



Board Meeting Booklet
for
April 2, 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
April 2, 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 Minutes of the Kentucky Infrastructure Authority Regular Board Meeting of February 5, 2015
<i>(Attachment I.A.1.)</i> | Chair Tony Wilder | 7 |
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B. New Projects / Action Items

- | | | |
|--|---|----|
| 1. Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-006) in the amount of \$1,856,109 to the City of Harrodsburg, Knox County, Kentucky
(SX21121133)
<i>(Attachment I.B.1.)</i> | Ms. Anshu Singh, DOW
Ms. Jami Johnson, KIA | 17 |
| 2. Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-074) in the amount of \$10,000,000 to the City of Harrodsburg, Mercer County, Kentucky
(SX21167003)
<i>(Attachment I.B.2.)</i> | Ms. Anshu Singh, DOW
Ms. Brandi Armstrong, KIA | 29 |
| 3. Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-075) in the amount of \$810,000 to the City of Harrodsburg, Mercer County, Kentucky
(SX21167013)
<i>(Attachment I.B.3.)</i> | Ms. Anshu Singh, DOW
Ms. Brandi Armstrong, KIA | 41 |
| 4. Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-077) in the amount of \$3,102,921 to the Mountain Water District, Pike County, Kentucky
(SX21195699)
<i>(Attachment I.B.4.)</i> | Ms. Anshu Singh, DOW
Ms. Jami Johnson, KIA | 53 |
| 5. Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-090) in the amount of \$340,980 to the City of Nicholasville, Jessamine County, Kentucky
(SX21113027)
<i>(Attachment I.B.5.)</i> | Ms. Anshu Singh, DOW
Ms. Jami Johnson, KIA | 65 |

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6.	Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-102) in the amount of \$3,000,000 to the Sanitation District #1 of Northern Kentucky, Kenton County, Kentucky (SX21117001) <i>(Attachment I.B.6.)</i>	Ms. Anshu Singh, DOW Mr. Jeff Abshire, KIA	77
7.	Resolution and Order of the Board of Directors for Approval of a Fund A loan (A15-103) in the amount of \$2,750,194 to the Sanitation District #1 of Northern Kentucky, Kenton County, Kentucky (SX21117006) <i>(Attachment I.B.7.)</i>	Ms. Anshu Singh, DOW Mr. Jeff Abshire, KIA	89
8.	Resolution and Order of the Board of Directors Authorizing an Amendment to a Fund B loan (B12-09) increasing the amount to \$1,882,411 to the City of South Shore, Greenup County, Kentucky (WX21089067) <i>(Attachment I.B.8.)</i>	Ms. Brandi Armstrong, KIA	103
9.	Resolution and Order of the Board of Directors for Approval of a Fund B loan (B15-005) in the amount of \$130,000 to the City of Barbourville, Knox County, Kentucky (WX21121007) <i>(Attachment I.B.9.)</i>	Ms. Debbie Landrum, KIA	115
10.	Resolution and Order of the Board of Directors for Approval of a Fund F loan (F15-030) in the amount of \$932,500 to the Whitley County Water District, Whitley County, Kentucky (WX21235434) <i>(Attachment I.B.10.)</i>	Ms. Anshu Singh, DOW Ms. Brandi Armstrong, KIA	125
11.	Resolution and Order of the Board of Directors for Approval of a Fund F loan (F15-031) in the amount of \$326,660 to the City of Harrodsburg, Mercer County, Kentucky (WX21167028) <i>(Attachment I.B.11.)</i>	Ms. Anshu Singh, DOW Ms. Brandi Armstrong, KIA	137
12.	Resolution and Order of the Board of Directors Authorizing and Approving the Issuance of Obligations of the Kentucky Infrastructure Authority to Reimburse Capital Expenditures made by Governmental Agencies Pursuant to Loans made by the Kentucky Infrastructure Authority to such Governmental Agencies <i>(Attachment I.B.12.)</i>	Ms. Brandi Armstrong, KIA	149
II.	EXECUTIVE DIRECTOR'S REPORT	Mr. John Covington, KIA	
III.	STATUS REPORTS FOR FUNDS A, A2, B, B1, C, F, F2	Mr. John Covington, KIA	155
IV.	ANNOUNCEMENTS/NOTIFICATIONS	Mr. John Covington, KIA	
	<i>Next KIA Board Meeting: Tentatively set for Thursday, May 7, 2015 Kentucky Infrastructure Authority 1024 Capital Center Drive, Suite 340, Frankfort</i>		
V.	ADJOURN	Chair Tony Wilder	

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

Meeting Date/Location: **February 5, 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
Mr. Sam Ruth, Finance and Administration Cabinet
 (proxy for Secretary Lori H. Flanery, FAC)
Ms. Lona Brewer, Energy and Environment Cabinet
 (permanent proxy for Secretary Leonard K. Peters, EEC)
Mr. Robert Aldridge, 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
Mr. Damon Talley, representing the Kentucky Rural Water Association
Mr. David W. Cartmell, Mayor, City of Maysville, representing the Kentucky League of Cities
Ms. Linda C. Bridwell, representing for-profit private water companies

Members absent:

Mr. Jody Jenkins, Union County Judge Executive, representing the Kentucky Association
 of Counties
Mr. Marty T. Ivy, representing the Kentucky Municipal Utilities Association

Guests:

Mr. Shafiq Amawi, Division of Water
Mr. Paul Amburgey, E. L. Robinson Engineering
Mr. Carl Stanley, City of Catlettsburg
Ms. Holly Nicholas, Kentucky Engineering Group
Mr. Wayne Macy, City of Hardinsburg
Mr. Michael Jacobs, GRW Engineers
Mr. Keith Riddle, City of Burkesville
Mr. Ed Pretto, Burkesville City Water Department
Mr. David Wakefield, City of Hardinsburg
Ms. Amy Kramer, Northern Kentucky Water District
Mr. John Dix, Warren County Water District
Mr. Bryan Kirby, CEDA, Inc.
Mr. Ashley Willoughby, Lincoln Trail Area Development District
Mr. William Ash, City of West Point
Mr. Phillips H. Meador, Kenvirons, Inc.
Ms. Annette Dupont-Ewing, Kentucky Municipal Utilities Association

Ms. Ruth Webb, First Kentucky Securities
Ms. Donna McNeil, Kentucky Rural Water Association
Mr. John Brady, Office of Financial Management

PROCEEDINGS

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

I. BUSINESS (Board Action Required)

A. 1. APPROVAL OF MINUTES

For: KIA Regular Board Meeting of December 4, 2014

Mr. Sam Ruth moved to approve the minutes of the December 4, 2014, regular board meeting. Ms. Lona Brewer seconded, and the motion carried unanimously.

B. NEW PROJECTS/ACTION ITEMS

1. APPROVAL OF THE 2015 WATER MANAGEMENT PLAN

Mr. Adam Scott presented the 2015 Water Management Plan Executive Summary to the board. He reviewed the summary and explained the contents and the intent of the plan. The plan is all derived from information entered into the Water Resource Information System (WRIS) by the Area Development Districts (ADDs) around Kentucky. This plan is intended to address asset management through the WRIS for all systems throughout the Commonwealth. Mr. Scott, Bryan Bunch, and Rusty Anderson were commended for developing a functional system and working to assure that those inputting the information are trained in how to properly use the system.

Mr. David Cartmell moved to approve the 2015 Water Management Plan Executive Summary. Ms. Linda Bridwell seconded, and the motion carried unanimously.

2. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-033) IN THE AMOUNT OF \$1,279,500 TO THE CITY OF HARDINSBURG, BRECKINRIDGE COUNTY, KENTUCKY

Chair Tony Wilder acknowledged the upcoming retirement of Mr. Shafiq Amawi, DOW, and expressed the appreciation of the board for his years of public service. Mr. Amawi and Ms. Jami Johnson, KIA, presented the project to the Board. The City of Hardinsburg requested a \$1,279,500 Fund “A” loan for the Hardinsburg Wastewater Treatment Plant Phosphorus removal and Effluent Monitoring Project. The project will upgrade the wastewater treatment plant (WWTP) facilities to treat and remove phosphorus. A flow monitoring station to track effluent flow in order to comply with the new Kentucky Pollution Discharge Elimination System permitting requirements will also be constructed. Mr. Damon Talley asked if phosphorus treatment projects are likely to become more frequent and was told that it being pushed by U.S. EPA. When asked if the community is ready for the required rate increase, Mayor Wayne Macy indicated that the matter has been publicly discussed, and the rate increase is on the agenda for an upcoming City Council meeting.

Mr. Damon Talley moved to approve the Fund A loan A15-033 in the amount of \$1,279,500 to the City of Hardinsburg with the standard conditions and one special condition that the sewer rate ordinance will be amended no later than July 1, 2015, to increase revenues by \$100,000. At least fifty percent of the increase must be effective by July 1, 2016, with the remainder being effective by July 1, 2017. Ms. Linda Bridwell seconded, and the motion was unanimously approved.

3. AN 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 (A15-063) IN THE AMOUNT OF \$250,000 TO THE CITY OF WEST POINT, HARDIN COUNTY, KENTUCKY

Mr. Shafiq Amawi, DOW, and Ms. Jami Johnson, KIA, presented the project to the Board. The City of West Point requested a \$250,000 Fund A loan for the West Point Sewer Rehabilitation Phase III Project. This project will repair failing sanitary sewer lines, manholes, and drainage areas to reduce and prevent infiltration and inflow into the sewer treatment system. The scope of work will reduce inflow and infiltration (I&I) to improve the City’s wastewater treatment plant (WWTP) ability to treat true wastewater discharges and improve its cost of operation. Since it will be replacing an existing component, it will have minimum impact on surrounding land uses and help improve local environmental conditions by reducing chances for overflows and illicit discharges and reduce groundwater penetration into the sewer collection system. The project will prepare the City for replacement of the WWTP or conveyance of wastewater to another treatment facility within the next five to ten years. Both alternatives are currently under evaluation. Mr. Damon Talley asked about the readiness of citizens for the rate increases and for potential bigger projects. He was told the city is trying to both address pressing issues and consider long term needs. The community knows about the upcoming rate increases and is aware of potential upcoming needs.

Ms. Linda Bridwell moved to approve the Fund A Loan A15-063 in the amount of \$250,000 to the City of West Point with the standard conditions

and the special condition that the sewer rate ordinance will be amended no later than July 1, 2015 to increase revenues by \$67,000. At least one third of the increase must be effective by July 1, 2015, one third must be effective by July 1, 2016 and one third must be effective by July 1, 2017. Mr. Ron Lovan seconded, and the motion was unanimously approved.

4. **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 (B15-003) OF \$1,500,000 TO THE NORTHERN KENTUCKY WATER DISTRICT, KENTON COUNTY, KENTUCKY**

Mr. Ron Lovan recused himself and left the room prior to discussion of this project. Ms. Jami Johnson, KIA, presented the project to the Board. The Northern Kentucky Water District requested a \$1,500,000 Infrastructure Revolving loan for the Latonia Lakes Water Main Replacement Project. The project will replace approximately 14,000 linear feet of small diameter cast iron water mains with larger PVC lines. This will increase hydraulic capacity, reduce water loss from breaks and flushing of the existing unlined pipes, and reduce the number of complaints from discolored water. The project timeline is being accelerated from the District's original replacement plans to accommodate the Kenton County Fiscal Court's anticipated \$2.3 million road maintenance plan for the area. Coordination of water main replacements with the roadway improvements should result in a significant restoration cost savings to the District.

The Northern Kentucky Water District conducted an income survey of the 102 active households in the project area, with the results qualifying the project for a .75 percent interest rate. Due to the fact that the District maintains an Improvement, Repair and Replacement account, a reserve will not be required. Mr. Damon Talley inquired if an income survey such as the one conducted by Northern Kentucky Water District can be done by any borrower. Ms. Johnson and Mr. John Covington responded that it has been done in the past and is permitted by Kentucky Administrative Regulation. Ms. Amy Kramer thanked the staff for their guidance through the process and thanked the board for their approval of the loan.

Mr. Sam Ruth moved to approve the Fund B loan B15-003 in the amount of \$1,500,000 to the Northern Kentucky District with the standard conditions. Mr. David Cartmell seconded, and the motion was approved with Mr. Jeff Derouen abstaining.

5. **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 (B15-004) OF \$270,000 TO THE CITY OF CATLETTSBURG, BOYD COUNTY, KENTUCKY**

Ms. Brandi Armstrong, KIA, presented the project to the Board. The City of Catlettsburg requested a Fund "B" loan in the amount of \$270,000 for the US-23 to I-64 Sewer Extension Project. The project will install 2,750 linear feet of four

and eight inch force main sewer lines and one pump station. The sewer lines will provide service to a new construction site. The site will contain a 36,000 square foot building that will house 160 full time employees with plans of additional jobs in the coming years.

Mr. Jeff Derouen moved to approve the Fund B loan B15-004 in the amount of \$270,000 to the City of Catlettsburg with the standard conditions and two special conditions. The first condition is that The City of Catlettsburg shall increase sewer rates sufficient to generate an additional \$22,500 in cash flow effective no later than April 1, 2015. The second special condition is that The City of Catlettsburg shall increase sewer rates sufficient to generate an additional \$26,000 in cash flow effective no later than January 1, 2016. Both increases must be passed prior to the issuance of an Assistance Agreement. Mr. Damon Talley seconded, and the motion received all “aye” votes.

6. **A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A GOVERNMENTAL AGENCIES PROGRAM FUND C LOAN (C15-003) IN THE AMOUNT OF \$1,090,050 TO THE WARREN COUNTY WATER DISTRICT, WARREN COUNTY, KENTUCKY**

Ms. Brandi Armstrong presented the project to the Board. The Warren County Water District requested a Fund “C” loan in the amount of \$1,090,050 for the Alvaton Area Sewer Extension project. The project will construct 13,900 linear feet of eight inch force main, 8,000 linear feet of twelve inch gravity and sewer and 4,000 linear feet of eight inch gravity sewer, as well as one lift station. The lines will provide sanitary sewer service to an elementary school and previously unserved areas. The County has in their zoning ordinance a requirement of service for new development if sewer is available within 2,000 feet of existing service. In response to his question, Mr. Damon Talley was told that the mandatory sewer ordinance was put in place in the late 1990s by the Warren County/Bowling Green Planning Commission

Mr. Damon Talley moved to approve the Infrastructure Revolving Fund C loan C15-003 in the amount of \$1,090,050 to the Warren County Water District with the standard conditions. Ms. Linda Bridwell seconded, and the motion was approved with Mr. Jeff Derouen abstaining.

Chair Tony Wilder left the meeting and relinquished the chair to Vice Chair Damon Talley.

7. **A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER EVOLVING FUND LOAN (F15-017) IN THE AMOUNT OF \$811,600 TO THE CITY OF BURKESVILLE, CUMBERLAND COUNTY, KENTUCKY**

Mr. Shafiq Amawi, DOW, and Ms. Brandi Armstrong, KIA, presented the project to the Board. The City of Burkesville requested a Fund “F” loan in the amount of \$811,600 for the Kentucky State Road 61 Water Distribution Extension project.

The project will install 9,600 linear feet of six inch water main lines along KY 61, and 2,000 linear feet of two to six inch water line loops. A new master meter will be placed at the end of the main along KY 61 with the intent to provide an additional water source to the Cumberland County Water District.

Mr. Jeff Derouen inquired if there is already an agreement in place with Cumberland County Water District. He was told that the City of Burkesville currently sells them water, and this project will provide an additional connection point for them.

Ms. Linda Bridwell moved to approve the Fund F Loan F15-017 in the amount of \$811,600 to the City of Burkesville with the standard conditions. Ms. Lona Brewer seconded, and the motion was unanimously approved.

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

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

APPLICANT	FUND	AMOUNT
City of Hardinsburg	A15-033	\$ 1,279,500
City of West Point	A15-063	\$ 250,000
Northern Kentucky Water District	B15-003	\$ 1,500,000
City of Catlettsburg	B15-004	\$ 270,000
Warren County Water District	C15-003	\$1,090,050
City of Burkesville	F15-017	\$ 811,600

Ms. Linda Bridwell moved to approve the resolution. Mr. Sam Ruth seconded, and the motion carried unanimously.

II. DISCUSSION OF BOND ISSUE TO FUND PROJECTS AND REFINANCE EXISTING DEBT AND RESOLUTION AUTHORIZING ISSUANCE OF KENTUCKY INFRASTRUCTURE AUTHORITY DEBT

Mr. John Covington discussed the preliminary resolutions to issue bonds to refinance existing debt and also provide additional funds for projects. He explained the potential to save by refinancing at this time, in some cases up to eight percent and aggregate around five percent. The Authority is considering the possibility of a bond issue or looking at ways to generate some additional capital for the Fund C program. The Authority also has authorization to issue leverage bonds. The Office of Financial Management has reviewed the proposal as developed by Morgan Stanley, and bond counsel has developed the resolutions that would allow the agency to proceed with preparation for potential bond issues. Mr. Covington and Kentucky

Infrastructure Authority staff recommended that the preliminary resolutions be approved in order to move forward with further investigation into the possibility of issuing bonds. The Executive Committee will make the final decision. Mr. Jeff Derouen inquired as to exactly what these preliminary bond resolutions authorize. Mr. Covington explained that it is standard procedure to have the board authorize staff to proceed with looking into the possibilities and developing a final plan for the bonds and amounts to be issued. The Executive Committee has then been the body to approve the final resolutions granting authorization to proceed. Mr. Covington will provide an update for board members at the next board meeting

A RESOLUTION (THE PRELIMINARY BOND RESOLUTION) OF THE BOARD OF THE KENTUCKY INFRASTRUCTURE AUTHORITY (AUTHORITY) AUTHORIZING THE EXECUTION OF A SERIES TRUST INDENTURE BY AND BETWEEN THE AUTHORITY AND U.S. BANK NATIONAL ASSOCIATION, LOUISVILLE KENTUCKY; PROVIDING FOR THE ISSUANCE OF KENTUCKY INFRASTRUCTURE AUTHORITY WASTEWATER REVOLVING FUND PROGRAM REVENUE REFUNDING BONDS, GOVERNMENTAL AGENCIES PROGRAM REVENUE REFUNDING AND IMPROVEMENT BONDS AND DRINKING WATER REVOLVING FUND PROGRAM REVENUE REFUNDING BONDS IN AGGREGATE PRINCIPAL AMOUNTS NOT TO EXCEED \$4,250,000, \$1,750,000 AND \$3,500,000 RESPECTIVELY, UNDER THE TERMS OF GENERAL TRUST INDENTURES AND SERIES TRUST INDENTURES; AUTHORIZING THE EXECUTION AND DELIVERY OF SUPPLEMENTAL FINANCING AGREEMENTS BETWEEN THE AUTHORITY AND THE FINANCE AND ADMINISTRATION CABINET OF THE COMMONWEALTH OF KENTUCKY; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING THE SALE OF SAID BONDS; AND REPEALING ALL RESOLUTIONS OR PARTS THEREOF IN CONFLICT WITH THE PROVISIONS HEREOF.

Ms. Linda Bridwell moved to approve the preliminary bond resolution for Wastewater Revolving Fund Program Revenue Refunding Bonds, Governmental Agencies Program Revenue Refunding and improvement Bonds, and Drinking Water Revolving Fund Program Revenue Refunding Bonds. Mr. Sam Ruth seconded, and the motion carried unanimously.

A RESOLUTION (THE PRELIMINARY BOND RESOLUTION) OF THE BOARD OF THE KENTUCKY INFRASTRUCTURE AUTHORITY (AUTHORITY) AUTHORIZING THE EXECUTION OF A SERIES TRUST INDENTURE BY AND BETWEEN THE KENTUCKY INFRASTRUCTURE AUTHORITY AND U.S. BANK NATIONAL ASSOCIATION, LOUISVILLE, KENTUCKY; PROVIDING FOR THE ISSUANCE OF KENTUCKY INFRASTRUCTURE AUTHORITY WASTEWATER AND DRINKING WATER REVOLVING FUND PROGRAM REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2015A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$180,750,000 UNDER THE TERMS OF A SERIES TRUST INDENTURE AND THE GENERAL TRUST INDENTURE DATED AS OF MARCH 1, 2010 BETWEEN THE AUTHORITY AND U.S. BANK NATIONAL ASSOCIATION; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW TRUST AGREEMENT BETWEEN THE AUTHORITY AND U.S. BANK NATIONAL ASSOCIATION; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING THE SALE OF

SAID BONDS; AND REPEALING ALL RESOLUTIONS OR PARTS THEREOF IN CONFLICT WITH THE PROVISIONS HEREOF.

Ms. Linda Bridwell moved to approve the preliminary bond resolution for Kentucky Infrastructure Authority Wastewater and Drinking Water Revolving Fund Program Revenue Refunding and Improvement Bonds, Series 2015A. Ms. Lona Brewer seconded, and the motion carried unanimously.

III. EXECUTIVE DIRECTOR'S REPORT

Kentucky Infrastructure Authority Executive Director John Covington reviewed HB 276, which amends KRS 224A.111 governing loans made by the Kentucky Infrastructure authority using the federally assisted wastewater fund to provide for a 30 year payback and to commence principal and interest payments on the loan no later than one year after initiation of operations. This revision codifies existing procedures and matches state law with federal law. Board members expressed a willingness to assist if any issues arise with the progress of the legislation.

Mr. Covington reported on the status of Fund A and Fund F funding. He informed the board that all invitations to submit applications for both Clean Water and Drinking Water have been sent out. It appears that the Clean Water funds could have \$30 million left over. The Authority has initiated outreach to identify additional projects. Borrowers who might be interested in SRF funding have been contacted, and polled Area Water Management Councils. There may be some funds left over for Drinking Water projects, but responses have not yet been received to invitations for Drinking Water funding.

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

V. ANNOUNCEMENTS/NOTIFICATIONS

- Next scheduled KIA board meeting:
Tentatively set for Thursday, March 5, 2015
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky

There being no further business Mr. Sam Ruth moved to adjourn. Ms. Lona Brewer seconded and the motion carried unanimously. The February 5, 2015, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.

