow  
Executive Director

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Morgan Stanley

10/20/2015  
\_\_\_\_\_  
Date

c: Commissioner Tony Wilder, Chair  
KIA Board

c: Denise Pitts, Chairman  
KIA Senior Managing Underwriter Selection Committee, File FY 2016