Submitted by:



Jeffrey A. Abshire, Secretary
Kentucky Infrastructure Authority



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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 (A15-006) IN THE AMOUNT OF \$1,856,109 TO THE CITY OF BARBOURVILLE F/B/O BARBOURVILLE UTILITY COMMISSION, KNOX 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 Barbourville f/b/o Barbourville 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 \$1,856,109 of project expense including

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

Section 3. Principal forgiveness of 10% will be deducted from the approved loan amount. The unforgiven principal balance of \$1,670,498 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, \$4,600 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$46,000 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 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

March 25, 2015

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

Re: A15-006
Barbourville WWTP--2534
Activity ID: FGL20150003
HUC11: 05130101180 and 05130101210
Watershed Name: Cumberland River, above Meadow
Creek of Whitley County and Richland Creek

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Barbourville is eligible to receive \$1,856,109.00 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 City of Barbourville'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 in March 2015.
2. Plans and specifications are expected to be submitted to DOW in May 2015.
3. Construction bids are expected to be opened in August 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 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: Honorable David Thompson, City of Barbourville
Josh Callihan, City of Barbourville
Mitch Brunsma, Vaughn and Melton

EXECUTIVE SUMMARY		Reviewer	Jami Johnson	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 2, 2015	
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number	A15-006	
REVOLVING LOAN FUND		WRIS Number	SX21121133	
BORROWER	CITY OF BARBOURVILLE KNOX COUNTY			
BRIEF DESCRIPTION				
The City of Barbourville proposes to begin the rehabilitation of their existing gravity sewer collection lines. All lines will be TV inspected and smoke tested. Once problem areas are identified, rehabilitation will be accomplished with slip lining, trenchless pipe bursting, and point repairs to correct the infiltration and inflow issues.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$1,856,109	RD Fee %	Actual %	
		Eng - Design / Const	8.1%	8.0%
		Eng - Insp	5.0%	5.0%
		Construction		1,493,574
		Contingency		149,000
TOTAL	\$1,856,109	TOTAL		\$1,856,109
REPAYMENT	Rate	0.75%	Est. Annual Payment	\$93,443
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Vaughn & Melton Consulting Engineers, Inc.		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Jun-15		
	Construction Start	Jul-15		
	Construction Stop	Dec-15		
DEBT PER CUSTOMER	Existing	\$1,233	based on 5,800 total utility customers	
	Proposed	\$1,967		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	2,309	\$18.90 (for 4,000 gallons)	
	Additional	0	\$18.90 (for 4,000 gallons)	
REGIONAL COORDINATION	0			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2012	22,115	148,997	(126,882)	0.1
Audited 2013	260,452	232,315	28,137	1.1
Preliminary Unaudited 2014	265,661	0	265,661	n/a
Projected 2015	270,974	0	270,974	n/a
Projected 2016	276,394	0	276,394	n/a
Projected 2017	340,221	339,558	663	1.0
Projected 2018	345,859	339,558	6,301	1.0
Projected 2019	353,150	337,491	15,659	1.0

Reviewer: Jami Johnson
 Date: April 2, 2015
 Loan Number: A15-006

**KENTUCKY INFRASTRUCTURE AUTHORITY
 WASTEWATER REVOLVING LOAN FUND (FUND "A")
 CITY OF BARBOURVILLE, KNOX COUNTY
 PROJECT REVIEW
 SX21121133**

I. PROJECT DESCRIPTION

The City of Barbourville for the benefit of the Barbourville Utility Commission is requesting a \$1,856,109 Fund A loan for the Barbourville Sewer Rehab project. The project will TV inspect, smoke test and rehabilitate approximately 63,000 linear feet of gravity sewer collection lines using slip lining, trenchless pipe bursting, and point repairs to correct the inflow and infiltration entering the system.

The Commission provides water, sewer, electric, and cable for the City of Barbourville and has approximately 5,800 water and 2,300 sewer customers.

II. PROJECT BUDGET

	<u>Total</u>
Engineering Fees - Design / Const	131,406
Engineering Fees - Inspection	82,129
Construction	1,493,574
Contingency	149,000
Total	\$ 1,856,109

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 1,856,109	100%
Total	\$ 1,856,109	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,856,109
Less: Principal Forgiveness (10%)	<u>185,611</u>
Amortized Loan Amount	\$ 1,670,498
Interest Rate	0.75%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 90,102
Administrative Fee (0.20%)	<u>3,341</u>
Total Estimated Annual Debt Service	\$ 93,443

V. PROJECT SCHEDULE

Bid Opening	June 2015
Construction Start	July 2015
Construction Stop	December 2015

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	1,911
Commercial	398
Total	2,309

B) Rates

	Current	Prior
Date of Last Rate Increase	06/29/11	
Minimum	\$8.40	\$8.15
per 1,000 gallons	3.50	3.25
Cost for 4,000 gallons	\$18.90	\$17.90
Increase %	5.6%	
Affordability Index (Rate/MHI)	0.9%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility’s wastewater service area population was 5,604 with a Median Household Income (MHI) of \$21,688. The median household income for the Commonwealth is \$42,610. The project will qualify for a .75% interest rate because the utility’s service area MHI is below 80% of the State’s MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	3,333		30,239		June 2004	7.3%
1990	3,658	9.8%	29,676	-1.9%	June 2009	12.3%
2000	3,589	-1.9%	31,795	7.1%	June 2013	12.6%
2010	3,165	-11.8%	31,883	0.3%	June 2014	10.4%
Current	3,218	1.7%	31,874	0.0%		
Cumulative %		-3.5%		5.4%		

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 of 10%, not to exceed \$185,611.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2012 and 2013 with preliminary unaudited amounts for 2014. The balance sheet is reported on a consolidated basis while the income statement is separated into the four components (water, wastewater, electric, cable). The cash flow discussion below is limited to wastewater while the balance sheet discussion is for the consolidated operation. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues increased 23% from \$836,000 in 2012 to \$1,031,000 in 2014 while operating expenses averaged \$776,500 each year during the same period. The debt coverage ratio was .1 in 2012 and 1.1 in 2013. There was no debt on the wastewater system at the end of 2013.

The balance sheet reflects a current ratio of 1.4, a debt to equity ratio of 0.4 and the number of months of operating expenses in unrestricted cash was 2.4.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase by 2% for growth and inflation.
- 2) Expenses will increase by 2% annually.
- 3) The wastewater utility will require additional revenue of approximately \$80,000 or 7% of revenues by 2017.
- 4) Debt service coverage is 1.0 in 2017 when principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$4,600. This amount should be added to the replacement account each December 1 until the balance reaches \$46,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
US Corp. of Engineers	1,150,327	2039
US Corp. of Engineers	567,093	2042
KIA (F11-08)	1,232,887	2032
KIA (A12-09, i/a/o \$6.8 mil)	3,367,904	TBD
Total	\$ 2,950,307	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

None.

XII. CONTACTS

Legal Applicant	
Name	City of Barbourville
Address	202 Daniel Boone Drive, PO Box 1600 Barbourville, KY 40906
County	Knox
Authorized Official	David Thompson (Mayor)
Phone	(606) 546-6197
Email	mayor@barbourville.com

Project Administrator	
Name	Barbourville Utility Commission
Address	202 Daniel Boone Dr PO Box 1600 Barbourville, KY 40906
Contact	Josh Callahan
Phone	(606) 546-3187
Email	joshc@barbourville.com

Consulting Engineer	
Name	Mitchel L Brunsmas, P.E.
Firm	Vaughn & Melton Consulting Engineers, Inc.
Address	109 South 24th Street PO Box 1425 Middlesboro, KY 40965
Phone	(606) 248-6600
Email	mlbrunsmas@vaughnmelton.com

XIII. RECOMMENDATIONS

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

CITY OF BARBOURVILLE (CONSOLIDATED UTILITY BALANCE SHEET, WASTEWATER FUND CASH FLOW)
 FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited <u>2012</u>	Audited <u>2013</u>	Projected <u>2014</u>	Projected <u>2015</u>	Projected <u>2016</u>	Projected <u>2017</u>	Projected <u>2018</u>	Projected <u>2019</u>
Assets								
Current Assets	3,209,197	3,541,124	4,459,308	4,815,321	5,177,400	5,527,646	5,821,738	6,129,482
Other Assets	25,359,359	25,066,955	32,059,193	35,638,931	36,600,289	36,195,201	35,547,279	34,932,517
Total	28,568,556	28,608,079	36,518,501	40,454,252	41,777,689	41,722,847	41,369,017	41,061,999
Liabilities & Equity								
Current Liabilities	3,266,902	2,418,469	3,214,816	3,293,222	3,363,848	3,550,178	3,839,253	3,907,408
Long Term Liabilities	3,411,001	3,715,705	7,945,606	11,182,558	12,202,564	12,043,386	11,661,033	11,276,825
Total Liabilities	6,677,903	6,134,174	11,160,422	14,475,780	15,566,412	15,593,564	15,500,286	15,184,233
Net Assets	21,890,653	22,473,905	25,358,079	25,978,472	26,211,277	26,129,283	25,868,731	25,877,766

Cash Flow

Revenues	835,999	1,010,614	1,030,826	1,051,442	1,072,471	1,170,920	1,192,798	1,216,654
Operating Expenses	813,884	750,162	765,165	780,468	796,077	830,699	846,939	863,504
Other Income	0	0	0	0	0	0	0	0
Cash Flow Before Debt Service	22,115	260,452	265,661	270,974	276,394	340,221	345,859	353,150

Debt Service

Existing Debt Service	148,997	232,315	0	0	0	246,115	246,115	244,048
Proposed KIA Loan	0	0	0	0	0	93,443	93,443	93,443
Total Debt Service	148,997	232,315	0	0	0	339,558	339,558	337,491
Cash Flow After Debt Service	(126,882)	28,137	265,661	270,974	276,394	663	6,301	15,659

Ratios

Current Ratio	1.0	1.5	1.4	1.5	1.5	1.6	1.5	1.6
Debt to Equity	0.3	0.3	0.4	0.6	0.6	0.6	0.6	0.6
Days Sales in Accounts Receivable	36.0	34.3	33.4	33.4	33.4	33.4	33.4	33.4
Months Operating Expenses in Unrestricted Cash	1.3	1.7	2.4	2.7	2.9	3.1	3.3	3.4
Debt Coverage Ratio	0.1	1.1	N/A	N/A	N/A	1.0	1.0	1.0

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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 (A15-074) IN THE AMOUNT OF \$10,000,000 TO THE CITY OF HARRODSBURG, MERCER COUNTY, KENTUCKY

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

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

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

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Clean Water Revolving Fund A loan for \$10,000,000 of project expense including capitalized interest for the construction period, to the City of Harrodsburg for the

Wastewater Treatment Plant Expansion 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 .75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$25,000 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$250,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

February 25, 2015

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

Re: A15-074
Harrodsburg WWTP--3145
Activity ID: FGL20150005
HUC11: 05140102010
Watershed Name: Salt River, Harrodsburg
Project Name: WWTP Expansion

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Harrodsburg is eligible to receive \$10,000,000 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 City of Harrodsburg'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 July 1, 2015.
2. Plans and specifications are expected to be submitted to DOW on July 1, 2015.
3. Construction bids are expected to be opened on September 1, 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 Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,

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

Peter Goodmann, Director
Division of Water

PG/BG:jjm

c: Honorable Eddie Long, City of Harrodsburg
Laura Gilkerson, GRW Engineers
Ryan Carr, GRW Engineers

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Brandi Armstrong April 2, 2015 A15-074 SX21167003	
BORROWER		CITY OF HARRODSBURG MERCER COUNTY		
BRIEF DESCRIPTION				
This project will upgrade and expand the existing Harrodsburg Wastewater Treatment plant. Treatment capacity will increase from 2.6 million gallons (MGD) per day to 3.5 MGD and will include oxidation ditch treatment services while replacing the current outdated treatment process. The project will allow extended services to future city and county residential and industrial customers.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$10,000,000	RD Fee %	Actual %	
RD Loan / Grant	11,400,000			
		Legal Expenses	50,000	
		Planning	75,000	
		Eng - Design / Const	6.4% 6.5% 1,216,000	
		Eng - Insp	4.1% 4.1% 778,000	
		Eng - Other	230,000	
		Construction	17,070,000	
		Contingency	1,707,000	
		Other	274,000	
TOTAL	\$21,400,000	TOTAL	\$21,400,000	
REPAYMENT	Rate Term	0.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$559,372	
PROFESSIONAL SERVICES	Engineer Bond Counsel	GRW Engineers, Inc. Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Sep-15 Dec-15 Dec-17		
DEBT PER CUSTOMER	Existing Proposed	\$6,204 \$13,432		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 2,790 0	<u>Avg. Bill</u> \$22.86 (for 4,000 gallons) \$22.86 (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 2012	1,060,373	845,286	215,087	1.3
Audited 2013	1,887,552	826,494	1,061,058	2.3
Audited 2014	2,109,564	1,017,514	1,092,050	2.1
Projected 2015	2,107,373	1,192,022	915,351	1.8
Projected 2016	2,073,434	1,310,390	763,044	1.6
Projected 2017	2,034,065	1,432,632	601,433	1.4
Projected 2018	2,401,043	1,465,404	935,639	1.6
Projected 2019	2,833,946	2,350,610	483,336	1.2

Reviewer: Brandi Armstrong
 Date: April 2, 2015
 Loan Number: A15-074

**KENTUCKY INFRASTRUCTURE AUTHORITY
 WASTEWATER REVOLVING LOAN FUND (FUND "A")
 CITY OF HARRODSBURG, MERCER COUNTY
 PROJECT REVIEW
 SX21167003**

I. PROJECT DESCRIPTION

The City of Harrodsburg is requesting \$10,000,000 for a Fund "A" loan for the Wastewater Treatment Plant Expansion project. The project will upgrade and expand the existing plant that has capacity to operate at 2.6 MGD. The current system is aged and showing signs of distress within the sludge press. After expansion, the plant will have a 3.5 MGD capacity that will include oxidation ditch treatment services to replace the current outdated treatment process. The project will allow future services to city and county residential and industrial customers.

The City's wastewater system has about 2,800 customers and also treats wastewater for the Mercer County Sanitation District, which has 204 customers.

II. PROJECT BUDGET

	<u>Total</u>
Legal Expenses	50,000
Planning	75,000
Engineering Fees - Design / Const	1,216,000
Engineering Fees - Inspection	778,000
Engineering Fees - Other	230,000
Construction	17,070,000
Contingency	1,707,000
Other	274,000
Total	\$21,400,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$10,000,000	47%
RD Grant	11,400,000	53%
Total	\$21,400,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$10,000,000
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 539,372
Administrative Fee (0.20%)	20,000
Total Estimated Annual Debt Service	\$ 559,372

V. PROJECT SCHEDULE

Bid Opening	September 2015
Construction Start	December 2015
Construction Stop	December 2017

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	2,546
Commercial	222
Industrial	22
Total	2,790

B) Rates

Retail Water	Current	Prior
Date of Last Rate Increase	10/13/2011	04/30/2010
First 250 cubic feet (per 100 cf)	10.56	8.80
Next 750 cubic feet	4.32	3.63
Next 3,000 cubic feet	4.08	3.40
Next 6,000 cubic feet	4.08	3.40
Next 25,000 cubic feet	4.08	3.40
Next 25,000 cubic feet	3.84	3.20
All over 60,000 cubic feet	3.60	3.00
Cost for 4,000 gallons	\$ 22.86	\$ 19.14
Increase %	19.5%	
Affordability Index (Rate/MHI)	0.9%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility's service area population was 8,778 with a Median Household Income (MHI) of \$29,984. The median household income for the Commonwealth is \$42,610. The project will qualify for a .75% interest rate because the utility's service area MHI is below 80% of the State's MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	7,265		19,011		June 2004	5.3%
1990	7,335	1.0%	19,148	0.7%	June 2009	11.9%
2000	8,014	9.3%	20,817	8.7%	June 2013	8.6%
2010	8,340	4.1%	21,331	2.5%	June 2014	7.1%
Current	8,323	-0.2%	21,283	-0.2%		
Cumulative %		14.6%		12.0%		

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 does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the Municipal Waterworks and Sewer System fund for the years ended June 30, 2012 through 2014. The analysis includes combined results for the City's water and sewer operations. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Water revenues increased 26% from 2012 to 2014 from \$1.9 million to \$2.4 million. A 19.5% water rate increase was passed in early fiscal 2012 with the remaining increase due to volume. Sewer revenues increased 74% from 2012 to 2014 from \$1.3 million to \$2.3 million. A 12.4% rate increase was passed in 2012 with the remaining increase due to volume. Operating expenses increased 25% from \$2.3 million to \$2.8 million. The increase is due to higher contracted maintenance services along with increases in personnel costs. The debt coverage ratio increased from 1.3 in 2012 to 2.1 in 2014.

The balance sheet reflects a current ratio of 1.6, a debt to equity ratio of 0.9 and unrestricted cash equals 5.8 months of operating expenses.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water and sewer revenues reflect a 0.5% increase for volume.
- 2) The City will require a rate adjustment of approximately \$430,000 at the beginning of 2018 and \$470,000 at the beginning of 2019 with specific minimum rates being prescribed by Rural Development.
- 3) Operating expenses will increase by 2% per year.
- 4) Debt service coverage is 1.2 in 2019 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 \$25,000. This amount should be added to the replacement account each December 1 until the balance reaches \$250,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Sun Trust Lease (Water Meters)	1,176,656	2023
KIA (A02-06)	1,658,158	2023
KIA (A12-07)	315,000	TBD
KIA (F11-17)	329,075	2033
KIA (A11-21)	368,121	2033
Whitaker Bank (Construction Loan)	1,420,254	2051
Whitaker Bank Refinance Loan	68,751	2016
2013 KY Rural Water Bonds	1,010,000	2021
2006 RD Bonds	1,008,000	2044
2006 RD Bonds	2,256,000	2045
2012 RD Bonds	7,700,000	2051
KIA (F13-002, i/a/o \$2.7 M)	0	TBD
KIA (A15-046, i/a/o \$1.42 M)	0	TBD
KIA (A15-075, i/a/o \$810,000)	0	TBD
KIA (F15-031, i/a/o \$326,660)	0	TBD
Total	\$17,310,015	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
WTP Upgrade	CDBG	1,000,000	Grant
WTP Upgrade	RD	12,000,000	Loan/Grant
WWTP Upgrade	EPA SPAP	1,261,000	Grant
WWTP Upgrade	RD	2,462,000	Loan/Grant

XII. CONTACTS

Legal Applicant	
Name	City of Harrodsburg
Address	208 South Main St Harrodsburg, KY 40330
County	Mercer
Authorized Official	Eddie Long (Mayor)
Phone	(859) 734-2383
Email	2longbranch@roadrunner.com

Project Contact – Applicant & Administrator	
Name	Laura Gilkerson
Representing	GRW Engineers
Address	801 Corporate Drive Lexington, KY 40503
Phone	(859) 223-3999
Email	lgilkerson@grwinc.com

Consulting Engineer	
Name	Ryan Carr
Firm	GRW Engineers
Address	801 Corporate Drive Lexington, KY 40503
Phone	(829) 223-3999
Email	rcarr@grwinc.com

XIII. RECOMMENDATIONS

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

CITY OF HARRODSBURG (MUNICIPAL WATERWORKS AND SEWER SYSTEM)
 FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Assets								
Current Assets	1,820,451	1,754,092	2,740,769	2,080,515	2,197,272	2,289,787	2,473,933	2,594,133
Other Assets	32,989,163	35,444,268	37,340,483	39,014,754	50,375,706	61,365,777	60,133,343	58,516,452
Total	34,809,614	37,198,360	40,081,252	41,095,269	52,572,978	63,655,564	62,607,276	61,110,585
Liabilities & Equity								
Current Liabilities	1,856,213	931,209	1,722,112	843,966	801,514	759,212	750,464	758,473
Long Term Liabilities	15,843,363	16,187,663	17,184,663	18,803,077	28,620,421	38,234,056	37,526,259	36,786,778
Total Liabilities	17,699,576	17,118,872	18,906,775	19,647,043	29,421,935	38,993,268	38,276,723	37,545,251
Net Assets	17,110,038	20,079,488	21,174,477	21,448,226	23,151,043	24,662,296	24,330,553	23,565,334

Cash Flow

Revenues	3,328,723	4,540,125	4,972,675	4,998,387	5,021,829	5,045,388	5,499,065	5,992,860
Operating Expenses	2,327,200	2,689,676	2,884,878	2,916,514	2,973,895	3,036,823	3,123,522	3,184,414
Other Income	58,850	37,103	21,767	25,500	25,500	25,500	25,500	25,500
Cash Flow Before Debt Service	1,060,373	1,887,552	2,109,564	2,107,373	2,073,434	2,034,065	2,401,043	2,833,946

Debt Service

Existing Debt Service	845,286	826,494	1,017,514	1,192,022	1,310,390	1,432,632	1,465,404	1,791,238
Proposed KIA Loan	0	0	0	0	0	0	0	559,372
Total Debt Service	845,286	826,494	1,017,514	1,192,022	1,310,390	1,432,632	1,465,404	2,350,610
Cash Flow After Debt Service	215,087	1,061,058	1,092,050	915,351	763,044	601,433	935,639	483,336

Ratios

Current Ratio	1.0	1.9	1.6	2.5	2.7	3.0	3.3	3.4
Debt to Equity	1.0	0.9	0.9	0.9	1.3	1.6	1.6	1.6
Days Sales in Accounts Receivable	43.4	40.1	35.2	35.2	35.2	35.2	35.2	35.2
Months Operating Expenses in Unrestricted Cash	1.3	2.5	5.8	2.9	3.4	3.6	4.1	4.3
Debt Coverage Ratio	1.3	2.3	2.1	1.8	1.6	1.4	1.6	1.2

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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 (A15-075) IN THE AMOUNT OF \$810,000 TO THE CITY OF HARRODSBURG, MERCER COUNTY, KENTUCKY

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

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

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

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Clean Water Revolving Fund A loan for \$810,000 of project expense including capitalized interest for the construction period, to the City of Harrodsburg for the Corning

Pump Station and Force Main 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 .75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$2,000 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$20,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

February 25, 2015

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

Re: A15-075
Harrodsburg WWTP--3145
Activity ID: FGL20150011
HUC11: 05140102010
Watershed Name: Salt River, Harrodsburg
Project Name: Coming Pump Station & Force Main

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Harrodsburg is eligible to receive \$810,000 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 City of Harrodsburg'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 June 15, 2015.
2. Plans and specifications are expected to be submitted to DOW on July 15, 2015.
3. Construction bids are expected to be opened on October 1, 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 Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,

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

Peter Goodmann, Director
Division of Water

PG/BG:jjm

c: Honorable Eddie Long, City of Harrodsburg
Laura Gilkerson, GRW Engineers
Ryan Carr, GRW Engineers

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Brandi Armstrong April 2, 2015 A15-075 SX21167013	
BORROWER	CITY OF HARRODSBURG MERCER COUNTY			
BRIEF DESCRIPTION				
This project will re-route existing wastewater flows that are currently being discharged into an aged downtown collection system that frequently experiences overflows due to pipe restrictions. The project will install a pump station and lines that will relieve the downtown system by improving the hydraulics and reducing overflows. The new pump will also provide additional capacity for adjacent areas of the system by discharging to the newer wastewater system.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$810,000	RD Fee %	Actual %	
		Land, Easements	10,000	
		Planning	15,000	
		Eng - Design / Const	9.6% 9.5% 63,000	
		Eng - Insp	6.6% 6.8% 45,000	
		Eng - Other	17,000	
		Construction	600,000	
		Contingency	60,000	
TOTAL	\$810,000	TOTAL	\$810,000	
REPAYMENT	Rate Term	0.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$45,309	
PROFESSIONAL SERVICES	Engineer Bond Counsel	GRW Engineers Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Jun-15 Aug-15 Jul-16		
DEBT PER CUSTOMER	Existing Proposed	\$6,204 \$13,692		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 2,790 0	<u>Avg. Bill</u> \$22.86 (for 4,000 gallons) \$22.86 (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 2012	1,060,373	845,286	215,087	1.3
Audited 2013	1,887,552	826,494	1,061,058	2.3
Audited 2014	2,109,564	1,017,514	1,092,050	2.1
Projected 2015	2,107,373	1,192,022	915,351	1.8
Projected 2016	2,073,434	1,310,390	763,044	1.6
Projected 2017	2,034,065	1,432,632	601,433	1.4
Projected 2018	2,401,043	1,465,404	935,639	1.6
Projected 2019	2,833,946	2,350,610	483,336	1.2

Reviewer: Brandi Armstrong
 Date: April 2, 2015
 Loan Number: A15-075

**KENTUCKY INFRASTRUCTURE AUTHORITY
 WASTEWATER REVOLVING LOAN FUND (FUND "A")
 CITY OF HARRODSBURG, MERCER COUNTY
 PROJECT REVIEW
 SX21167013**

I. PROJECT DESCRIPTION

The City of Harrodsburg is requesting a Fund "A" loan in the amount of \$810,000 for the Harrodsburg Corning Pump Station and Force Main project. The project will re-route existing wastewater flows that are currently being discharged into an aged downtown collection system that frequently overflows due to pipe restrictions. The project will install a pump station and lines that will relieve the downtown system by improving the hydraulics and reducing the overflows. The new pump will also provide additional capacity for adjacent areas of the system by discharging flows to the newer wastewater system.

The City's wastewater system has about 2,800 customers and also treats wastewater for the Mercer County Sanitation District, which has 204 customers.

II. PROJECT BUDGET

	Total
Land, Easements	10,000
Planning	15,000
Engineering Fees - Design / Const	63,000
Engineering Fees - Inspection	45,000
Engineering Fees - Other	17,000
Construction	600,000
Contingency	60,000
Total	\$ 810,000

III. PROJECT FUNDING

	Amount	%
Fund A Loan	\$ 810,000	100%
Total	\$ 810,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$	810,000
Interest Rate		0.75%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	43,689
Administrative Fee (0.20%)		1,620
Total Estimated Annual Debt Service	\$	45,309

V. PROJECT SCHEDULE

Bid Opening	June 2015
Construction Start	August 2015
Construction Stop	July 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	2,546
Commercial	222
Industrial	22
Total	2,790

B) Rates

Retail Water	Current	Prior
Date of Last Rate Increase	10/13/2011	04/30/2010
First 250 cubic feet (per 100 cf)	10.56	8.80
Next 750 cubic feet	4.32	3.63
Next 3,000 cubic feet	4.08	3.40
Next 6,000 cubic feet	4.08	3.40
Next 25,000 cubic feet	4.08	3.40
Next 25,000 cubic feet	3.84	3.20
All over 60,000 cubic feet	3.60	3.00
Cost for 4,000 gallons	\$ 22.86	\$ 19.14
Increase %	19.5%	
Affordability Index (Rate/MHI)	0.9%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility's service area population was 8,778 with a Median Household Income (MHI) of \$29,984. The median household income for the Commonwealth is \$42,610. The project will qualify for a .75% interest rate because the utility's service area MHI is below 80% of the State's MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	7,265		19,011		June 2004	5.3%
1990	7,335	1.0%	19,148	0.7%	June 2009	11.9%
2000	8,014	9.3%	20,817	8.7%	June 2013	8.6%
2010	8,340	4.1%	21,331	2.5%	June 2014	7.1%
Current	8,323	-0.2%	21,283	-0.2%		
Cumulative %		14.6%		12.0%		

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 does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the Municipal Waterworks and Sewer System fund for the years ended June 30, 2012 through 2014. The analysis includes combined results for the City's water and sewer operations. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Water revenues increased 26% from 2012 to 2014 from \$1.9 million to \$2.4 million. A 19.5% water rate increase was passed in early fiscal 2012 with the remaining increase due to volume. Sewer revenues increased 74% from 2012 to 2014 from \$1.3 million to \$2.3 million. A 12.4% rate increase was passed in 2012 with the remaining increase due to volume. Operating expenses increased 25% from \$2.3 million to \$2.8 million. The increase is due to higher contracted maintenance services along with increases in personnel costs. The debt coverage ratio increased from 1.3 in 2012 to 2.1 in 2014.

The balance sheet reflects a current ratio of 1.6, a debt to equity ratio of 0.9 and unrestricted cash equals 5.8 months of operating expenses.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water and sewer revenues reflect a 0.5% increase for volume.
- 2) The cash flow analysis includes the costs of a future wastewater treatment plant and pump station. The estimated debt service on the two additional projects is \$935,000 combined. The City will require a rate adjustment of approximately \$430,000 at the beginning of 2018 and \$470,000 at the beginning of 2019 with specific minimum rates being prescribed by Rural Development.
- 3) Operating expenses will increase by 2% per year.
- 4) Debt service coverage is 1.4 in 2017 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 \$2,000. This amount should be added to the replacement account each December 1 until the balance reaches \$20,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Sun Trust Lease (Water Meters)	1,176,656	2023
KIA (A02-06)	1,658,158	2023
KIA (A12-07)	315,000	TBD
KIA (F11-17)	329,075	2033
KIA (A11-21)	368,121	2033
Whitaker Bank (Construction Loan)	1,420,254	2051
Whitaker Bank Refinance Loan	68,751	2016
2013 KY Rural Water Bonds	1,010,000	2021
2006 RD Bonds	1,008,000	2044
2006 RD Bonds	2,256,000	2045
2012 RD Bonds	7,700,000	2051
KIA (F13-002, i/a/o \$2.7 M)	0	TBD
KIA (A15-046, i/a/o \$1.42 M)	0	TBD
KIA (A15-074, i/a/o \$10 M)	0	TBD
KIA (F15-031, i/a/o \$326,660)	0	TBD
Total	\$17,310,015	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
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Consulting Engineer	
Name	Ryan Carr
Firm	GRW Engineers
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Phone	(829) 223-3999
Email	rcarr@grwinc.com

XIII. RECOMMENDATIONS

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

CITY OF HARRODSBURG (MUNICIPAL WATERWORKS AND SEWER SYSTEM)
 FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Assets								
Current Assets	1,820,451	1,754,092	2,740,769	2,080,515	2,197,271	2,289,786	2,473,932	2,594,132
Other Assets	32,989,163	35,444,268	37,340,483	39,014,754	50,375,706	61,365,777	60,133,343	58,516,452
Total	34,809,614	37,198,360	40,081,252	41,095,269	52,572,977	63,655,564	62,607,275	61,110,585
Liabilities & Equity								
Current Liabilities	1,856,213	931,209	1,722,112	843,966	801,514	759,212	750,464	758,473
Long Term Liabilities	15,843,363	16,187,663	17,184,663	18,803,077	28,620,421	38,234,056	37,526,259	36,786,778
Total Liabilities	17,699,576	17,118,872	18,906,775	19,647,043	29,421,935	38,993,268	38,276,723	37,545,251
Net Assets	17,110,038	20,079,488	21,174,477	21,448,226	23,151,042	24,662,296	24,330,552	23,565,333

Cash Flow

Revenues	3,328,723	4,540,125	4,972,675	4,998,387	5,021,829	5,045,388	5,499,065	5,992,860
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Other Income	58,850	37,103	21,767	25,500	25,500	25,500	25,500	25,500
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Debt Service

Existing Debt Service	845,286	826,494	1,017,514	1,192,022	1,310,390	1,409,977	1,420,095	2,305,301
Proposed KIA Loan	0	0	0	0	0	22,655	45,309	45,309
Total Debt Service	845,286	826,494	1,017,514	1,192,022	1,310,390	1,432,632	1,465,404	2,350,610
Cash Flow After Debt Service	215,087	1,061,058	1,092,050	915,351	763,044	601,433	935,639	483,336

Ratios

Current Ratio	1.0	1.9	1.6	2.5	2.7	3.0	3.3	3.4
Debt to Equity	1.0	0.9	0.9	0.9	1.3	1.6	1.6	1.6
Days Sales in Accounts Receivable	54.7	38.6	35.4	35.2	35.2	35.2	35.2	35.2
Months Operating Expenses in Unrestricted Cash	2.9	6.3	3.0	2.9	3.4	3.6	4.1	4.3
Debt Coverage Ratio	1.3	2.3	2.1	1.8	1.6	1.4	1.6	1.2

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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 (A15-077) IN THE AMOUNT OF \$3,102,921 TO THE MOUNTAIN WATER DISTRICT, PIKE 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 Mountain 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 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 \$3,102,921 of project expense including capitalized interest for the construction period, to the Mountain Water District for the

Douglas WWTP Expansion 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 0.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$7,800 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$78,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

February 20, 2015

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

Re: A15-077
Mountain Water District Douglas WWTP--3539
Activity ID: FGL20150003
HUC11: 05070202080; 05070201150;
05070201160; and 05070203010
Watershed Name: *Shelby Creek, near Ellwood; Tug
Fork, near Williamson; Peter Creek, near Board
Tree; and Levisa Fork, near Pikeville*
Project Name: Douglas WWTP Expansion

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Mountain Water District is eligible to receive \$3,102,921.00 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 Mountain Water 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 in February 2015.
2. Plans and specifications are expected to be submitted to DOW in April 2015.
3. Construction bids are expected to be opened in July 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 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: Roy Sawyers, Mountain Water District
Jody Hunt, Summit Engineering
Mike Spears, CPA

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Jami Johnson April 2, 2015 A15-077 SX21195699
BORROWER	MOUNTAIN WATER DISTRICT PIKE COUNTY		
BRIEF DESCRIPTION This project will construct a new wastewater treatment plant to replace it's existing plant, as well as, rehabilitate the lift stations. The new plant will increase the capacity to 300,000 GPD with headwork designed to expand to 400,000 GPD in order to correct the issue with biological capacity while anticipating the changing EPA effluent limitations on future permits to remain in compliance. The District will rehabilitate the lift stations by installing high efficiency pumps and motors with advanced electrical controllers to improve efficiency to serve customers. Odor and corrosion control systems will be installed at the upstream lift stations to minimize hydrogen sulfide issues to the increased developed area.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
Fund A Loan	\$3,102,921	Administrative Expenses	\$50,000
HB 608	486,079	Legal Expenses	3,000
HB 269	111,000	Planning	5,000
		Eng - Design / Const	7.1% 4.4% 144,176
		Eng - Insp	5.2% 3.9% 129,155
		Eng - Other	52,254
		Construction	3,007,500
		Other	300,750
		Contingency	8,165
TOTAL	\$3,700,000	TOTAL	\$3,700,000
REPAYMENT	Rate Term	0.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$173,569
PROFESSIONAL SERVICES	Engineer Bond Counsel	Summit Engineering, Inc. Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	May-15 Aug-15 Aug-16	
DEBT PER CUSTOMER	Existing Proposed	\$748 \$840	based on total customers of 17,145
OTHER DEBT	See Attached		
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached		
RESIDENTIAL RATES	Current Additional	<u>Users</u> 2,372 0	<u>Avg. Bill</u> \$34.04 (for 4,000 gallons) \$34.04 (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 2012	1,264,426	1,921,619	(657,193) 0.7
Audited 2013	1,460,806	1,349,286	111,520 1.1
Projected 2014	1,307,719	1,455,715	(147,996) 0.9
Projected 2015	1,176,570	1,164,379	12,191 1.0
Projected 2016	1,283,298	1,144,878	138,420 1.1
Projected 2017	1,455,041	1,300,178	154,863 1.1
Projected 2018	1,444,335	1,319,252	125,083 1.1
Projected 2019	1,445,314	1,319,252	126,062 1.1

Reviewer: Jami Johnson
Date: April 2, 2015
Loan Number: A15-077

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND "A")
MOUNTAIN WATER DISTRICT, PIKE COUNTY
PROJECT REVIEW
SX21195699**

I. PROJECT DESCRIPTION

The Mountain Water District (District) is requesting a Fund A loan in the amount of \$3,102,921 for the Douglas Wastewater Treatment Plant Project. The project will construct a new wastewater treatment plant to replace its existing plant using membrane technology. The plant will increase capacity from 200,000 gallons per day (GPD) to 300,000 GPD and add headwork designed to expand capacity to 400,000 GPD. The plant is currently at maximum capacity and the expansion will allow more customers to be added to the service.

Another component to this project is rehabilitation to the lift stations to efficiently serve customers and increase reliability of the sewer collection system. The District will install high efficiency pumps and motors in conjunction with advanced electrical controllers for best optimization of the station. Odor and corrosion control systems will be installed at the lift stations upstream of the new treatment plant that will assist in minimizing hydrogen sulfide issues to the more developed area.

The District serves the area of Pike County and has approximately 17,200 water and 2,400 sewer customers. Elkhorn City purchases approximately six million gallons of water annually from the District.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 50,000
Legal Expenses	3,000
Planning	5,000
Engineering Fees – Design / Const	144,176
Engineering Fees - Inspection	129,155
Engineering Fees - Other	52,254
Construction	3,007,500
Contingency	8,165
Other	300,750
Total	\$ 3,700,000

III. PROJECT FUNDING

	Amount	%
Fund A Loan	\$ 3,102,921	84%
HB 608	486,079	13%
HB 269	111,000	3%
Total	\$ 3,700,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$3,102,921
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$167,363
Administrative Fee (0.20%)	6,206
Total Estimated Annual Debt Service	\$173,569

V. PROJECT SCHEDULE

Bid Opening	May 2015
Construction Start	August 2015
Construction Stop	August 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	2,178
Commercial	194
Total	2,372

B) Rates

	Water		Sewer
	Current	Prior	Current
Date of Last Rate Increase	01/12/13		01/12/13
Minimum (up to 2,000 gallons)	\$20.02	\$18.06	\$14.00
Next 8,000 Gallons	7.01	6.03	6.00
Over 10,000 Gallons	6.22	5.24	
Cost for 4,000 gallons	\$34.04	\$30.12	\$26.00
Increase %	13.0%		
Affordability Index (Rate/MHI)	1.3%		1.0%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility's service area population was 6,191 with a Median Household Income (MHI) of \$30,478. The median household income for the Commonwealth is \$42,610. 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	City	Population % Change	County	% Change	Unemployment Date	Rate
1980	4,756		81,123		June 2004	7.5%
1990	6,324	33.0%	72,583	-10.5%	June 2009	10.7%
2000	6,295	-0.5%	68,736	-5.3%	June 2013	12.3%
2010	6,903	9.7%	65,024	-5.4%	June 2014	11.1%
Current	6,864	-0.6%	64,887	-0.2%		
Cumulative %		44.3%		-20.0%		

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 does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the combined water and sewer operations for years ended December 31, 2012 and 2013. Amounts for 2014 are estimated. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues, expenses and cash flow available for debt service were relatively flat for the years 2012 through 2014. Revenues averaged \$9.2 million while operating expenses averaged \$7.7 million and cash flow before debt service averaged \$1.3 million. Debt coverage was 0.7, 1.1, and 0.9 in 2012, 2013, and 2014, respectively. Debt service decreased from \$1.9 million in 2012 to an average of \$1.4 million for 2013 and 2014.

The balance sheet reflects a current ratio of 0.6, debt to equity ratio of 0.3 and the collection period is 38.3 days. The number of months of operating expenses in unrestricted cash is 0.4. The District maintains multiple restricted funds including Construction, Depreciation, Maintenance and Replacement and Customer Deposits. They are currently funding an additional \$136,000 per year to reserves to remedy a previous shortfall in required reserve amounts on a number of KIA and RD loans.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will be flat for volume.
- 2) The District will need approximately 2% additional revenue annually or about \$850,000 increase over years 2016 through 2019. The District has applied to PSC for water and sewer rate increases that, in aggregate, appear to meet the estimated revenue shortfall.
- 3) Expenses will increase 2% for inflation.
- 4) Debt service coverage is 1.1 in 2017 when principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$7,800. This amount should be added to the replacement account each December 1 until the balance reaches \$78,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
RD 2005	\$ 678,500	2045
RD 2003	384,000	2043
RD 2002	688,000	2035
RD 2005	1,534,000	2027
RD 2009	629,000	2047
KY Rural Water	6,100,000	2039
KIA (B291-07)	2,233,980	2023
KIA (B291-01)	147,254	2023
KIA (F01-07)	681,655	2024
KIA (A03-06)	106,123	2023
KIA (A209-32)	325,186	2031
Community Trust	5,960	2014
Community Trust	10,301	2015
Community Trust	11,905	2015
Community Trust	11,909	2015
Community Trust Line of Credit	90,953	TBD
Utility Management Group	37,353	2014
Community Trust	23,838	2014
Community Trust	23,633	2014
Community Trust	19,216	2014
Community Trust	17,317	2015
Total	\$13,760,083	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Description	Funding Source	Amount
2nd Magisterial District – Various Projects #B642	HB 265	500,000
Belfry - Pond Area Sewer - #565	HB 410	850,000
Belfry Sewer Project #B643	HB 265	308,846
Jonican Water Project #B644	HB 265	808,846
LMI Service Connections - #566	HB 410	205,400
Majestic – Knox Creek Sewer #B641	HB 410	640,000
Majestic Alternative Sewer Project - #365	HB 410	100,000
Phelps Wastewater - Upgrades #B639	HB 265	1,500,000
Tank and Pump Station Rehab - #366	HB 265	375,000
Various Short Line Extensions - #569	HB 265	100,000

XII. CONTACTS

Legal Applicant	
Name	Mountain Water District
Address	P.O. Box 3157 Pikeville, KY 41502
County	Pike
Authorized Official	Roy B. Sawyers (District Administrator)
Phone	606-631-9162 ext 309
Email	rsawyers@mtwater.org

Project Contact – Applicant / Administrator	
Name	Mike Spears
Representing	Michael R. Spears, CPA
Address	P.O. Box 1270 Prestonsburg, KY 41563
Phone	(606) 886-8040
Email	mikespears@setel.com

Consulting Engineer	
Name	Jody G. Hunt
Firm	Summit Engineering, Inc.
Address	131 Summit Drive Suite 303 Pikeville, KY 41501
Phone	(606) 432-1447 Ext 327
Email	jhunt@summit-engr.com

XIII. RECOMMENDATIONS

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

**MOUNTAIN WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)**

Balance Sheet

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Assets								
Current Assets	1,282,106	1,175,101	1,027,056	1,041,847	1,193,867	1,384,630	1,526,013	1,669,875
Other Assets	94,713,027	93,787,274	90,452,398	88,645,560	87,300,430	83,721,431	80,142,432	76,563,433
Total	95,995,133	94,962,375	91,479,454	89,687,407	88,494,297	85,106,061	81,668,445	78,233,308
Liabilities & Equity								
Current Liabilities	2,036,652	1,985,959	1,803,323	1,825,459	1,845,122	1,854,768	1,863,468	1,872,268
Long Term Liabilities	21,901,894	18,233,268	17,466,992	18,250,541	19,035,226	18,260,405	17,478,584	16,689,763
Total Liabilities	23,938,546	20,219,227	19,270,315	20,076,000	20,880,348	20,115,173	19,342,052	18,562,031
Net Assets	72,056,587	74,743,148	72,209,139	69,611,407	67,613,949	64,990,888	62,326,393	59,671,277

Cash Flow

Revenues	9,157,910	9,250,154	9,250,154	9,275,154	9,405,154	9,747,154	9,902,154	10,072,154
Operating Expenses	7,896,322	7,792,234	7,945,321	8,101,470	8,124,742	8,294,999	8,460,705	8,629,726
Other Income	2,838	2,886	2,886	2,886	2,886	2,886	2,886	2,886
Cash Flow Before Debt Service	1,264,426	1,460,806	1,307,719	1,176,570	1,283,298	1,455,041	1,444,335	1,445,314
Debt Service								
Existing Debt Service	1,921,619	1,349,286	1,455,715	1,164,379	1,144,878	1,126,609	1,145,683	1,145,683
Proposed KIA Loan	0	0	0	0	0	173,569	173,569	173,569
Total Debt Service	1,921,619	1,349,286	1,455,715	1,164,379	1,144,878	1,300,178	1,319,252	1,319,252
Cash Flow After Debt Service	(657,193)	111,520	(147,996)	12,191	138,420	154,863	125,083	126,062

Ratios

Current Ratio	0.6	0.6	0.6	0.6	0.6	0.7	0.8	0.9
Debt to Equity	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Days Sales in Accounts Receivable	40.1	38.3	38.3	38.3	38.3	38.3	38.3	38.3
Months Operating Expenses in Unrestricted Cash	0.4	0.3	0.1	0.1	0.3	0.5	0.7	0.9
Debt Coverage Ratio	0.7	1.1	0.9	1.0	1.1	1.1	1.1	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 A LOAN (A15-090) IN THE AMOUNT OF \$340,980 TO THE CITY OF NICHOLASVILLE, JESSAMINE COUNTY KENTUCKY

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

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

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

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

WHEREAS, the Authority wishes to establish terms and conditions on said Fund 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 \$340,980 of project expense including capitalized interest for the construction period, to the City of Nicholasville for the Orchard

Parallel Sanitary 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. The loan shall be repayable over 20 years at an interest rate of 2.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. A replacement reserve will not be required for this project. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

February 25, 2015

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

Re: A15-090
Jessamine Creek Environ. Control WWTP--2293
Activity ID: FGL20150003
HUC11: 05100205130
Watershed Name: Jessamine Creek
Project Name: Orchard Parallel Sanitary Sewer

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City Of Nicholasville is eligible to receive \$340,980.00 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 City Of Nicholasville'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 in September 2015.
2. Plans and specifications are expected to be submitted to DOW in December 2015.
3. Construction bids are expected to be opened in March 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 J. 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: Honorable Russell A. Meyer, City of Nicholasville
Bob Amato, City of Nicholasville
John Steinmetz, Hazen & Sawyer

EXECUTIVE SUMMARY		Reviewer	Jami Johnson	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 2, 2015	
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number	A15-090	
REVOLVING LOAN FUND		WRIS Number	SX21113027	
BORROWER	CITY OF NICHOLASVILLE JESSAMINE COUNTY			
BRIEF DESCRIPTION				
The project will replace and enlarge approximately 2,445 linear feet (LF) of existing gravity sewer lines to provide sufficient capacity to convey wastewater flows. The parallel and replacement sewers would be a combination of 10 and 12 inch diameter pipes.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$340,980	RD Fee %	Actual %	
		Eng - Design / Const	11.4%	11.3%
		Eng - Insp	9.1%	8.8%
		Construction		266,980
		Contingency		17,000
TOTAL	\$340,980	TOTAL		\$340,980
REPAYMENT	Rate	2.75%	Est. Annual Payment	\$22,961
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Hazen & Sawyer, Inc		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Sep-15		
	Construction Start	Oct-15		
	Construction Stop	Jun-16		
DEBT PER CUSTOMER	Existing	\$3,378		
	Proposed	\$3,065		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	10,941	\$17.93	(for 4,000 gallons)
	Additional	0	\$17.93	(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 2012	5,683,522	4,424,670	1,258,852	1.3
Audited 2013	5,627,287	3,880,338	1,746,949	1.5
Audited 2014	4,814,401	3,894,300	920,101	1.2
Projected 2015	4,800,088	4,054,376	745,712	1.2
Projected 2016	4,782,272	4,076,030	706,242	1.2
Projected 2017	4,760,773	4,096,712	664,062	1.2
Projected 2018	4,735,400	4,104,203	631,197	1.2
Projected 2019	4,705,956	3,050,741	1,655,215	1.5

Reviewer: Jami Johnson
 Date: April 2, 2015
 Loan Number: A15-090

**KENTUCKY INFRASTRUCTURE AUTHORITY
 WASTEWATER REVOLVING LOAN FUND (FUND "A")
 CITY OF NICHOLASVILLE, JESSAMINE COUNTY
 PROJECT REVIEW
 SX21113027**

I. PROJECT DESCRIPTION

The City of Nicholasville is requesting a \$340,980 Fund A loan for the Orchard Parallel Sanitary Sewer Project. This project will replace and upsize 2,445 linear feet (LF) of an existing gravity sewer to provide sufficient capacity to convey wastewater flows downstream of and in the Orchard area of Nicholasville to improve the surface water quality. The project will also reduce the incidence and duration of wet weather overflows from seven existing manholes.

II. PROJECT BUDGET

	Total
Engineering Fees - Design / Const	32,000
Engineering Fees - Inspection	25,000
Construction	266,980
Contingency	17,000
Total	\$ 340,980

III. PROJECT FUNDING

	Amount	%
Fund A Loan	\$ 340,980	100%
Total	\$ 340,980	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 340,980
Interest Rate	2.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 22,279
Administrative Fee (0.20%)	682
Total Estimated Annual Debt Service	\$ 22,961

V. PROJECT SCHEDULE

Bid Opening	September 2015
Construction Start	October 2015
Construction Stop	June 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	10,098
Commercial	818
Industrial	25
Total	10,941

B) Rates

	Inside City		Outside City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	07/01/09	07/01/08	07/01/09	07/01/08
Min. 3/4 in	\$4.25	\$4.25	\$6.35	\$6.35
1 inch	7.10	7.10	10.65	10.65
1 1/2 inch	14.15	14.15	21.20	21.20
2 inch	22.65	22.65	33.95	33.95
per 1,000 gallons	4.56	4.28	6.84	6.42
Cost for 4,000 gallons	\$17.93	\$17.09	\$26.87	\$25.61
Increase %	4.9%		4.9%	
Affordability Index (Rate/MHI)	0.5%		0.7%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility’s service area population was 29,008 with a Median Household Income (MHI) of \$43,422. The median household income for the Commonwealth is \$42,610. The project will qualify for the standard 2.75% interest rate since the borrower’s MHI is above the state’s MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	10,400		26,146		June 2004	4.8%
1990	13,603	30.8%	30,508	16.7%	June 2009	10.0%
2000	19,680	44.7%	39,041	28.0%	June 2013	7.8%
2010	28,015	42.4%	48,586	24.4%	June 2014	6.7%
Current	27,865	-0.5%	48,591	0.0%		
Cumulative %		167.9%		85.8%		

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 Utility Fund for the years ended June 30, 2012 through June 30, 2014. The fund includes electric, water and sewer services operations. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues increased 7% from \$22.9 million in 2012 to \$24.6 million in 2014. Operating expenses increased 13.5% from \$18.4 million to \$20.9 million during the same period. The debt coverage ratio was 1.3, 1.5, and 1.2 for years 2012, 2013 and 2014, respectively.

The balance sheet reflects a current ratio of 1.3, a debt to equity ratio of 0.8 and a collection period of 49.7 days. The number of months of operating expenses in unrestricted cash is two. The repair and replacement fund balance averaged 3.2 percent of net fixed assets for each of the three years.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 2.5% for growth and inflation.
- 2) Expenses will increase 3% for growth and inflation.
- 3) Debt service coverage is 1.2 in 2017 when principal and interest repayments begin.

Based on the proforma assumptions, the utility shows adequate cash flow to repay the

KIA Fund A loan.

REPLACEMENT RESERVE

The Utility maintains a “Repair and Replacement fund” to make major repairs and replacements and to pay the cost of construction of additions, extensions and improvements to the water system. During the past three audited years the balance has averaged \$2.5 million. The balance averaged 3.2 percent of net fixed assets for 2012 through 2014. Based on the Utility’s current reserve funding practice a reserve will not be required for the proposed loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KIA (A95-11)	\$ 3,951,594	2018
KIA (C02-02)	2,284,170	2023
KIA (A06-07)	9,198,004	2028
KIA (F07-08)	7,432,544	2030
KIA (A08-06)	4,661,370	2031
KIA (F13-022)	246,222	TBD
KIA (F13-026, P&D i/a/o \$110,000)	110,000	TBD
Series 2009	489,368	2029
Series 2011A	61,506	2031
Series 2012A	222,900	2024
Series 2014N-1	1,175,000	2019
Pitney Bowes Lease	4,559	2015
Total	\$ 29,837,237	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

<u>Description</u>	<u>Funding Source</u>	<u>Type</u>
Armory Place Water Distribution System Improvement Project	HB 265	Grant

XII. CONTACTS

Legal Applicant	
Name	City of Nicholasville
Address	PO Box 450 Nicholasville, KY 403546
County	Jessamine
Authorized Official	Russell A. Meyer (Mayor)
Phone	(859) 885-9473
Email	Russ_Meyer@nicholasville.org

Project Administrator	
Name	City of Nicholasville
Address	PO Box 450 Nicholasville, KY 40356
Contact	Bob Amato
Phone	(859) 885-9473
Email	bob.amato@nicholasville.org

Consulting Engineer	
Name	John Steinmetz
Firm	Hazen & Sawyer, Inc
Address	444 Lewis Hargett Circle Suite 200 Lexington, KY 40503
Phone	(859) 219-1126
Email	jsteinmetz@hazenandsawyer.com

XIII. RECOMMENDATIONS

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

CITY OF NICHOLASVILLE (UTILITIES FUND)
 FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited <u>2012</u>	Audited <u>2013</u>	Projected <u>2014</u>	Projected <u>2015</u>	Projected <u>2016</u>	Projected <u>2017</u>	Projected <u>2018</u>	Projected <u>2019</u>
Assets								
Current Assets	8,052,905	8,831,253	8,729,462	8,961,875	9,188,917	9,409,879	9,626,176	10,049,791
Other Assets	86,824,054	84,372,743	84,520,339	90,220,099	93,745,307	96,904,060	100,036,813	103,988,566
Total	93,876,959	93,203,996	93,249,801	99,181,974	102,934,224	106,313,939	109,662,989	114,038,357
Liabilities & Equity								
Current Liabilities	6,325,965	6,377,041	6,936,683	7,258,801	7,433,248	7,599,704	6,714,649	6,647,049
Long Term Liabilities	39,011,446	36,263,488	34,090,959	33,254,986	30,349,616	27,025,410	24,677,459	22,491,008
Total Liabilities	45,337,411	42,640,529	41,027,642	40,513,787	37,782,864	34,625,114	31,392,108	29,138,057
Net Assets	48,539,548	50,563,467	52,222,159	58,668,187	65,151,360	71,688,825	78,270,881	84,900,300

Cash Flow

Revenues	23,582,890	24,407,242	25,302,598	25,917,203	26,547,173	27,192,893	27,854,756	28,533,165
Operating Expenses	18,463,123	19,323,756	20,963,937	21,592,855	22,240,641	22,907,860	23,595,096	24,302,949
Other Income	563,755	543,801	475,740	475,740	475,740	475,740	475,740	475,740
Cash Flow Before Debt Service	5,683,522	5,627,287	4,814,401	4,800,088	4,782,272	4,760,773	4,735,400	4,705,956
Debt Service								
Existing Debt Service	4,424,670	3,880,338	3,894,300	4,054,376	4,076,030	4,085,231	4,081,242	3,027,780
Proposed KIA Loan	0	0	0	0	0	11,481	22,961	22,961
Total Debt Service	4,424,670	3,880,338	3,894,300	4,054,376	4,076,030	4,096,712	4,104,203	3,050,741
Cash Flow After Debt Service	1,258,852	1,746,949	920,101	745,712	706,242	664,062	631,197	1,655,215

Ratios

Current Ratio	1.3	1.4	1.3	1.2	1.2	1.2	1.4	1.5
Debt to Equity	0.9	0.8	0.8	0.7	0.6	0.5	0.4	0.3
Days Sales in Accounts Receivable	56.5	50.5	49.7	49.7	49.7	49.7	49.7	49.7
Months Operating Expenses in Unrestricted Cash	1.7	2.3	2.0	2.0	2.0	2.0	2.0	2.2
Debt Coverage Ratio	1.3	1.5	1.2	1.2	1.2	1.2	1.2	1.5

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A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A15-102) OF \$3,000,000 TO THE SANITATION DISTRICT NO. 1, BOONE, CAMPBELL AND KENTON COUNTIES, KENTUCKY

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

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

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the Sanitation District No. 1, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$3,000,000 of project expense including capitalized interest for the construction period, to the Sanitation District No. 1 for the

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

Section 3. The loan shall be repayable over 20 years at an interest rate of 1.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$7,500 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$75,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

EXECUTIVE SUMMARY		Reviewer	Jeff Abshire	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 2, 2015	
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number	A15-102	
REVOLVING LOAN FUND		WRIS Number	SX21117001	
BORROWER	SANITATION DISTRICT #1 OF NORTHERN KENTUCKY KENTON COUNTY			
BRIEF DESCRIPTION				
This project will replace approximately 2,400 feet of existing ten inch gravity sewer using trenchless horizontal directional drilling. The existing sewer was severely damaged by a large landslide that occurred in 2009 that resulted in a temporary above ground bypass being constructed. The proposed project will provide a permanent solution and address the inevitable failure of the temporary bypass.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$3,000,000	RD Fee %	Actual %	
Local Funds	330,000			
		Administrative Expenses		\$20,000
		Land, Easements		30,000
		Eng - Design / Const	7.2%	5.7%
		Eng - Insp	4.0%	3.7%
		Construction		2,727,273
		Contingency		272,727
TOTAL	\$3,330,000	TOTAL		\$3,330,000
REPAYMENT	Rate	1.75%	Est. Annual Payment	\$184,427
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Hatch Mott MacDonald		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Aug-15		
	Construction Start	Oct-15		
	Construction Stop	Jun-16		
DEBT PER CUSTOMER	Existing	\$5,146		
	Proposed	\$5,074		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	103,302	\$37.54	(for 4,000 gallons)
	Additional	0	\$37.54	(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 2012	52,843,424	31,522,971	21,320,453	1.7
Audited 2013	52,401,217	33,031,720	19,369,497	1.6
Audited 2014	59,360,666	39,248,254	20,112,412	1.5
Projected 2015	60,832,846	40,726,688	20,106,158	1.5
Projected 2016	61,966,860	40,850,288	21,116,572	1.5
Projected 2017	62,817,088	40,952,216	21,864,872	1.5
Projected 2018	63,683,867	41,240,455	22,443,412	1.5
Projected 2019	64,577,137	41,667,306	22,909,831	1.5

Reviewer: Jeff Abshire
Date: April 2, 2015
Loan Number: A15-102

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND "A")
SANITATION DISTRICT NO. 1
SERVING BOONE, CAMPBELL AND KENTON COUNTIES
PROJECT REVIEW
SX21117001**

I. PROJECT DESCRIPTION

Sanitation District No. 1 is requesting a \$3,000,000 Fund "A" loan for the Highland Pike Sewer Replacement project. The project will replace over 2,400 feet of existing ten inch gravity sewer using trenchless horizontal directional drilling. The existing sewer was severely damaged by a large landslide that occurred in 2009. A temporary above ground bypass line was constructed to maintain sanitary service and is anchored along the toe of the slope by cloth straps, steel cable, and buried concrete anchors. If the project is not constructed, the temporary bypass will inevitably fail in the near future resulting in a sewage release and extensive costs related to clean up and bypass pumping until a repair or more permanent solution can be implemented. The District could also be exposed to potential fines and penalties and private litigation from the sewage release. While this project is not a component of the Consent Decree described below, the requirements of the Consent Decree are a dominant factor in the District's capital spending activities.

In October 2005, the District entered into a Consent Decree with the U.S. EPA, the Kentucky Environmental Public Protection Cabinet and the U.S. Department of Justice, requiring an estimated \$1.2 billion investment (2009 dollars) over the next 20 years to address sewage overflows in Northern Kentucky. The agreement became effective in April 2007. The District is taking a watershed approach to future improvement plans that will holistically evaluate the cumulative impacts of pollution sources on receiving waters. The use of this watershed approach will lead to more rapid improvements in water quality in critical areas with more efficient and cost-effective solutions for the region.

SD1 is the second largest public sewer utility in Kentucky serving more than 290,000 residents in more than 30 municipalities and unincorporated portions of Boone, Campbell, and Kenton Counties. The District maintains approximately 1,600 miles of sanitary sewer line, 135 wastewater pumping stations, 15 flood pump stations, 8 package treatment plants, three major wastewater treatment plants, approximately 440 miles of storm sewer and 32,000 storm sewer structures.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 20,000
Land, Easements	30,000
Engineering Fees - Design / Const	170,000
Engineering Fees - Inspection	110,000
Construction	2,727,273
Contingency	272,727
Total	\$ 3,330,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 3,000,000	90%
Local Funds	330,000	10%
Total	\$ 3,330,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 3,000,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 178,427
Administrative Fee (0.20%)	6,000
Total Estimated Annual Debt Service	\$ 184,427

V. PROJECT SCHEDULE

Bid Opening	August 2015
Construction Start	October 2015
Construction Stop	June 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

<u>Customers</u>	<u>Current</u>
Residential	93,800
Commercial	9,502
Total	103,302

B) Rates

Effective Date	Sewer Rate Per Hundred Cubic Feet (HCF) of Water Consumption		
	4/1/2011	4/1/2012	4/1/2014
Flat Rate Per HCF	\$5.82	\$6.69	\$7.02
Minimum (2 HCF Per Month)	11.64	13.38	14.04
Residential Bill for 4,000 gallons	\$31.12	\$35.77	\$37.54
Percentage Increase	15%	15%	4.9%
Affordability Index (Rate/MHI)	0.7%	0.8%	0.8%
Storm Water Rates	\$4.54	\$4.80	\$5.04
Percentage Increase	2.3%	5.7%	5.0%

The monthly storm water rate is based on one Equivalent Residential Unit (ERU) of impervious area per property. One ERU is estimated at 2,600 square feet.

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, median household income and population data for served counties are listed below. The median household income for the Commonwealth is \$42,610. The District is a regional service provider and the project will qualify for a 1.75% interest rate.

County	Population	MHI
Boone	119,406	\$21,695
Campbell	159,926	23,332
Kenton	90,119	13,070
Total / Weighted MHI	<u>369,451</u>	<u>\$58,097</u>

Year	Population		Unemployment Rate
	Service Area	% Change	
2009	361,306		4.2%
2010	366,043	1.3%	5.3%
2011	369,730	1.0%	5.9%
2012	372,939	0.9%	5.8%
2013	375,727	0.7%	5.4%
Cumulative %		4.0%	

Source: SD1 2014 Audited Financial Statements, Demographic and Census Information

VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

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

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the District was obtained from the audited financial statements for the years ended June 30, 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 10% from \$84.0 million in 2012 to \$92.7 million in 2014 with a 15% rate increase being partially offset by a volume decrease. Average daily wastewater treatment volume decreased from 40.1 million gallons per day (MGD) in 2012 to 35.7 MGD in 2013 and 2014. Operating expenses increased 4% from \$36.1 million in 2012 to \$37.6 million in 2014. The debt coverage ratio was 1.9, 1.7 and 2.4 for 2012, 2013, and 2014, respectively, with cash flow after debt service averaging \$20.3 million each year.

The balance sheet reflects a current ratio of 2.3, debt to equity ratio of .7 and the number of months of operating expenses in unrestricted cash and investments was 10.5. The District maintains a policy-required minimum of \$15 million in the Improvement, Repair and Replacement reserve as well as a minimum of \$5 million in the Self-Insurance Fund. The District's debt mix is comprised of 71% bonds and 21% KIA loans. The bonds are rated Aa2 by Moody's and AA / Stable by Standard & Poor's rating agencies.

Capital spending was \$128 million for 2012 through 2014. The Kentucky Infrastructure Authority has been a significant lender to SD1 having provided SRF assistance of approximately \$198 million for seventeen projects since 2004.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 5% in 2015 due to a rate increase that went into effect during the last quarter of fiscal 2014. Revenues will increase 2.5% for growth and inflation each year thereafter.
- 2) Expenses will increase 2.5% each year for growth and inflation
- 3) Substantially all free cash flow net of changes in working capital requirements will be used to fund capital expenditures.
- 4) Debt service coverage is 1.5 in 2017 when the first full year of 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 \$7,500. This amount should be added to the replacement account each December 1 until the balance reaches \$75,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Series 2005A Bonds	\$ 18,890,000	2019
Series 2006 Bonds	44,145,000	2037
Series 2007 Bonds	95,745,000	2038
Series 2009 Bonds	50,430,000	2039
Series 2010A Bonds	70,090,000	2040
Series 2010B Bonds	38,815,000	2031
Series 2010C Bonds	15,465,000	2023
Series 2010D Bonds	40,905,000	2040
KIA (A04-09)	23,847,061	2027
KIA (A08-04)	66,252,349	2033
KIA (A09-04)	4,410,802	2031
KIA (A09-05)	4,654,327	2030
KIA (A09-06)	12,211,636	2033
KIA (A09-07)	4,433,847	2032
KIA (A09-08)	2,060,973	2033
KIA (A09-09)	7,737,355	2033
KIA (A10-11)	15,989,713	2034
KIA (A11-12, i/a/o \$15.2M)	0	TBD
KIA (A11-13, i/a/o \$14.2M)	8,166,202	TBD
KIA (A11-14, i/a/o \$7.8M)	1,104,022	TBD
KIA (A12-02)	799,057	2032
KIA (A2 09-01)	161,287	2030
KIA (A2 09-02)	589,332	2031
KIA (A2 09-03)	626,999	2031
KIA (A2 09-04)	366,411	2032
Total	\$ 527,896,373	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

There was no grant activity during the past five years.

XII. CONTACTS

Legal Applicant	
Name	Sanitation District #1 of Northern Kentucky
Address	1045 Eaton Drive Fort Wright, KY 41017
County	Kenton
Authorized Official	David Rager (Executive Director)
Phone	(859) 578-7465
Email	drager@SD1.org

Project Contact - Applicant	
Name	Ralph Johnstone
Representing	Sanitation District #1 of Northern Kentucky
Address	1045 Eaton Drive Fort Wright, KY 41017
Phone	(859) 578-7461
Email	rjohnstone@sd1.org

Project Administrator	
Name	Sanitation District #1 of Northern Kentucky
Address	1045 Eaton Drive Fort Wright, KY 41017
Contact	Bob Wilson
Phone	(859) 578-7469
Email	rwilson@sd1.org

Consulting Engineer	
Name	Glenn Duyvestyn
Firm	Hatch Mott MacDonald
Address	18013 Cleveland Parkway Drive Cleveland, OH 44135
Phone	(216) 535-3649
Email	Glenn.Duyvestyn@hatchmott.com

XIII. RECOMMENDATIONS

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

**SANITATION DISTRICT #1 OF NORTHERN KENTUCKY
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>
Assets								
Current Assets	48,512,441	47,893,348	59,123,697	58,925,764	58,369,636	59,907,208	62,158,220	63,771,051
Other Assets	1,261,683,630	1,268,736,695	1,243,853,263	1,224,058,892	1,217,587,944	1,206,454,418	1,182,893,646	1,159,601,874
Total	1,310,196,071	1,316,630,043	1,302,976,960	1,282,984,656	1,275,957,580	1,266,361,626	1,245,051,866	1,223,372,925
Liabilities & Equity								
Current Liabilities	26,217,282	28,800,727	26,223,088	27,757,806	28,298,442	29,196,968	30,278,550	30,625,953
Long Term Liabilities	534,386,235	534,488,452	521,499,370	504,333,678	511,956,046	513,787,731	491,263,034	468,374,934
Total Liabilities	560,603,517	563,289,179	547,722,458	532,091,484	540,254,488	542,984,699	521,541,584	499,000,887
Net Assets	749,592,554	753,340,864	755,254,502	750,893,172	735,703,092	723,376,927	723,510,282	724,372,038

Cash Flow

Revenues	83,951,284	89,707,117	92,660,157	96,032,765	98,331,447	100,370,460	102,460,398	104,602,510
Operating Expenses	36,128,439	41,465,595	37,645,585	39,067,071	40,031,739	41,020,524	42,043,683	43,092,525
Other Income	5,020,579	4,159,695	4,346,094	3,867,152	3,667,152	3,467,152	3,267,152	3,067,152
Cash Flow Before Debt Service	52,843,424	52,401,217	59,360,666	60,832,846	61,966,860	62,817,088	63,683,867	64,577,137
Debt Service								
Existing Debt Service	31,522,971	33,031,720	39,248,254	40,726,688	40,665,861	40,767,789	41,056,028	41,482,879
Proposed KIA Loan	0	0	0	0	184,427	184,427	184,427	184,427
Total Debt Service	31,522,971	33,031,720	39,248,254	40,726,688	40,850,288	40,952,216	41,240,455	41,667,306
Cash Flow After Debt Service	21,320,453	19,369,497	20,112,412	20,106,158	21,116,572	21,864,872	22,443,412	22,909,831

Ratios

Current Ratio	1.9	1.7	2.3	2.1	2.1	2.1	2.1	2.1
Debt to Equity	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.7
Days Sales in Accounts Receivable	85.8	82.3	77.2	77.2	77.2	77.2	77.2	77.2
Months Operating Expenses in Unrestricted Cash	5.8	5.6	10.5	10.6	10.0	10.1	10.3	10.4
Debt Coverage Ratio	1.7	1.6	1.5	1.5	1.5	1.5	1.5	1.5

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A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A15-103) OF \$2,750,194 TO THE SANITATION DISTRICT NO. 1, BOONE, CAMPBELL AND KENTON COUNTIES, KENTUCKY

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

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

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the Sanitation District No. 1, subject to final determination of amount when the factors involving such financing have been determined; and

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$2,750,194 of project expense including capitalized interest for the construction period, to the Sanitation District No. 1 for the Patton

and 8th Street Wet Well Rehabilitation Project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 1.75%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$6,900 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$69,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

March 25, 2015

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

Re: A15-103
Northern KY SD #1 Dry Creek WWTP--2449
Activity ID: FGL20120003
HUC11: 05100101270
Watershed Name: Licking River, near mouth
Project Name: Patton & Eighth St. Well Rehab

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Sanitation District #1 of Northern Kentucky is eligible to receive \$2,750,194 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 Sanitation District #1 of Northern Kentucky'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 in April 2015.
- 2: Plans and specifications were submitted to DOW on February 17, 2015.
- 3: Construction bids are expected to be opened in April 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 Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,

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

Peter Goodmann, Director
Division of Water

PG/BG:jjm

c: David Rager, Sanitation District #1
Bob Wilson, Sanitation District #1
Thomas Schaffer, Hazen & Sawyer

EXECUTIVE SUMMARY		Reviewer	Jeff Abshire	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 2, 2015	
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number	A15-103	
REVOLVING LOAN FUND		WRIS Number	SX21117006	
BORROWER	SANITATION DISTRICT #1 OF NORTHERN KENTUCKY KENTON COUNTY			
BRIEF DESCRIPTION				
This project will rehabilitate and extend the life of the Patton and Eighth Street pump stations which are combination flood pump and sanitary lift stations. The concrete wet wells and discharge troughs on the sanitary side have experienced significant deterioration and are at risk of failure.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$2,750,194	RD Fee %	Actual %	
Local Funds	240,000	Administrative Expenses	\$35,000	
		Eng - Design / Const	7.5% 4.7% 130,000	
		Eng - Insp	4.4% 2.7% 75,000	
		Construction	2,536,540	
		Contingency	213,654	
TOTAL	\$2,990,194	TOTAL	\$2,990,194	
REPAYMENT	Rate	1.75%	Est. Annual Payment \$169,070	
	Term	20 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Hazen and Sawyer		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Mar-15		
	Construction Start	May-15		
	Construction Stop	Jan-16		
DEBT PER CUSTOMER	Existing	\$5,146		
	Proposed	\$5,074		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	103,302	\$37.54 (for 4,000 gallons)	
	Additional	0	\$37.54 (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 2012	52,843,424	31,522,971	21,320,453	1.7
Audited 2013	52,401,217	33,031,720	19,369,497	1.6
Audited 2014	59,360,666	39,248,254	20,112,412	1.5
Projected 2015	60,832,846	40,726,688	20,106,158	1.5
Projected 2016	61,966,860	40,850,288	21,116,572	1.5
Projected 2017	62,817,088	40,952,216	21,864,872	1.5
Projected 2018	63,683,867	41,240,455	22,443,412	1.5
Projected 2019	64,577,137	41,667,306	22,909,831	1.5

Reviewer: Jeff Abshire
Date: April 2, 2015
Loan Number: A15-103

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND "A")
SANITATION DISTRICT NO. 1
SERVING BOONE, CAMPBELL AND KENTON COUNTIES
PROJECT REVIEW
SX21117006**

I. PROJECT DESCRIPTION

Sanitation District No. 1 is requesting a \$2,750,194 Fund "A" loan for the Patton and 8th Street Wet Well Rehabilitation project. The Patton Street & Eighth Street Pump Stations are both combination flood pump station and sanitary lift station. The concrete wet wells and discharge troughs on the sanitary side have experienced significant deterioration. The goal of this project is to rehabilitate the concrete and reinforcing steel and to provide a hydrogen sulfide protective coating over the concrete in the sanitary wet wells and troughs to extend the life of the existing structures. There will also be replacement of corroded metal work within the wet well areas. Both pump stations are at risk of failure due to this deterioration. A failure of the concrete trough in either of the two wet wells would result in a very large volume of sewage released to the Licking River. The associated bypass pumping and emergency repair as a result of this failure would be very costly. This project must be completed by the end of 2015 to both prevent construction from conflicting with the Spring flood season and to ensure that both stations are adequately prepared for it. While this project is not a component of the Consent Decree described below, the requirements of the Consent Decree are a dominant factor in the District's capital spending activities.

In October 2005, the District entered into a Consent Decree with the U.S. EPA, the Kentucky Environmental Public Protection Cabinet and the U.S. Department of Justice, requiring an estimated \$1.2 billion investment (2009 dollars) over the next 20 years to address sewage overflows in Northern Kentucky. The agreement became effective in April 2007. The District is taking a watershed approach to future improvement plans that will holistically evaluate the cumulative impacts of pollution sources on receiving waters. The use of this watershed approach will lead to more rapid improvements in water quality in critical areas with more efficient and cost-effective solutions for the region.

SD1 is the second largest public sewer utility in Kentucky serving more than 290,000 residents in more than 30 municipalities and unincorporated portions of Boone, Campbell, and Kenton Counties. The District maintains approximately 1,600 miles of sanitary sewer line, 135 wastewater pumping stations, 15 flood pump stations, 8 package treatment plants, three major wastewater treatment plants, approximately 440 miles of storm sewer and 32,000 storm sewer structures.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 35,000
Engineering Fees – Design / Const	130,000
Engineering Fees - Inspection	75,000
Construction	2,536,540
Contingency	<u>213,654</u>
Total	\$ 2,990,194

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 2,750,194	92%
Local Funds	<u>240,000</u>	<u>8%</u>
Total	\$ 2,990,194	100%

IV. KIA DEBT SERVICE

Construction Loan	<u>\$ 2,750,194</u>
Interest Rate	1.75%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 163,569
Administrative Fee (0.20%)	<u>5,500</u>
Total Estimated Annual Debt Service	\$ 169,070

V. PROJECT SCHEDULE

Bid Opening	March 2015
Construction Start	May 2015
Construction Stop	January 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	<u>Current</u>
Residential	93,800
Commercial	<u>9,502</u>
Total	103,302

B) Rates

Effective Date	Sewer Rate Per Hundred Cubic Feet (HCF) of Water Consumption		
	4/1/2011	4/1/2012	4/1/2014
Flat Rate Per HCF	\$5.82	\$6.69	\$7.02
Minimum (2 HCF Per Month)	11.64	13.38	14.04
Residential Bill for 4,000 gallons	\$31.12	\$35.77	\$37.54
Percentage Increase	15%	15%	4.9%
Affordability Index (Rate/MHI)	0.7%	0.8%	0.8%
Storm Water Rates	\$4.54	\$4.80	\$5.04
Percentage Increase	2.3%	5.7%	5.0%

The monthly storm water rate is based on one Equivalent Residential Unit (ERU) of impervious area per property. One ERU is estimated at 2,600 square feet.

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, median household income and population data for served counties are listed below. The median household income for the Commonwealth is \$42,610. The District is a regional service provider and the project will qualify for a 1.75% interest rate.

County	Population	MHI
Boone	119,406	\$21,695
Campbell	159,926	23,332
Kenton	90,119	13,070
Total / Weighted MHI	369,451	\$58,097

Year	Population		Unemployment Rate
	Service Area	% Change	
2009	361,306		4.2%
2010	366,043	1.3%	5.3%
2011	369,730	1.0%	5.9%
2012	372,939	0.9%	5.8%
2013	375,727	0.7%	5.4%
Cumulative %		4.0%	

Source

SD1 2014 Audited Financial Statements, Demographic and Census Information

VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

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

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the District was obtained from the audited financial statements for the years ended June 30, 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 10% from \$84.0 million in 2012 to \$92.7 million in 2014 with a 15% rate increase being partially offset by a volume decrease. Average daily wastewater treatment volume decreased from 40.1 million gallons per day (MGD) in 2012 to 35.7 MGD in 2013 and 2014. Operating expenses increased 4% from \$36.1 million in 2012 to \$37.6 million in 2014. The debt coverage ratio was 1.9, 1.7 and 2.4 for 2012, 2013, and 2014, respectively, with cash flow after debt service averaging \$20.3 million each year.

The balance sheet reflects a current ratio of 2.3, debt to equity ratio of .7 and the number of months of operating expenses in unrestricted cash and investments was 10.5. The District maintains a policy-required minimum of \$15 million in the Improvement, Repair and Replacement reserve as well as a minimum of \$5 million in the Self-Insurance Fund. The District's debt mix is comprised of 71% bonds and 21% KIA loans. The bonds are rated Aa2 by Moody's and AA / Stable by Standard & Poor's rating agencies.

Capital spending was \$128 million for 2012 through 2014. The Kentucky Infrastructure Authority has been a significant lender to SD1 having provided SRF assistance of approximately \$198 million for seventeen projects since 2004.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 5% in 2015 due to a rate increase that went into effect during the last quarter of fiscal 2014. Revenues will increase 2.5% for growth and inflation each year thereafter.
- 2) Expenses will increase 2.5% each year for growth and inflation
- 3) Substantially all free cash flow net of changes in working capital requirements will be used to fund capital expenditures.
- 4) Debt service coverage is 1.5 in 2017 when the first full year of 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 \$6,900. This amount should be added to the replacement account each December 1 until the balance reaches \$69,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Series 2005A Bonds	\$ 18,890,000	2019
Series 2006 Bonds	44,145,000	2037
Series 2007 Bonds	95,745,000	2038
Series 2009 Bonds	50,430,000	2039
Series 2010A Bonds	70,090,000	2040
Series 2010B Bonds	38,815,000	2031
Series 2010C Bonds	15,465,000	2023
Series 2010D Bonds	40,905,000	2040
KIA (A04-09)	23,847,061	2027
KIA (A08-04)	66,252,349	2033
KIA (A09-04)	4,410,802	2031
KIA (A09-05)	4,654,327	2030
KIA (A09-06)	12,211,636	2033
KIA (A09-07)	4,433,847	2032
KIA (A09-08)	2,060,973	2033
KIA (A09-09)	7,737,355	2033
KIA (A10-11)	15,989,713	2034
KIA (A11-12, i/a/o \$15.2M)	0	TBD
KIA (A11-13, i/a/o \$14.2M)	8,166,202	TBD
KIA (A11-14, i/a/o \$7.8M)	1,104,022	TBD
KIA (A12-02)	799,057	2032
KIA (A2 09-01)	161,287	2030
KIA (A2 09-02)	589,332	2031
KIA (A2 09-03)	626,999	2031
KIA (A2 09-04)	366,411	2032
Total	\$ 527,896,373	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

There was no grant activity during the past five years.

XII. CONTACTS

Legal Applicant	
Name	Sanitation District #1 of Northern Kentucky
Address	1045 Eaton Drive Fort Wright, KY 41017
County	Kenton
Authorized Official	David Rager (Executive Director)
Phone	(859) 578-7465
Email	drager@SD1.org

Project Contact - Applicant	
Name	Ralph Johnstone
Representing	Sanitation District #1 of Northern Kentucky
Address	1045 Eaton Drive Fort Wright, KY 41017
Phone	(859) 578-7461
Email	rjohnstone@sd1.org

Project Administrator	
Name	Sanitation District #1 of Northern Kentucky
Address	1045 Eaton Drive Fort Wright, KY 41017
Contact	Daniel Doss
Phone	(859) 578-6775
Email	ddoss@sd1.org

Consulting Engineer	
Name	Thomas Schaffer
Firm	Hazen and Sawyer
Address	7870 East Kemper Road Cincinnati, OH 45249 (513) 469-5140
Phone	tschaffer@hazenandsawyer.com
Email	Thomas Schaffer

XIII. RECOMMENDATIONS

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

**SANITATION DISTRICT #1 OF NORTHERN KENTUCKY
FINANCIAL SUMMARY (JUNE YEAR END)**

Balance Sheet

	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Assets								
Current Assets	48,512,441	47,893,348	59,123,697	58,925,764	58,369,636	59,907,208	62,158,220	63,771,051
Other Assets	1,261,683,630	1,268,736,695	1,243,853,263	1,224,058,892	1,217,587,944	1,206,454,418	1,182,893,646	1,159,601,874
Total	1,310,196,071	1,316,630,043	1,302,976,960	1,282,984,656	1,275,957,580	1,266,361,626	1,245,051,866	1,223,372,925
Liabilities & Equity								
Current Liabilities	26,217,282	28,800,727	26,223,088	27,757,806	28,298,442	29,196,968	30,278,550	30,625,953
Long Term Liabilities	534,386,235	534,488,452	521,499,370	504,333,678	511,956,046	513,787,731	491,263,034	468,374,934
Total Liabilities	560,603,517	563,289,179	547,722,458	532,091,484	540,254,488	542,984,699	521,541,584	499,000,887
Net Assets	749,592,554	753,340,864	755,254,502	750,893,172	735,703,092	723,376,927	723,510,282	724,372,038

Cash Flow

Revenues	83,951,284	89,707,117	92,660,157	96,032,765	98,331,447	100,370,460	102,460,398	104,602,510
Operating Expenses	36,128,439	41,465,595	37,645,585	39,067,071	40,031,739	41,020,524	42,043,683	43,092,525
Other Income	5,020,579	4,159,695	4,346,094	3,867,152	3,667,152	3,467,152	3,267,152	3,067,152
Cash Flow Before Debt Service	52,843,424	52,401,217	59,360,666	60,832,846	61,966,860	62,817,088	63,683,867	64,577,137
Debt Service								
Existing Debt Service	31,522,971	33,031,720	39,248,254	40,726,688	40,850,288	40,783,146	41,071,385	41,498,236
Proposed KIA Loan	0	0	0	0	0	169,070	169,070	169,070
Total Debt Service	31,522,971	33,031,720	39,248,254	40,726,688	40,850,288	40,952,216	41,240,455	41,667,306
Cash Flow After Debt Service	21,320,453	19,369,497	20,112,412	20,106,158	21,116,572	21,864,872	22,443,412	22,909,831

Ratios

Current Ratio	1.9	1.7	2.3	2.1	2.1	2.1	2.1	2.1
Debt to Equity	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.7
Days Sales in Accounts Receivable	85.8	82.3	77.2	77.2	77.2	77.2	77.2	77.2
Months Operating Expenses in Unrestricted Cash	5.8	5.6	10.5	10.6	10.0	10.1	10.3	10.4
Debt Coverage Ratio	1.7	1.6	1.5	1.5	1.5	1.5	1.5	1.5

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A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMMENDEMENT TO THE CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B12-09) INCREASING THE AMOUNT TO \$1,882,411 TO THE CITY OF SOUTH SHORE, GREENUP COUNTY, KENTUCKY

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

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

WHEREAS, the Authority previously entered into an Assistance Agreement for a loan from the Authority's Infrastructure Revolving Loan Program (B12-09) with the City of South Shore in the amount of \$1,600,000 and the City of South Shore has requested to increase the loan B12-09 by \$282,411.

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 Amendment of a conditional Infrastructure Revolving Fund loan commitment for \$1,882,411 of project expense, to the City of South Shore for the South Shore Waterworks Purchase project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of

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

Section 3. The loan shall be repayable in 20 years at an annual interest rate of .75%. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. From annual revenues, \$4,700 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$47,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND B, INFRASTRUCTURE REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Brandi Armstrong April 2, 2015 B12-09 Increase WX21089067	
BORROWER	CITY OF SOUTH SHORE GREENUP COUNTY			
BRIEF DESCRIPTION				
<p>The City is requesting an increase of \$282,411 to a previously approved loan for \$1,600,000. The increase will cover the replacement of a 150,000 gallon clearwell that has deteriorated and is past its useful life. An estimated 10,000 gallons of water leak from the clearwell daily. A 100,000 gallon water storage tank and additional piping will replace the failing unit. This was identified as the most critical need subsequent to the City's purchase of South Shore Water Works from a private owner in June 2013. The original project description is below:</p> <p>This project is for the purchase of the assets of the privately owned South Shore Water Works Company (SSWW) which serves approximately 2,300 customers in the City and outlying areas of northwestern Greenup and northeastern Lewis Counties.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$1,882,411	RD Fee %	Actual %	
Local Funds	200,000	Administrative Expenses	\$20,000	
		Legal Expenses	15,000	
		Land, Easements	11,400	
		Planning	45,000	
		Eng - Design / Const	10.1% 5.8% 31,000	
		Eng - Insp	7.2% 5.7% 30,000	
		Construction	505,011	
		Asset Purchase	1,400,000	
TOTAL	\$2,082,411	TOTAL	\$2,082,411	
REPAYMENT	Rate Term	0.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$105,297	
PROFESSIONAL SERVICES	Engineer Bond Counsel	Bell Engineering Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Jan-15 Apr-15 Sep-15		
DEBT PER CUSTOMER	Existing Proposed	\$656 \$837		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 2,259 0	<u>Avg. Bill</u> \$29.84 (for 4,000 gallons) \$29.84 (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
PSCFinancials 2012	82,631	0	82,631	n/a
Pro Forma 2013	56,596	0	56,596	n/a
Projected 2014	217,216	0	217,216	n/a
Projected 2015	198,588	0	198,588	n/a
Projected 2016	174,857	52,649	122,209	3.3
Projected 2017	163,443	105,297	58,146	1.6
Projected 2018	151,619	105,297	46,322	1.4
Projected 2019	139,168	105,297	33,871	1.3

Reviewer: Brandi Armstrong
Date: April 2, 2015
Loan Number: B12-09 (Increase)

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
CITY OF SOUTH SHORE, GREENUP COUNTY
PROJECT REVIEW
WX21089067**

I. PROJECT DESCRIPTION

The City of South Shore is requesting an increase of \$282,411 to a previously approved Fund "B" loan for \$1,600,000 for the South Shore Water Works (SSWW) purchase project. The original loan was for the purchase of SSWW from a private owner which was completed on June 1, 2013. Water quality and reliability were concerns prior to the purchase and the City was aware that a significant investment would be required in the aging treatment and distribution systems.

The City identified the highest priority as being replacement of the 150,000 gallon clearwell which has exceeded its useful life and has deteriorated significantly. The clearwell loses approximately 10,000 gallons of water per day due to its concrete block walls cracking and shifting. Additionally, the structure housing it has a deteriorated roof and the structural beams have severe corrosion. A catastrophic failure of the clearwell or collapse of the housing structure would lead to major outages that would have a significant adverse effect on customers. The proposed project would replace the clearwell with a 100,000 gallon structure and eliminate the risk of a controllable structural failure.

The utility was organized as a private entity in 1954 and serves customers in the City of South Shore and outlying areas of northwestern Greenup and northeastern Lewis Counties. The design capacity of the treatment plant is 920,000 gallons per day and the plant operates at about 50% of capacity. Customer count has been stable at 2,259 since 2008 with average water sales of about 115 million gallons per year. Reported water loss each year is about 15%. Disruptions of water service are typical due to the age of the distribution system.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 20,000
Legal Expenses	15,000
Land, Easements	11,400
Planning	45,000
Engineering Fees - Design / Const	31,000
Engineering Fees - Inspection	30,000
Construction	505,011
Contingency	25,000
Waterworks Purchase	1,400,000
Total	\$ 2,082,411

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 1,882,411	90%
Local Funds	200,000	10%
Total	\$ 2,082,411	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,882,411
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 101,532
Administrative Fee (0.20%)	3,765
Total Estimated Annual Debt Service	\$ 105,297

V. PROJECT SCHEDULE

Bid Opening	January 2015
Construction Start	April 2015
Construction Stop	September 2015

VI. RATE STRUCTURE

A. Customers

Customers	<u>Current</u>
Residential	2,116
Commercial	140
Industrial	3
Total	2,259

B. Rates

	Current	Prior
Date of Last Rate Increase	08/12/2011	08/01/2007
Minimum (1,000 Gallons)	\$13.07	\$9.95
Next 9,000 Gallons	5.59	4.25
Over 10,000 Gallons	3.92	2.98
Cost for 4,000 gallons	\$29.84	\$22.70
Increase %	31.5%	
Affordability Index (Rate/MHI)	1.3%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility’s service area population was 1986 with a Median Household Income (MHI) of \$27,555. The median household income for the Commonwealth is \$42,610. The project will retain its original interest rate of 0.75%.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	1,525		39,132		June 2004	7.2%
1990	1,318	-13.6%	36,742	-6.1%	June 2009	10.2%
2000	1,226	-7.0%	36,891	0.4%	June 2013	8.9%
2010	1,122	-8.5%	36,910	0.1%	June 2014	7.2%
Current	1,385	23.4%	36,922	0.0%		
Cumulative %		-9.2%		-5.6%		

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from PSC financial information for the year ended December 31, 2012. A combination of PSC financial information and the City’s audited financial statements was used for the year ended June 30, 2013. Fiscal 2014 results were based on internal financial statements that were provided by the City. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues averaged \$783,000 for years 2012 through 2014 while operating expenses decreased 16% from \$746,000 in 2012 to \$622,000 in 2014. The decrease is due to the elimination of various expenses that existed when the water utility was privately owned. Cash flow available for debt service increased from \$83,000 to \$217,000 due to the expense decreases. There were no debt service requirements during 2012 through

2014 as the utility was debt free until the acquisition by the City.

The balance sheet reflects a current ratio of 4.4, debt to equity ratio of 7.7 and the number of months of operating expenses in unrestricted cash was 1.8. The collection period is 50.4 days.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will be flat for growth and will increase periodically for inflation.
- 2) Expenses will increase 3% annually.
- 3) Debt service coverage is 1.6 in 2017 when full year principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$4,700. This amount should be added to the replacement account each December 1 until the balance reaches \$47,000 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KIA (B12-09, i/a/o \$1,600,000)	\$ 1,479,957	TBD
Total	\$ 1,479,957	

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>
Sewer Work and Renovation	HB265	25,000

XI. CONTACTS

Legal Applicant	
Name	City of South Shore
Address	69 Narco Drive South Shore, KY 41175
County	Greenup
Authorized Official	Cheryl Moore (Mayor)
Phone	(606) 932-6144
Email	cossmayor@windstream.net

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

Consulting Engineer	
Name	Mike Williams
Firm	Bell Engineering
Address	2480 Fortune Dr Lexington, KY 40509
Phone	(859) 278-5412
Email	mwilliams@hkbell.com

XII. RECOMMENDATIONS

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

CITY OF SOUTH SHORE (WATER FUND)
FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Assets								
Current Assets	185,046	178,597	243,482	293,170	323,679	339,425	352,247	361,918
Other Assets	1,029,209	1,278,914	1,493,409	1,716,876	1,992,726	1,938,065	1,874,504	1,801,643
Total	1,214,255	1,457,511	1,736,891	2,010,046	2,316,404	2,277,489	2,226,750	2,163,560
Liabilities & Equity								
Current Liabilities	46,625	55,618	55,200	56,300	144,978	146,836	148,699	150,567
Long Term Liabilities	184,986	1,438,066	1,482,327	1,607,795	1,802,628	1,714,392	1,625,493	1,535,926
Total Liabilities	231,611	1,493,684	1,537,527	1,664,095	1,947,606	1,861,228	1,774,192	1,686,493
Net Assets	982,644	(36,173)	199,364	345,951	368,799	416,262	452,559	477,068

Cash Flow

Revenues	799,734	711,266	839,428	839,428	839,428	847,822	856,300	864,863
Operating Expenses	745,899	680,134	622,369	641,040	664,971	684,779	705,181	726,195
Other Income	28,796	25,464	157	200	400	400	500	500
Cash Flow Before Debt Service	82,631	56,596	217,216	198,588	174,857	163,443	151,619	139,168

Debt Service

Existing Debt Service	0	0	0	0	0	0	0	0
Proposed KIA Loan	0	0	0	0	52,649	105,297	105,297	105,297
Total Debt Service	0	0	0	0	52,649	105,297	105,297	105,297
Cash Flow After Debt Service	82,631	56,596	217,216	198,588	122,209	58,146	46,322	33,871

Ratios

Current Ratio	4.0	3.2	4.4	5.2	2.2	2.3	2.4	2.4
Debt to Equity	0.2	(41.3)	7.7	4.8	5.3	4.5	3.9	3.5
Days Sales in Accounts Receivable	28.0	50.4	50.4	50.4	50.4	50.4	50.4	50.4
Months Operating Expenses in Unrestricted Cash	2.1	0.9	1.8	2.7	3.2	3.3	3.4	3.5
Debt Coverage Ratio	n/a	n/a	n/a	n/a	3.3	1.6	1.4	1.3

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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 (B15-005) OF \$130,000 TO THE CITY OF BARBOURVILLE F/B/O BARBOURVILLE UTILITY COMMISSION, KNOX COUNTY, KENTUCKY

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

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

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Infrastructure Revolving Loan Program with the City of Barbourville f/b/o Barbourville Utilities Commission, 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 \$130,000 of project expense, to the City of Barbourville for the Barbourville Levee Certification project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all

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

Section 3. The loan shall be repayable in 5 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. No replacement reserve will be required for this loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

EXECUTIVE SUMMARY		Reviewer	Debbie Landrum	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 2, 2015	
FUND B, INFRASTRUCTURE		KIA Loan Number	B15-005	
REVOLVING LOAN FUND		WRIS Number	WX21121007	
BORROWER	CITY OF BARBOURVILLE KNOX COUNTY			
BRIEF DESCRIPTION				
The City of Barbourville operates a levee to protect against flooding from the Cumberland River. The system includes 3.79 miles of levee, four storm water pump stations, and seven closure structures. The City has entered into an agreement with FEMA to prepare a 44CFR54.10 certification of the levee system. If the certification is not completed, FEMA's recourse is to publish flood insurance rate maps of the city as though no levee were present. This would force residents in the current zone of protection to purchase flood insurance. This would be a significant burden to commercial establishments and could cause an exit of employers vital to the community.				
PROJECT FINANCING		PROJECT BUDGET		RD Fee % Actual %
Fund B Loan	\$130,000	Planning	\$130,000	
TOTAL	\$130,000	TOTAL	\$130,000	
REPAYMENT	Rate	0.75%	Est. Annual Payment \$26,799	
	Term	5 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Summit Engineering, Inc		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	N/A		
	Project Start	May-15		
	Project Stop	Jan-16		
DEBT PER CUSTOMER	Existing	\$1,133		
	Proposed	\$1,807		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	6,313	\$21.74 (for 4,000 gallons)	
	Additional	0	\$21.74 (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 2012	520,606	330,949	189,657	1.6
Audited 2013	677,031	947,679	(270,648)	0.7
Preliminary Unaudited 2014	840,831	52,864	787,967	15.9
Projected 2015	805,353	54,422	750,931	14.8
Projected 2016	767,495	82,847	684,648	9.3
Projected 2017	728,880	216,247	512,633	3.4
Projected 2018	689,493	464,022	225,471	1.5
Projected 2019	649,318	464,877	184,441	1.4

Reviewer: Debbie Landrum
 Date: April 2, 2015
 Loan Number: B15-005

**KENTUCKY INFRASTRUCTURE AUTHORITY
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
 CITY OF BARBOURVILLE FBO BARBOURVILLE UTILITY COMMISSION,
 KNOX COUNTY
 PROJECT REVIEW
 WX21121007**

I. PROJECT DESCRIPTION

The City of Barbourville for the benefit of the Barbourville Utility Commission is requesting a \$130,000 Fund B loan for the Barbourville Levee Certification project. The City operates a levee to protect against flooding from the Cumberland River. The system includes 3.79 miles of levee, four storm water pump stations, and seven closure structures. The City has entered into an agreement with FEMA to prepare a 44CFR54.10 certification of the levee system. The certification must be completed every ten years. If this certification is not completed, FEMA's recourse is to publish flood insurance rate maps of the city as though no levee were present. This would force residents in the current zone of protection to purchase flood insurance. This would be a significant burden to commercial establishments and could cause an exit of employers vital to the community.

II. PROJECT BUDGET

	<u>Total</u>
Planning	130,000
Total	\$ 130,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 130,000	100%
Total	\$ 130,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 130,000
Interest Rate	0.75%
Loan Term (Years)	5
Estimated Annual Debt Service	\$ 26,539
Administrative Fee (0.20%)	260
Total Estimated Annual Debt Service	\$ 26,799

V. PROJECT SCHEDULE

Construction Start May 1, 2015
 Construction Stop January 1, 2016

VI. RATE STRUCTURE

A. Customers

Customers	Current
Residential	6,313
Commercial	0
Industrial	0
Total	6,313

B. Rates

Date of Last Rate Increase	Inside City Limits			Outside City Limits		
	01/01/13	01/01/14	01/01/15	01/01/13	01/01/14	01/01/15
Minimum	\$8.09	\$10.09	\$10.26	\$10.84	\$12.84	\$13.86
Per 1,000 Gallons	2.65	2.78	2.87	3.77	3.96	4.08
Cost for 4,000 gallons	\$18.69	\$21.21	\$21.74	\$25.92	\$28.68	\$30.18
Increase %		13.5%	2.5%		10.6%	5.2%
Affordability Index (Rate/MHI)	1.0%	1.1%	1.1%	1.3%	1.5%	1.5%

The City’s rate ordinance permits an annual July 1 increase based on the Consumer Price Index for the preceding year, however the increase is not mandatory.

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility’s service area population was 15,842 with a Median Household Income (MHI) of \$23,547. The median household income for the Commonwealth is \$42,610. The project will qualify for a .75% interest rate because the utility’s service area MHI is below 80% of the State’s MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	3,333		30,239		June 2004	7.3%
1990	3,658	9.8%	29,676	-1.9%	June 2009	12.3%
2000	3,589	-1.9%	31,795	7.1%	June 2013	12.6%
2010	3,165	-11.8%	31,883	0.3%	June 2014	10.4%
Current	3,181	0.5%	31,865	-0.1%		
Cumulative %		-4.6%		5.4%		

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended June 30, 2012 and 2013 with preliminary unaudited amounts for 2014. The balance sheet is reported on a consolidated basis while the income statement is separated into the four components (water, wastewater, electric, cable). The cash flow discussion below is limited to water while the balance sheet discussion is for the consolidated operation. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues increased 18% from \$2.3 million in 2012 to \$2.7 million in 2014 while operating expenses increased 6% from \$1.8 million to \$1.9 million during the same period. The revenue increase is primarily due to rate adjustments in 2013 and 2014. Cash available for debt service increased each year from \$520,000 in 2012 to \$841,000 in 2014. Debt service was \$331,000 in 2012, \$948,000 in 2013 and \$52,864 in 2014 which resulted in debt coverage ratios of 1.6, 0.7 and 15.9 for 2012 through 2014, respectively. The higher debt service in 2012 and 2013 is due to the utilization of short term financing for a water meter project.

The balance sheet reflects a current ratio of 1.4, a debt to equity ratio of 0.4 and the number of months of operating expenses in unrestricted cash was 2.4.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will remain flat for growth and increase 2% annually for inflation.
- 2) Expenses will increase 2% annually.
- 3) Debt service coverage is 3.4 in 2017 when principal and interest repayments begin on all current projects.

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

REPLACEMENT RESERVE

A replacement reserve will not be required since physical asset depletion will not occur with the project.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
US Corp. of Engineers	\$ 1,126,595	2039
US Corp. of Engineers	555,961	2042
KIA F11-08	2,101,166	TBD
KIA A12-09 (i/a/o \$6.8M)	3,367,904	TBD
Total	\$ 7,151,626	

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

<u>Description</u>	<u>Funding Source</u>	<u>Amount</u>
City of Barbourville Water Project	HB608	400,000
City of Barbourville Water Pumping Project	HB608	385,000

XI. CONTACTS

Legal Applicant	
Name	City of Barbourville
Address	202 Daniel Boone Drive Barbourville, KY 40906
County	Knox
Authorized Official	David Thompson (Mayor)
Phone	(606) 627-8586
Email	cclerk@barbourville.com

Project Contact / Administrator	
Name	Barbourville Utilities
Address	202 Daniel Boone Drive Barbourville, KY 40906
Contact	Josh Callihan
Phone	(606) 546-4127
Email	joshc@barbourville.com

Consulting Engineer	
Name	Kevin Howard
Firm	Summit Engineering, Inc
Address	3205 Summit Square Place Lexington, KY 40509
Phone	(859) 264-9860
Email	khoward@summit-engr.com

XII. RECOMMENDATIONS

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

CITY OF BARBOURVILLE (CONSOLIDATED UTILITY BALANCE SHEET, WATER FUND CASH FLOW)
 FINANCIAL SUMMARY (JUNE YEAR END)

	Audited 2012	Audited 2013	Audited 2014	Preliminary Unaudited 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Balance Sheet									
Assets									
Current Assets	3,209,197	3,541,124	4,459,308	4,815,321	5,177,400	5,527,646	5,821,738	6,129,482	
Other Assets	25,359,359	25,066,955	32,059,193	35,638,931	36,600,289	36,195,201	35,547,279	34,932,517	
Total	28,568,556	28,608,079	36,518,501	40,454,252	41,777,689	41,722,847	41,369,017	41,061,999	
Liabilities & Equity									
Current Liabilities	3,266,902	2,418,469	3,214,816	3,293,222	3,363,848	3,550,178	3,839,253	3,907,408	
Long Term Liabilities	3,411,001	3,715,705	7,945,606	11,182,558	12,202,564	12,043,386	11,661,033	11,276,825	
Total Liabilities	6,677,903	6,134,174	11,160,422	14,475,780	15,566,412	15,593,564	15,500,286	15,184,233	
Net Assets	21,890,653	22,473,905	25,358,079	25,978,472	26,211,277	26,129,283	25,868,731	25,877,766	
Cash Flow									
Revenues	2,278,029	2,376,252	2,696,591	2,698,228	2,698,228	2,698,228	2,698,228	2,698,228	
Operating Expenses	1,757,423	1,699,221	1,855,760	1,892,875	1,930,733	1,969,348	2,008,735	2,048,910	
Other Income	0	0	0	0	0	0	0	0	
Cash Flow Before Debt Service	520,606	677,031	840,831	805,353	767,495	728,880	689,493	649,318	
Debt Service	330,949	947,679	52,864	54,422	56,048	189,448	437,223	438,078	
Proposed KIA Loan	0	0	0	0	26,799	26,799	26,799	26,799	
Total Debt Service	330,949	947,679	52,864	54,422	82,847	216,247	464,022	464,877	
Cash Flow After Debt Service	189,657	(270,648)	787,967	750,931	684,648	512,633	225,471	184,441	
Ratios									
Current Ratio	1.0	1.5	1.4	1.5	1.5	1.6	1.5	1.6	
Debt to Equity	0.3	0.3	0.4	0.6	0.6	0.6	0.6	0.6	
Days Sales in Accounts Receivable	36.0	34.3	33.4	33.4	33.4	33.4	33.4	33.4	
Months Operating Expenses in Unrestricted Cash	1.3	1.7	2.4	2.7	2.9	3.1	3.3	3.4	
Debt Coverage Ratio	1.6	0.7	15.9	14.8	9.3	3.4	1.5	1.4	

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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 (F15-030) OF \$932,500 TO THE WHITLEY COUNTY 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 Whitley 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 \$932,500 of project expense including capitalized interest for the construction period, to the Whitley County Water District for the Water System Improvements project. Such amounts are subject to adjustment by further

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

Section 3. The loan shall be repayable over 20 years at an interest rate of 0.75%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$2,300 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$23,000 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 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

March 16, 2015

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

Re: F15-030
Whitley Co Water District No 1--34133
Activity ID: FGL20150003
HUC11: 05130101330; 05130101350;
05130101370; 05130101380; and 05130101460
Watershed Name: Clear Fork Cumberland River;
Elk Fork Creek; Cumberland River, above
Rockcastle River; Watts Creek; and Lynn Camp
Creek

Dear Mr. Covington:

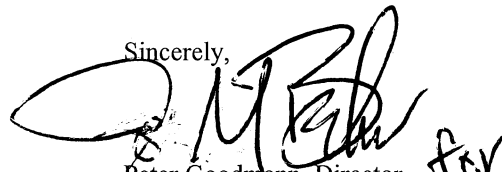
The Division of Water (DOW) hereby certifies that the Whitley County Water District is eligible to receive \$937,500 from the Drinking Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Whitley 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 in April 2015.
2. Plans and specifications are expected to be submitted to DOW in April 2015.
3. Construction bids are expected to be opened in August 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 Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,


Peter Goodmann, Director
Division of Water

PG/BG:jjm

c: Andrew Meadors, Whitley County Water District
Timothy Schwendeman, Cumberland Valley ADD
Ken Taylor, Kenvirons, Inc.

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND F, FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Brandi Armstrong April 2, 2015 F15-030 WX21235434	
BORROWER	WHITLEY COUNTY WATER DISTRICT WHITLEY COUNTY			
BRIEF DESCRIPTION				
This project will replace 36,400 linear feet of deteriorated water lines across the Fairview, Savoy, Fabor and Woodbine areas of Whitley County. The majority of lines are undersized and have frequent leaks. The District will also replace 700 conventional meters with radio read meters.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$932,500	RD Fee %	Actual %	
Local Funds	5,000	Administrative Expenses	\$25,000	
		Legal Expenses	5,750	
		Land, Easements	5,000	
		Planning	5,000	
		Eng - Design / Const	9.6% 8.7% 56,750	
		Eng - Insp	6.6% 6.2% 40,000	
		Eng - Other	10,000	
		Construction	575,000	
		Equipment	140,000	
		Contingency	75,000	
TOTAL	\$937,500	TOTAL	\$937,500	
REPAYMENT	Rate Term	0.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$52,628	
PROFESSIONAL SERVICES	Engineer Bond Counsel	Kenvirons Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Aug-15 Sep-15 Mar-16		
DEBT PER CUSTOMER	Existing Proposed	\$1,201 \$1,400		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 3,519 0	<u>Avg. Bill</u> \$39.78 (for 4,000 gallons) \$39.78 (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 2012	477,701	252,115	225,586	1.9
Audited 2013	423,053	243,351	179,702	1.7
Projected 2014	371,476	264,691	106,785	1.4
Projected 2015	357,573	265,711	91,862	1.3
Projected 2016	341,092	290,805	50,287	1.2
Projected 2017	366,627	317,854	48,773	1.2
Projected 2018	352,473	317,422	35,051	1.1
Projected 2019	338,036	304,628	33,408	1.1

Reviewer: Brandi Armstrong
 Date: April 2, 2014
 Loan Number: F15-030

**KENTUCKY INFRASTRUCTURE AUTHORITY
 DRINKING WATER STATE REVOLVING FUND (FUND "F")
 WHITLEY COUNTY WATER DISTRICT, WHITLEY COUNTY
 PROJECT REVIEW
 WX21235434**

I. PROJECT DESCRIPTION

The Whitley County Water District is requesting a Fund "F" loan in the amount of \$932,500 for the Water System Improvement project. The project will replace 36,400 linear feet of deteriorated water lines across Fairview, Savoy, Fabor and Woodbine areas of Whitley County. Many of the lines are undersized and have frequent leaks. The District will also replace 700 conventional meters with radio read meters. The project will reduce purchased water costs, maintenance expense, and transportation costs.

The District purchases about 85 million gallons of water annually from the Corbin Utility Commission and is subject to PSC jurisdiction. They service Whitley County and a small portion of Knox County.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 25,000
Legal Expenses	5,750
Land, Easements	5,000
Planning	5,000
Engineering Fees - Design / Const	56,750
Engineering Fees - Inspection	40,000
Engineering Fees - Other	10,000
Construction	575,000
Equipment	140,000
Contingency	75,000
Total	\$ 937,500

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 932,500	99%
Local Funds	5,000	1%
Total	\$ 937,500	100%

IV. KIA DEBT SERVICE

Construction Loan	\$	932,500
Interest Rate		0.75%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	50,296
Administrative Fee (0.25%)		2,331
Total Estimated Annual Debt Service	\$	52,628

V. PROJECT SCHEDULE

Bid Opening	August 2015
Construction Start	September 2015
Construction Stop	March 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	3,386
Commercial	125
Industrial	8
Total	3,519

B) Rates

Retail Water	Current	Prior
Date of Last Rate Increase	05/01/2012	09/14/2006
Minimum	\$19.35	\$18.93
Next 4,000 Gallons	6.81	6.39
Next 95,000 Gallons	6.39	5.42
Cost for 4,000 gallons	\$39.78	\$38.10
Increase %	4.4%	
Affordability Index (Rate/MHI)	1.5%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the District's service area population was 3,322 with a Median Household Income (MHI) of \$31,427. The median household income for the Commonwealth is \$42,610. The project will qualify for a .75% interest rate because the utility's service area MHI is below 80% of the State's MHI.

Year	Population			Unemployment		
	City	% Change	County	% Change	Date	Rate
1980	5,560		33,396		June 2004	6.4%
1990	5,493	-1.2%	33,326	-0.2%	June 2009	11.9%
2000	5,143	-6.4%	35,865	7.6%	June 2013	10.0%
2010	5,245	2.0%	35,637	-0.6%	June 2014	9.3%
Current	5,258	0.2%	35,756	0.3%		
Cumulative %		-5.4%		7.1%		

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 Proprietary (water) fund for the years ended June 30, 2012 and 2013. Amounts for 2014 are estimated. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues were flat at \$1.6 million for the three years while operating expenses averaged \$1.2 million each year. The debt coverage ratio was 1.9, 1.7 and 1.4 for 2012 through 2014.

The balance sheet reflects a current ratio of 1.0, a debt to equity ratio of 0.4 and unrestricted cash equals 1.4 months of operating expenses.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will be flat.
- 2) Expenses will increase 2% annually for inflation.
- 3) Cost savings of \$40,000 annually will be realized beginning in 2017.
- 4) Debt service coverage is 1.2 in 2017 when full year principal and interest repayments begin.

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

REPLACEMENT RESERVE

The annual replacement cost is \$2,300. This amount should be added to the replacement account each December 1 until the balance reaches \$23,000 and

maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
RD Series 1994 Bond	\$ 537,500	2033
RD Series 1998 Bond	480,000	2038
RD Series 2000 Bond	316,000	2040
RD Series 2003 Bond	1,622,000	2042
RD Series 2006 Bond	269,800	2045
KIA (B08-03)	910,816	2033
Total	\$ 4,136,116	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

None.

XII. CONTACTS

Legal Applicant	
Name	Whitley County Water District
Address	19 S. Hwy 25 West Williamsburg, KY 40769
County	Whitley
Authorized Official	Andrew Meadors (Chairman)
Phone	(606) 549-3600
Email	WCWD@bellsouth.net

Project Contact – Applicant & Administrator	
Name	Tim Schwendeman
Representing	Cumberland Valley ADD
Address	342 Old Whitley Road PO Box 1740 London, KY 40744
Phone	(606) 864-7391
Email	TimSch@cvadd.org

Consulting Engineer	
Name	Ken Taylor, PE
Firm	Kenvirons
Address	452 Versailles Road Frankfort, KY 40601
Phone	(502) 695-4357
Email	ktaylor@kenvirons.com

XIII. RECOMMENDATIONS

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

WHITLEY COUNTY WATER DISTRICT (PROPRIETARY)
 FINANCIAL SUMMARY (DECEMBER YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Assets								
Current Assets	197,512	120,314	151,308	178,870	193,957	208,630	219,181	229,189
Other Assets	15,592,249	15,576,114	15,208,165	15,283,663	15,308,923	14,864,333	14,410,143	13,954,853
Total	15,789,761	15,696,428	15,359,473	15,462,533	15,502,880	15,072,963	14,629,324	14,184,042
Liabilities & Equity								
Current Liabilities	138,647	138,867	150,322	157,689	167,158	175,628	182,091	190,091
Long Term Liabilities	4,269,557	4,363,290	4,251,899	4,600,551	4,944,734	4,819,197	4,692,197	4,562,197
Total Liabilities	4,408,204	4,502,157	4,402,221	4,758,240	5,111,892	4,994,825	4,874,288	4,752,288
Net Assets	11,381,557	11,194,271	10,957,252	10,704,293	10,390,988	10,078,138	9,755,036	9,431,754

Cash Flow

Revenues	1,600,520	1,654,194	1,615,583	1,615,583	1,615,583	1,615,583	1,615,583	1,615,583
Operating Expenses	1,274,363	1,238,676	1,252,307	1,266,210	1,282,691	1,257,156	1,271,310	1,285,747
Other Income	151,544	7,535	8,200	8,200	8,200	8,200	8,200	8,200
Cash Flow Before Debt Service	477,701	423,053	371,476	357,573	341,092	366,627	352,473	338,036

Debt Service

Existing Debt Service	252,115	243,351	264,691	265,711	264,491	265,226	264,794	252,000
Proposed KIA Loan	0	0	0	0	26,314	52,628	52,628	52,628
Total Debt Service	252,115	243,351	264,691	265,711	290,805	317,854	317,422	304,628
Cash Flow After Debt Service	225,586	179,702	106,785	91,862	50,287	48,773	35,051	33,408

Ratios

Current Ratio	1.4	0.9	1.0	1.1	1.2	1.2	1.2	1.2
Debt to Equity	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5
Days Sales in Accounts Receivable	24.5	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Months Operating Expenses in Unrestricted Cash	0.2	0.7	1.0	1.3	1.4	1.6	1.6	1.7
Debt Coverage Ratio	1.9	1.7	1.4	1.3	1.2	1.2	1.1	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 DRINKING WATER REVOLVING FUND LOAN (F15-031) IN THE AMOUNT OF \$326,660 TO THE CITY OF HARRODSBURG, MERCER COUNTY, KENTUCKY

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

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

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

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

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

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

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

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$326,660 of project expense including capitalized interest for the construction period, to the City of Harrodsburg for the College and Chestnut Street Waterlines 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 .75%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$800 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$8,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 2nd day of April 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, 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

February 20, 2015

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

Re: F15-031
Harrodsburg Municipal Water Department--3146
Activity ID: FGL20150003
HUC11: 05140102010
Watershed Name: Salt River, Harrodsburg
Project Name: College & Chestnut Street Water
Lines

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Harrodsburg is eligible to receive \$326,660.00 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 City of Harrodsburg'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 August 1, 2015.
2. Plans and specifications are expected to be submitted to DOW on September 1, 2015.
3. Construction bids are expected to be opened on December 15, 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 Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,

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

Peter Goodmann, Director
Division of Water

PG/BG:jjm

c: Honorable Eddie Long, City of Harrodsburg
Laura Gilkerson, GRW Engineers
Ryan Carr, GRW Engineers

EXECUTIVE SUMMARY		Reviewer	Brandi Armstrong			
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 2, 2015			
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F15-031			
REVOLVING LOAN FUND		WRIS Number	WX21167028			
BORROWER	CITY OF HARRODSBURG MERCER COUNTY					
BRIEF DESCRIPTION						
This project will create additional loops within the City's water system by connecting an existing six inch water line to a twelve inch water main on the Harrodsburg Bypass. The loops will help water quality and remove disinfection by-products. This project will also replace corroded water lines in inaccessible areas between College and Chestnut Street.						
PROJECT FINANCING		PROJECT BUDGET			RD Fee %	Actual %
Fund F Loan	\$326,660	Eng - Design / Const	11.7%	11.7%	29,900	
		Eng - Insp	9.5%	9.5%	24,350	
		Eng - Other			16,050	
		Construction			225,550	
		Contingency			30,810	
TOTAL	<u>\$326,660</u>	TOTAL			<u>\$326,660</u>	
REPAYMENT	Rate	0.75%	Est. Annual Payment		\$18,436	
	Term	20 Years	1st Payment	6 Mo. after first draw		
PROFESSIONAL SERVICES	Engineer	GRW Engineers				
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP				
PROJECT SCHEDULE	Bid Opening	Dec-15				
	Construction Start	Jan-16				
	Construction Stop	Sep-16				
DEBT PER CUSTOMER	Existing	\$4,622				
	Proposed	\$10,200				
OTHER DEBT	See Attached					
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached					
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>			
	Current	3,745	\$20.55 (for 4,000 gallons)			
	Additional	0	\$20.55 (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 2012	1,060,373	845,286	215,087	1.3		
Audited 2013	1,887,552	826,494	1,061,058	2.3		
Audited 2014	2,109,564	1,017,514	1,092,050	2.1		
Projected 2015	2,107,373	1,192,022	915,351	1.8		
Projected 2016	2,073,434	1,310,390	763,044	1.6		
Projected 2017	2,034,065	1,432,632	601,433	1.4		
Projected 2018	2,401,043	1,465,404	935,639	1.6		
Projected 2019	2,833,946	2,350,610	483,336	1.2		

Reviewer: Brandi Armstrong
 Date: April 2, 2015
 Loan Number: F15-031

**KENTUCKY INFRASTRUCTURE AUTHORITY
 DRINKING WATER STATE REVOLVING FUND (FUND "F")
 CITY OF HARRODSBURG, MERCER COUNTY
 PROJECT REVIEW
 WX21167028**

I. PROJECT DESCRIPTION

The City of Harrodsburg is requesting a Fund "F" loan in the amount of \$326,660 for the College and Chestnut Street Water Lines project. The project will create additional loops within the City's water system by connecting an existing six inch water line to a twelve inch water main on the Harrodsburg Bypass. The loops will help water quality by allowing consistent water movement which may result in lower disinfection by-products. This project will also replace corroded water lines in inaccessible areas between College and Chestnut Street.

The City's water system has about 3,745 customers and also provides service for the Burgin Water Department, which has 467 customers, The Lake Village Water Association, which has 2,095 customers and the North Mercer Water District, which has 4,023 customers.

II. PROJECT BUDGET

	<u>Total</u>
Engineering Fees - Design / Const	29,900
Engineering Fees - Inspection	24,350
Engineering Fees - Other	16,050
Construction	225,550
Contingency	30,810
Total	\$ 326,660

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 326,660	100%
Total	\$ 326,660	100%

IV. KIA DEBT SERVICE

Construction Loan	\$	326,660
Interest Rate		0.75%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	17,619
Administrative Fee (0.25%)		817
Total Estimated Annual Debt Service	\$	18,436

V. PROJECT SCHEDULE

Bid Opening	December 2015
Construction Start	January 2016
Construction Stop	September 2016

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	3,453
Commercial	278
Industrial	14
Total	3,745

B) Rates

Retail Water	Current	Prior
Date of Last Rate Increase	06/14/2012	04/30/2010
First 250 cubic feet (per 100 cf)	9.87	8.78
Next 750 cubic feet	3.75	3.33
Next 3,000 cubic feet	3.26	2.90
Next 6,000 cubic feet	2.77	2.46
Next 25,000 cubic feet	2.36	2.10
Next 25,000 cubic feet	1.97	1.75
All over 60,000 cubic feet	1.58	1.40
Cost for 4,000 gallons	\$20.55	\$18.26
Increase %	12.5%	40.0%
Affordability Index (Rate/MHI)	0.7%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility’s service area population was 8,363 with a Median Household Income (MHI) of \$29,984. The median household income for the Commonwealth is \$42,610. The project will qualify for a .75% interest rate because the utility’s service area MHI is below 80% of the State’s MHI.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	7,265		19,011		June 2004	5.3%
1990	7,335	1.0%	19,148	0.7%	June 2009	11.9%
2000	8,014	9.3%	20,817	8.7%	June 2013	8.6%
2010	8,340	4.1%	21,331	2.5%	June 2014	7.1%
Current	8,323	-0.2%	21,283	-0.2%		
Cumulative %		14.6%		12.0%		

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 Municipal Waterworks and Sewer System fund for the years ended June 30, 2012 through 2014. The analysis includes combined results for the City’s water and sewer operations. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Water revenues increased 26% from 2012 to 2014 from \$1.9 million to \$2.4 million. A 19.5% water rate increase was passed in early fiscal 2012 with the remaining increase due to volume. Sewer revenues increased 74% from 2012 to 2014 from \$1.3 million to \$2.3 million. A 12.4% rate increase was passed in 2012 with the remaining increase due to volume. Operating expenses increased 25% from \$2.3 million to \$2.8 million. The increase is due to higher contracted maintenance services along with increases in personnel costs. The debt coverage ratio increased from 1.3 in 2012 to 2.1 in 2014.

The balance sheet reflects a current ratio of 1.6, a debt to equity ratio of 0.9 and unrestricted cash equals 5.8 months of operating expenses.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water and sewer revenues reflect a 0.5% increase for volume.
- 2) The cash flow analysis includes the costs of a future wastewater treatment plant and pump station. The estimated debt service on the two additional projects is \$935,000 combined. The City will require a rate adjustment of approximately \$430,000 at the beginning of 2018 and \$470,000 at the beginning of 2019 with specific minimum rates being prescribed by Rural Development.
- 3) Operating expenses will increase by 2% per year.
- 4) 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 F loan.

REPLACEMENT RESERVE

The annual replacement cost is \$800. This amount should be added to the replacement account each December 1 until the balance reaches \$8,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Sun Trust Lease (Water Meters)	1,176,656	2023
KIA (A02-06)	1,658,158	2023
KIA (A12-07)	315,000	TBD
KIA (F11-17)	329,075	2033
KIA (A11-21)	368,121	2033
Whitaker Bank (Construction Loan)	1,420,254	2051
Whitaker Bank Refinance Loan	68,751	2016
2013 KY Rural Water Bonds	1,010,000	2021
2006 RD Bonds	1,008,000	2044
2006 RD Bonds	2,256,000	2045
2012 RD Bonds	7,700,000	2051
KIA (F13-002, i/a/o \$2.7 M)	0	TBD
KIA (A15-046, i/a/o \$1.42 M)	0	TBD
KIA (A15-074, i/a/o \$10 M)	0	TBD
KIA (A15-075, i/a/o \$810,000)	0	TBD
Total	17,310,015	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
WTP Upgrade	CDBG	1,000,000	Grant
WTP Upgrade	RD	12,000,000	Loan/Grant
WWTP Upgrade	EPA SPAP	1,261,000	Grant
WWTP Upgrade	RD	2,462,000	Loan/Grant

XII. CONTACTS

Legal Applicant	
Name	City of Harrodsburg
Address	208 South Main St Harrodsburg, KY 40330
County	Mercer
Authorized Official	Eddie Long (Mayor)
Phone	(859) 734-2383
Email	2longbranch@roadrunner.com

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

Consulting Engineer	
Name	Ryan Carr
Firm	GRW Engineers
Address	801 Corporate Drive Lexington, KY 40503
Phone	(829) 223-3999
Email	rcarr@grwinc.com

XIII. RECOMMENDATIONS

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

CITY OF HARRODSBURG (MUNICIPAL WATERWORKS AND SEWER SYSTEM)
FINANCIAL SUMMARY (JUNE YEAR END)

Balance Sheet

	Audited <u>2012</u>	Audited <u>2013</u>	Projected <u>2014</u>	Projected <u>2015</u>	Projected <u>2016</u>	Projected <u>2017</u>	Projected <u>2018</u>	Projected <u>2019</u>
Assets								
Current Assets	1,820,451	1,754,092	2,740,769	2,080,515	2,197,272	2,289,787	2,473,933	2,594,133
Other Assets	32,989,163	35,444,268	37,340,483	39,014,754	50,375,706	61,365,777	60,133,343	58,516,452
Total	34,809,614	37,198,360	40,081,252	41,095,269	52,572,978	63,655,565	62,607,276	61,110,586
Liabilities & Equity								
Current Liabilities	1,856,213	931,209	1,722,112	1,343,966	1,301,514	1,259,212	1,250,464	1,258,473
Long Term Liabilities	15,843,363	16,187,663	17,184,663	18,803,077	28,620,421	38,234,056	37,526,259	36,786,778
Total Liabilities	17,699,576	17,118,872	18,906,775	20,147,043	29,921,935	39,493,268	38,776,723	38,045,251
Net Assets	17,110,038	20,079,488	21,174,477	20,948,226	22,651,043	24,162,297	23,830,553	23,065,334

Cash Flow

Revenues	3,328,723	4,540,125	4,972,675	4,998,387	5,021,829	5,045,388	5,499,065	5,992,860
Operating Expenses	2,327,200	2,689,676	2,884,878	2,916,514	2,973,895	3,036,823	3,123,522	3,184,414
Other Income	58,850	37,103	21,767	25,500	25,500	25,500	25,500	25,500
Cash Flow Before Debt Service	1,060,373	1,887,552	2,109,564	2,107,373	2,073,434	2,034,065	2,401,043	2,833,946

Debt Service

Existing Debt Service	845,286	826,494	1,017,514	1,192,022	1,310,390	1,423,414	1,446,968	2,332,174
Proposed KIA Loan	0	0	0	0	0	9,218	18,436	18,436
Total Debt Service	845,286	826,494	1,017,514	1,192,022	1,310,390	1,432,632	1,465,404	2,350,610
Cash Flow After Debt Service	215,087	1,061,058	1,092,050	915,351	763,044	601,433	935,639	483,336

Ratios

Current Ratio	1.0	1.9	1.6	1.5	1.7	1.8	2.0	2.1
Debt to Equity	1.0	0.9	0.9	1.0	1.3	1.6	1.6	1.6
Days Sales in Accounts Receivable	43.4	40.1	35.2	35.2	35.2	35.2	35.2	35.2
Months Operating Expenses in Unrestricted Cash	1.3	2.5	5.8	2.9	3.4	3.6	4.1	4.3
Debt Coverage Ratio	1.3	2.3	2.1	1.8	1.6	1.4	1.6	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 2nd day of April, 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

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

EXHIBIT A

<u>APPLICANT</u>	<u>FUND</u>	<u>AMOUNT</u>
City of Barbourville	A15-006	\$1,856,109
City of Harrodsburg	A15-074	\$10,000,000
City of Harrodsburg	A15-075	\$810,000
Mountain Water District	A15-077	\$3,102,921
City of Nicholasville	A15-090	\$340,980
Sanitation District #1 of Northern Kentucky	A15-102	\$3,000,000
Sanitation District #1 of Northern Kentucky	A15-103	\$2,750,194
City of South Shore (Increase)	B12-09	\$1,882,411
City of Barbourville	B15-005	\$130,000
Whitley County Water District	F15-030	\$932,500
City of Harrodsburg	F15-031	\$326,660

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

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Kentucky Infrastructure Authority
Amounts Available to Loan
3/26/2015

Clean Water State Revolving Fund (Fund A)

Funds Available from IUP	\$95,868,200
Loan Commitments	(\$49,059,902)
Invited Projects (net of project declinations)	(\$74,719,420)
Additional Collections Over Projections *	\$3,200,000
Adjustments (changes to bond reserves, project closeouts, increases)	\$24,779,022
Funds Available to Loan	<u>\$67,900</u>

Infrastructure Revolving Fund (Fund B)

Trustee Funds Not Committed	\$6,037,897
Pending Applications	(\$4,809,911)
Funds Available to Loan	<u>\$1,227,986</u>

Governmental Agencies Program (Fund C)

Trustee Funds Not Committed	\$2,509,538
Pending Applications	\$0
Funds Available to Loan	<u>\$2,509,538</u>

Drinking Water State Revolving Fund (Fund F)

Funds Available from IUP	\$32,550,112
Loan Commitments	(\$28,604,426)
Invited Projects (net of project declinations)	(\$15,377,646)
Additional Collections Over Projections	\$0
Adjustments (increases / accelerated approvals after IUP estimate, project closeouts)	\$11,594,890
Funds Available to Loan	<u>\$162,930</u>

*Danville & Greenup JSA prepayments

Fund A Loans for construction of wastewater infrastructure, 20-year max term, 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 list – Federal funds with 20% state match

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 \$ 69,739,064

Leverage Fund Balance \$0

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS	
<u>PROJECTS APPROVED IN FY 2007</u>					
45	NORTHERN KY WATER DISTRICT	\$6,865,000	\$4,000,000 (c)	10/5/06	
46	ADAIR CO WATER DISTRICT	\$3,302,000	\$1,000,000 (c)	6/21/07	
47	JESSAMINE SOUTH ELKHORN WD	\$1,750,000	\$1,746,043 (c)	6/21/07	
	TOTALS	\$11,917,000	\$6,746,043		
<u>PROJECTS APPROVED FY 2008</u>					
48	LETCHER CO WAT & SEW DISTRICT	\$1,193,000	\$781,000 (c)	10/4/07	
49	RICHMOND, CITY OF	\$7,108,951	\$4,000,000 (c)	10/4/07	
50	MADISON CO UTILITY DIST	\$1,284,510	\$1,105,016 (c)	11/1/07; 10/9/08	
52	NICHOLASVILLE, CITY OF	\$13,090,400	\$8,800,000 (c)	11/1/07; 4/1/09	
53	BULLOCK PEN WATER DISTRICT	\$2,320,700	\$2,192,700 (c)	12/6/07	
54	HARDINBURG, CITY OF	\$4,165,000	\$1,999,250 (c)	12/6/07	
55	BEREA, CITY OF	\$9,739,630	\$5,000,000 (c)	2/7/08; inc 11/6/08	
56	FRANKFORT, CITY OF	\$6,841,000	\$6,743,307 (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	
	TOTALS	\$101,771,370	\$53,926,559		
<u>PROJECTS APPROVED FY2009</u>					
64	PAINTSVILLE, CITY OF	\$29,135,364	\$6,519,566	12/4/08	
	TOTALS	\$29,135,364	\$6,519,566		
<u>PROJECTS APPROVED FY2010</u>					
65	PADUCAH, CITY OF	\$7,510,000	\$7,500,000	9/3/09	
66	HARDINBURG, CITY OF	\$4,700,500	\$3,251,590	11/12/09	
67	NORTHERN KY WATER DISTRICT	\$45,300,000	\$24,000,000 (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
	TOTALS	\$59,204,500	\$36,445,590		
<u>PROJECTS APPROVED FY2011</u>					
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	5/5/11	
77	Barlow, City of	WX21007022 \$520,000	\$430,000 (c)	5/5/11; 3/7/13	
78	West Liberty, City of	WX21007020 \$3,050,300	\$2,365,763	5/5/11; revised for ARRA fdg	
	TOTALS	\$24,658,454	\$21,009,217		
<u>PROJECTS APPROVED FY2012</u>					
79	Breathitt Co Water District	\$2,500,000	\$2,500,000	7/7/11	
80	Adair Co WD dba Columbia Adair Utilities	\$3,439,000	\$1,500,000	8/4/11	
81	Jessamine South Elkhorn WD	\$3,025,300	\$3,025,300	11/10/11	
82	Hodgenville, City of	\$774,183	\$774,183	11/10/11	
83	East Casey County WD	\$1,545,000	\$1,545,000	11/10/11	
84	Nicholasville, City of	\$0	\$0	11/10/11	rescinded
85	Harrodsburg, City of	WX21167013 \$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	\$1,850,270	12/8/11	

		TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
PROJECTS APPROVED IN FY 2012 (Continued)					
88	Mount Vernon, City of	WX21203523	\$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	WX21217003	\$1,875,000	\$1,875,000	3/1/12
91	Centertown, City of	WX21183030; WX21183031	\$922,850	\$922,850 (c)	3/1/12
92	Sturgis, City of	WX21225034	\$4,000,000	\$3,000,000	3/1/12
93	Hartford, City of	WX21183020	\$564,150	\$486,840 (c)	6/7/12
		TOTALS	\$27,353,441	\$24,087,003	
PROJECTS APPROVED IN FY 2013					
94	Adair Co WD dba Columbia Adair Util	WX21001024	\$4,000,000	\$4,000,000	11/1/12
95	Nicholasville, City of	WX21113042	\$939,000	\$444,000	12/6/12; 3/6/14
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	2/7/13
99	Vanceburg, City of	WX21135017	\$849,878	\$849,878 (c)	2/7/13
		WX21167022			
		WX21167026			
100	City of Harrodsburg	WX21167027	\$2,703,422	\$2,703,422	3/7/13; 6/26/14
101	Frankfort Electric & Water Plant Board	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	\$17,250,000	\$4,000,000	6/19/13; 5/1/14
		TOTALS	\$82,094,443	\$46,128,444	
PROJECTS APPROVED IN FY 2014					
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
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	5/1/14
116	Flatwoods, City of	WX21089064	\$325,000	\$325,000	6/26/14
		TOTALS	\$13,208,531	\$11,454,531	
PROJECTS APPROVED IN FY 2015					
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
122	Lebanon, City of	WX21155039	\$3,230,000	\$3,230,000	12/4/14
123	Monroe Co Water District	WX21171045	\$12,412,000	\$8,000,000	12/4/14
124	Campbellsville, City of	WX21217023	\$6,428,000	\$6,428,000	12/4/14
125	Fleming-Neon, City of	WX21133029	\$143,616	\$143,616	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
		TOTALS	\$36,818,206	\$29,426,876	
GRAND TOTALS - COMMITMENTS			\$603,002,984	\$327,009,125	

bold, italics - pending board approval

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(F1) - Planning and Design Loan

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

AVAILABLE FUNDS FFY 2009:

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	FIRST USE FUNDS	DATE APPROVED
PROJECTS APPROVED IN SFY 2009:				
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
TOTALS	\$6,866,652	\$1,170,507	\$1,170,507	
PROJECTS APPROVED IN SFY 2010:				
3 BREATHITT CO WATER DISTRICT	\$1,322,000	\$572,000 (c)	\$572,000	7/9/09; 11/24/09
4 WHITESBURG, CITY OF	\$171,840	\$171,794 (c)	\$171,794	7/9/09
5 MCKEE, CITY OF	\$1,100,000	\$1,099,903 (c)	\$1,099,903	8/6/09
6 BLACK MTN UTILITY DISTRICT	\$2,650,000	\$500,000 (c)	\$500,000	8/6/09
7 ELKTON, CITY OF	\$174,800	\$174,374 (c)	\$174,374	8/20/09
8 BLUEGRASS STATION	\$3,498,452	\$1,855,004 (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
TOTALS	\$44,563,111	\$18,115,426	\$18,115,426	
GRAND TOTALS - COMMITMENTS	\$51,429,763	\$19,285,933	\$19,285,933	
BALANCE AVAILABLE FOR LOAN			\$0	

bold, italics - pending board approval

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	COMMENTS
Fd C Available to Loan/Grant Before Current Meeting		\$2,509,538		
ORIGINAL KENTUCKY POLLUTION ABATEMENT AUTHORITY LOANS (42) REFINANCED BY THE KENTUCKY INFRASTRUCTURE AUTHORITY (1989)		\$32,025,000		
<u>PROJECTS APPROVED IN FY 1989:</u>				
1 CAMPBELLSVILLE, CITY OF	\$3,450,000	\$2,500,000	(c)	
2 CARLISLE, CITY OF	\$3,958,731	\$1,764,950	(c)	
3 CRITTENDEN, CITY OF	\$1,725,300	\$913,800	(c)	
4 EDMONTON, CITY OF	\$740,728	\$505,728	(c)	
5 FULTON, CITY OF	\$1,200,000	\$380,000	(c)	
6 INEZ, CITY OF	\$5,692,657	\$825,477	(c)	
7 PADUCAH-MCCRACKEN JOINT SEWER 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
TOTALS	\$38,061,943	\$21,411,392		
<u>PROJECTS APPROVED IN FY 1990:</u>				
17 BULLOCK-PEN WATER DISTRICT	\$779,649	\$399,049	(c)	08-07-89
18 BOYD COUNTY SANITATION DISTRICT #2	\$2,525,506	\$1,477,350	(c)	08-07-89 (AMD. 8-16-90 & 12-4-91)
19 FLEMINGSBURG, CITY OF	\$1,218,286	\$1,066,000	(c)	08-07-89
20 FRANKLIN, CITY OF	\$695,690	\$687,204	(c)	05-03-89 (AMD. 8-7-89)
21 PINEVILLE, CITY OF	\$3,099,590	\$308,767	(c)	09-27-89
22 EDMONSON COUNTY WATER DISTRICT	\$860,117	\$507,767	(c)	12-13-89
23 HENDERSON COUNTY WATER DISTRICT #4	\$581,609	\$550,000	(c)	12-13-89 (AMD. 6-20-91)
24 EAST LOGAN COUNTY WATER DISTRICT	\$1,253,120	\$514,303	(c)	12-13-89
25 MCKEE, CITY OF	\$562,789	\$185,289	(c)	04-25-90
TOTALS	\$11,576,356	\$5,695,729		
<u>PROJECTS APPROVED IN FY 1991:</u>				
26 U.S. 60 WATER DISTRICT	\$391,065	\$202,400	(c)	08-16-90
27 EDMONTON, CITY OF	\$727,621	\$502,621	(c)	08-16-90
28 MUNFORDVILLE, CITY OF	\$107,320	\$100,850	(c)	09-26-90
29 LEXINGTON-SOUTH ELKHORN WATER 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
TOTALS	\$5,263,172	\$4,350,963		
<u>PROJECTS APPROVED IN FY 1992:</u>				
34 TOMPKINSVILLE, CITY OF	\$648,200	\$306,200	(c)	07-24-91
35 WALTON, CITY OF	\$140,577	\$140,577	(c)	07-24-91
36 WILMORE, CITY OF	\$745,155	\$228,355	(c)	09-16-91
37 EDMONSON COUNTY WATER DISTRICT	\$197,959	\$92,747	(c)	09-16-91
38 PADUCAH WATER WORKS	\$596,100	\$556,100	(c)	11/1/91;6/7/12 (assumed from Hendron Water District 6/7/12)
39 BULLOCK-PEN WATER DISTRICT	\$1,067,019	\$518,169	(c)	11-01-91
40 U.S. 60 WATER DISTRICT	\$494,603	\$459,905	(c)	12-04-91
41 FULTON, CITY OF	\$409,587	\$384,508	(c)	05-13-92
42 BULLOCK-PEN WATER DISTRICT	\$62,111	\$29,254	(c)	05-13-92
TOTALS	\$4,361,311	\$2,715,815		
<u>PROJECTS APPROVED IN FY 1993:</u>				
43 GEORGETOWN, CITY OF	\$554,870	\$162,870	(c)	11-12-92 (AMD. 6-29-94)(Assumed from Stamping Ground 3/2/06)
44 PIKEVILLE, CITY OF	\$1,317,639	\$419,771	(c)	11-12-92
45 NORTH MARSHALL COUNTY WATER DISTRICT	\$1,414,199	\$1,414,199	(c)	12-17-92
46 TAYLORSVILLE, CITY OF	\$188,000	\$188,000	(c)	03-03-93
47 WURLAND, CITY OF	\$336,885	\$264,145	(c)	05-05-93
TOTALS	\$3,811,593	\$2,448,985		

	TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS	
PROJECTS APPROVED IN FY 1994:						
48	WHITESBURG, CITY OF	\$1,701,993	\$381,855	(c)	09-29-93	
49	JONATHAN CREEK WATER DISTRICT	\$2,768,000	\$2,302,500	(c)	09-29-93	(AMD 9/7/03)
50	NORTHERN ROCKCASTLE COUNTY WATER	\$455,226	\$265,226	(c)	09-29-93	
51	Shelbyville, City of	\$2,100,000	\$697,263	(c)	05-11-94	Assumed from Shelby Co SD #1
52	LAUREL COUNTY WATER DISTRICT #2	\$1,324,000	\$900,950	(c)	05-11-94	(AMD. 12-5-95)
	TOTALS	\$8,349,219	\$4,547,794			
PROJECTS APPROVED IN FY 1995:						
53	CARLISLE, CITY OF	\$715,000	\$425,895	(c)	11-29-94	
**	54 HENRY COUNTY WATER DISTRICT #2	\$8,426,000	\$5,026,000	(s)(n)	03-31-95	(AMD. 12-5-95)
55	CALHOUN, CITY OF	\$506,100	\$453,299	(c)	5-30-95	
	TOTALS	\$9,647,100	\$5,905,194			
PROJECTS APPROVED IN FY 1996:						
56	OLDHAM COUNTY WATER DISTRICT	\$1,174,500	\$1,062,256	(c)	2-26-95	
57	HOPKINSVILLE, CITY OF	\$1,156,400	\$912,970	(c)	12-4-96; 4-7-11	assumed from Oak Grove
	TOTALS	\$2,330,900	\$1,975,226			
PROJECTS APPROVED IN FY 1997:						
58	EAST PENDLETON WATER DISTRICT	\$202,004	\$219,856	(c)	6-19-97	
	TOTALS	\$202,004	\$219,856			
PROJECTS APPROVED IN FY 1998:						
	TOTALS	\$0	\$0			
PROJECTS APPROVED IN FY 1999:						
59	LOUISA, CITY OF	\$387,500	\$442,857	(c)	7/13/98	(AMD 9-1-99)
*	60 WEBSTER COUNTY WATER DISTRICT	\$6,165,911	\$4,000,000	(c)	9/1/98	
61	MEADE COUNTY WATER DISTRICT	\$4,204,225	\$407,608	(c)	12/18/98	
	TOTALS	\$10,757,636	\$4,850,465			
PROJECTS APPROVED IN FY 2001:						
62	BARLOW, CITY OF	\$416,000	\$237,714	(c)	3/1/01	
	TOTALS	\$416,000	\$237,714			
PROJECTS APPROVED IN FY 2002:						
63	OLDHAM COUNTY WATER DISTRICT	\$7,043,642	\$5,560,339	(c)	7/12/01	
	TOTALS	\$7,043,642	\$5,560,339			
PROJECTS APPROVED IN FY 2003:						
*	64 MCCREARY COUNTY FISCAL COURT	7,996,000	1,474,999	(c)	9/5/2002	
*	65 NICHOLASVILLE, CITY OF	4,310,000	4,160,000	(c)	10/3/2002	
66	SOUTHERN WATER & SEWER	6,874,900	0		1/9/2003	Withdrawn - Replaced with Coal Sev
67	MEADE COUNTY WATER DISTRICT	919,760	0		6/5/2003	Withdrawn - Replaced with Fd F loan
	TOTAL	\$7,996,000	\$5,634,999			
PROJECTS APPROVED IN FY 2004:						
68	KNOTT CO WATER & SEWER DISTRICT	\$2,628,821	\$640,367		8/7/2003	
*	69 CAWOOD WATER DISTRICT	\$2,020,000	\$500,000		12/4/2003	
*	70 BLACK MTN UTILITIES DISTRICT	\$2,295,000	\$250,000	(c)	1/8/2004	
	TOTAL	\$6,943,821	\$1,390,367			
PROJECTS APPROVED IN FY 2005:						
*	71 NORTONVILLE, CITY OF	\$5,300,000	\$2,768,556	(c)	9/2/2004	
*	72 JOHNSON CO FISCAL COURT	\$1,317,000	\$0		12/9/2004	Withdrawn
*	73 PEAKS MILL WATER DISTRICT	\$1,626,900	\$946,900	(c)	5/5/2005	
	TOTAL	\$8,243,900	\$3,715,456			
PROJECTS APPROVED IN FY 2007:						
*	74 MAYFIELD, CITY OF	\$393,250	\$389,255	(c)	5/10/2007	broadband
	TOTAL	\$393,250	\$389,255			

		TOTAL PROJECT AMOUNT	KIA AMOUNT		DATE APPROVED	COMMENTS
PROJECTS APPROVED IN FY 2008:						
*	75	SOUTHEAST DAVIESS CO WD	\$1,219,995	\$796,140	(c)	11/1/2007 water
*	76	WEST DAVIESS CO WD	\$1,378,708	\$948,348	(c)	11/1/2007 water
*	77	NORTHERN KY WATER DISTRICT	\$6,000,000	\$6,000,000	(c)	6/5/2008 water
		TOTAL	\$8,598,703	\$7,744,488		
PROJECTS APPROVED IN FY 2009:						
*	78	UNION, CITY OF	\$1,147,500	\$248,294	(c)	10/2/2008 sewer
		TOTAL	\$1,147,500	\$248,294		
PROJECTS APPROVED IN FY 2010:						
*	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)	10/1/2009 water
		TOTAL	\$6,850,000	\$5,300,000		
PROJECTS APPROVED IN FY 2011:						
*	81	Bracken Co Water District	\$621,000	\$621,000	(c)	3/3/2011 water main replacement
		TOTAL	\$621,000	\$621,000		
PROJECTS APPROVED IN FY 2012:						
*	82	Warren Co Water District	\$1,114,400	\$823,900	(c)	10/6/2011 Buchanan Park Sewer Extension
*	83	Muninet Fiber Agency	\$3,173,049	\$3,173,049		2/2/2012 Cable Build Project #2
*	84	Worthington, City of	\$600,000	\$600,000		4/12/2012 Filters Upgrade
		TOTAL	\$4,887,449	\$4,596,949		
PROJECTS APPROVED IN FY 2014:						
*	85	Bowling Green, City of	\$1,192,485	\$1,192,485		2/6/2014 WX21227077 - Reservoir Hill Piping Renovation Project
*	86	Glasgow, City of	\$3,364,860	\$3,000,000		6/26/2014 SX21009017 - New sewer basin
		TOTAL	\$4,557,345	\$4,192,485		
PROJECTS APPROVED IN FY 2015:						
*	87	Northern Madison Co SD	\$1,500,000	\$1,200,000		10/2/2014 SX21151036 - Muddy Creek Waste Water Treatment Plant
*	88	Richmond, City of	\$1,422,370	\$1,422,370		11/6/2014 WX21151058 - Raw Water Intake Electric Relocation
*	89	Warren County Water District	\$1,760,700	\$1,090,050		2/15/2015 SX21227047 - Alvaton Area Sewer Extension
		TOTAL	\$4,683,070	\$3,712,420		
		KIA TOTALS	\$156,742,914	\$97,465,184		
		GRAND TOTALS (including KPAA)	\$129,490,184			
		Funds committed; not issued:	\$37,192,925			

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
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 \$6,037,897

	TOTAL INFRASTRUCTURE AMOUNT	KIA Grnt/Prin Forg AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
PROJECTS APPROVED IN FY 1989:							
1	WILMORE, CITY OF	\$1,059,938		\$407,770 (c)	\$13,700,000	257	12-21-88
2	AUBURN, CITY OF	\$2,175,540		\$1,475,540 (c)	\$2,225,000	96	12-21-88
3	SOMERSET, CITY OF	\$2,402,764		\$1,500,000 (c)	\$75,000,000	326	12-21-88
4	HENRY COUNTY	\$775,627		\$287,984 (c)	\$4,380,000	210	03-22-89 (REAP. 1-31-91 & AMD. 6-20-91)
5	GRAVES COUNTY	\$3,717,000		\$3,717,000 (c)	\$31,037,070	600	05-03-89
	TOTALS	\$10,130,869		\$7,388,294	\$126,342,070	1,489	
PROJECTS APPROVED IN FY 1990:							
6	LAWRENCEBURG, CITY OF	\$301,000		\$86,114 (c)	\$426,187	30	08-07-89
7	LEITCHFIELD, CITY OF	\$1,296,200		\$699,674 (c)	\$2,470,000	200	08-07-89
8	LIBERTY, CITY OF	\$319,573		\$163,822 (c)	\$1,533,133	140	08-07-89
9	BEREA, CITY OF	\$1,200,000		\$340,000 (c)	\$0	750	08-07-89
10	GAMALIEL, CITY OF	\$2,040,263		\$490,425 (c)	\$2,000,000	125	09-27-89 (REAP. 3-28-91 & AMD. 6-26-92)
11	GRAYSON, CITY OF (1)	\$1,875,000		\$1,000,000 (c)	\$10,000,000	300	12-13-89
12	LEBANON JUNCTION, CITY OF	\$701,900		\$148,649 (c)	\$7,500,000	200	04-25-90
13	MT. VERNON, CITY OF	\$864,347		\$456,480 (c)	\$20,000,000	154	04-25-90 (AMD. 3-28-91)
14	RUSSELLVILLE, CITY OF	\$1,591,673		\$1,434,750 (c)	\$0	0	04-25-90
	TOTALS	\$10,189,956		\$4,819,914	\$43,929,320	1,899	
PROJECTS APPROVED IN FY 1991:							
15	RICHMOND, CITY OF	\$1,508,300		\$250,000 (c)	\$1,500,000	100	09-26-90
16	WARREN COUNTY W.D. (Chg)	\$638,035		\$229,035 (c)	\$14,000,000	280	09-26-90
17	LAUREL COUNTY FISCAL COURT	\$964,742		\$319,969 (c)	\$2,900,000	74	09-26-90
18	MOUNTAIN WATER DISTRICT (Mtn. Top 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)
	TOTALS	\$5,764,079		\$2,662,259	\$46,900,000	1,487	
PROJECTS APPROVED IN FY 1992:							
21	NEWPORT, CITY OF	\$4,017,704		\$2,931,899 (c)	\$2,931,899	220	09-16-91 (AMD. 7-23-92; 6-29-94; 12/9/04)
22	HODGENVILLE, CITY OF	\$125,900		\$114,931 (c)	\$400,000	16	11-01-91
23	SCOTTSVILLE, CITY OF	\$4,252,173		\$2,660,800 (c)	\$0	260	12-04-91
24	MONTICELLO, CITY OF (2)	\$2,610,040		\$1,495,628 (c)	\$0		12-04-91
25	WARREN COUNTY WATER DISTRICT (W	\$121,000		\$92,809 (c)	\$32,000,000	200	02-25-92
26	WARREN COUNTY WATER DISTRICT (S	\$297,000		\$203,233 (c)	\$0		02-25-92
27	LIVERMORE, CITY OF	\$86,039		\$86,039 (c)	\$0	12	06-26-92
	TOTALS	\$11,509,856		\$7,585,339	\$35,331,899	708	
PROJECTS APPROVED IN FY 1993:							
28	MARION, CITY OF	\$1,218,460		\$379,510 (c)	\$1,412,000	40	12-17-92
29	DAVISS COUNTY FISCAL COURT	\$1,765,510		\$1,634,610 (c)	\$340,000,000	280	01-29-93
30	COVINGTON, CITY OF	\$516,140		\$460,327 (c)	\$18,000,000	500	01-29-93
31	HOPKINSVILLE, CITY OF	\$8,688,679		\$5,000,000 (c)	\$0	500	05-05-93 (REAP. 3-31-95)
	TOTALS	\$12,188,789		\$7,474,447	\$359,412,000	1,320	
PROJECTS APPROVED IN FY 1994:							
32	GRAYSON, CITY OF (2)	\$1,712,759		\$1,412,759 (c)	\$0	155	08-31-93
33	PIKEVILLE, CITY OF	\$5,037,889		\$611,397 (c)	\$4,396,000	93	08-31-93
34	LANCASTER, CITY OF	\$1,710,420		\$781,462 (c)	\$0	100	09-29-93
35	GALLATIN COUNTY	\$4,089,434		\$4,000,000 (c)	\$400,089,434	400	09-29-93 (AMD. 6-29-94, REAP. 3-31-95)
36	CAMPBELLSVILLE, CITY OF	\$4,905,000		\$1,905,000 (s)	\$0	295	12-05-95 (REAP.)(AMD. 7-13-98)
	TOTALS	\$38,849,110		\$21,645,392	\$781,897,434	3,363	
PROJECTS APPROVED IN FY 1995:							
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
	TOTALS	\$8,713,832		\$4,408,243	\$0	1,558	

	INFRASTRUCTURE AMOUNT	Grnt/Prin Forg AMOUNT	Loan AMOUNT	PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
PROJECTS APPROVED IN FY 1996:							
* #REF!	OAK GROVE, CITY OF	\$787,990	\$498,295 (c)	\$0	134	05-14-96	
* #REF!	MOUNT STERLING, CITY OF	\$2,467,009	\$2,467,009 (c)	\$0	400	05-14-96	
	TOTALS	\$3,254,999	\$2,965,304	\$0	534		
PROJECTS APPROVED IN FY 1997:							
#REF!	CORBIN, CITY OF	\$583,878	\$300,000 (c)	\$0	30	8-29-96	
42	GRAVES CO WATER DISTRICT	\$1,028,000	\$528,000 (c)	\$0	95	12-4-96; 4/4/13	REAP 9-1-98; assumed from Hickory
	TOTALS	\$1,611,878	\$828,000	\$0	125		
PROJECTS APPROVED IN FY 1998:							
* 42	PRESTONSBURG, CITY OF	\$4,392,500	\$600,000 (c)	\$0	77	2-26-98	\$50M inc. app. 2-5-99
* 43	PAINTSVILLE, CITY OF	\$8,070,950	\$1,772,800 (c)	\$0	400	2-26-98	(REAP. 12-10-99)
	TOTALS	\$12,463,450	\$2,372,800	\$0	477		
PROJECTS APPROVED IN FY 1999:							
* 44	HARDINSBURG, CITY OF	\$5,239,680	\$131,231 (c)	\$0	14	7-13-98	
* 45	PRESTONSBURG, CITY OF	\$1,591,200	\$795,600 (c)	\$0	400	4-27-99	
	TOTALS	\$6,830,880	\$926,831	\$0	414		
PROJECTS APPROVED IN FY 2000:							
* 46	GALLATIN CO WATER DISTRICT	\$1,100,000	\$744,796 (c)	\$95,000,000	130	09/01/1999; AMD 4/4/00	
* 47	CARROLTON, CITY OF (CELOTEX)	\$184,300	\$112,200 (c)	\$75,000,000	122	12/10/1999; AMD 9/1/01	
	TOTALS	\$1,284,300	\$856,996	\$170,000,000	122		
PROJECTS APPROVED IN FY2005:							
* 48	UNION COUNTY FISCAL COURT	\$1,550,000	\$0	\$0	NA	11/4/2004	commitment expired
* 40	OWENTON, CITY OF	\$736,890	\$0	\$0	NA	11/4/2004	commitment expired
* 41	HART CO FISCAL COURT	\$3,192,000	\$2,170,999 (c)	\$0	NA	3/3/2005	
* 42	BOONE COUNTY WATER DISTRICT	\$3,548,148	\$2,506,118 (c)	\$0	NA	6/2/05; 7/1/10	assumed from Boone Co FC
	TOTALS	\$9,027,038	\$4,677,117	\$0			
PROJECTS APPROVED IN FY2006:							
* 43	GRAVES CO WATER DISTRICT	\$596,776	\$596,776 (c)	\$0	NA	1/2005; 7/26/06; 10/2/08	Assumed from Fancy Farm WD
* 44	GRAVES CO WATER DISTRICT	\$152,176	\$152,176 (c)	\$0	NA	9/1/2005; 10/2/08	Assumed from Fancy Farm WD
* 45	WESTERN MASON SANITATION DIST	\$4,644,000	\$560,272 (c)	\$0	NA	12/1/2005	
* 46	BONNIEVILLE, CITY OF	\$3,160,000	\$0	\$0	NA	12/1/2005	commitment expired
* 47	Elkton, City of	\$808,000	\$808,000 (c)	\$0	NA	3/2/2006	
* 48	MT VERNON, CITY OF	\$2,055,000	\$945,000 (c)	\$0	NA	5/4/2006	
	TOTALS	\$11,415,953	\$3,062,225	\$0			
PROJECTS APPROVED IN FY2007:							
* 49	GUTHRIE, CITY OF	\$0	\$0	\$0	NA	8/3/2006	Withdrawn
* 50	OWINGSVILLE, CITY OF	\$4,367,250	\$797,250 (c)	\$0	NA	006;10/01/2009	338,997 ln; 50,000 grant
* 51	JAMESTOWN, CITY OF	\$13,065,000	\$3,588,700 (c)	\$0	NA	12/7/2006	3,038,700 ln; 550,000 grant
* 52	CONNECTGRADD	\$2,400,000	\$837,856 (c)	\$0	NA	2/8/2007	broadband
* 53	ALBANY, CITY OF	\$7,366,000	\$749,947 (c)	\$0	NA	5/10/2007	EO 2007-298 GF
* 54	GRAVES CO WATER DISTRICT	\$849,154	\$849,154 (c)	\$0	NA	5/10/2007; 10/2/08	S Graves WD
	TOTALS	\$28,047,403	\$6,822,906	\$0			
PROJECTS APPROVED IN FY2008:							
* 55	CAVELAND ENVIRONMENTAL	\$2,910,000	\$125,000 (c)	\$0	NA	9/6/2007	sewer
* 56	HOPKINSVILLE ELECT & EN NET	\$3,000,000	\$3,000,000 (c)	\$0	NA	10/4/2007	fiber optic communications
* 57	MARION CO WATER DISTRICT	\$750,000	\$340,000 (c)	\$0	NA	10/4/2007	water
* 58	WILLIAMSBURG, CITY OF	\$3,237,440	\$400,000 (c)	\$0	NA	10/4/2007	water
* 59	LOGAN TODD REG WAT COMM	\$1,500,000	\$400,000 (c)	\$0	NA	11/1/2007	water
* 60	BURGIN, CITY OF	\$50,000	\$50,000 (c)	\$0	NA	11/1/2007	water
61	PRESTONSBURG, CITY OF	\$2,700,000	\$2,700,000 (c)	\$0	NA	12/6/2007	purchase Auxier Water
62	GLASGOW, CITY OF	\$1,200,000	\$1,200,000 (c)	\$0	NA	2/7/2008; 10/9/08	broadband
63	LANCASTER, CITY OF	\$690,000	\$490,000 (c)	\$0	NA	3/6/2008	sewer
64	WHITLEY CO WATER DISTRICT	\$2,708,000	\$932,800 (c)	\$0	NA	3/6/08; 7/27/11	water
65	HINDMAN, CITY OF	\$500,000	\$500,000 (c)	\$0	NA	4/3/2008	water
66	WALTON, CITY OF	\$4,000,000	\$1,000,000 (c)	\$0	NA	6/5/2008	sewer
	TOTALS	\$23,245,440	\$11,137,800	\$0			

	TOTAL INFRASTRUCTURE AMOUNT	KIA Grnt/Prin Forg AMOUNT	KIA Loan AMOUNT	GENERATED PRIVATE INVESTMENT	JOBS CREATED	DATE APPROVED	COMMENTS
PROJECTS APPROVED IN FY2009:							
67	CARROLLTON, CITY OF	\$2,949,731		\$867,091 (c)	\$0 NA	8/7/08; 12/8/11	sewer
68	LOUISA, CITY OF	\$1,075,000		\$972,330 (c)	\$0 NA	8/7/2008	sewer
69	PRESTONSBURG, CITY OF	\$841,000		\$841,000 (c)	\$0 NA	10/2/2008	water meters
70	LEBANON, CITY OF	\$1,119,707		\$582,883 (c)	\$0 NA	12/4/2008	water
71	MuniNet	\$2,500,000		\$2,500,000 (c)	\$0 NA	06/25/09; 4/7/11	broadband; assumed from Murray
72	PINEVILLE, CITY OF	\$0		\$0	\$0 NA	6/25/2009	sewer - withdrawn 9/24/09
	TOTALS	\$8,485,438		\$5,763,304	\$0		
PROJECTS APPROVED IN FY2010:							
73	Prestonsburg, City of	\$2,670,000		\$0	\$0 NA	10/1/2009	sewer
74	Falmouth, City of	\$564,835		\$564,835 (c)	\$0 NA	10/1/2009	sewer
75	Bullitt Co Sanitation District	\$500,000		\$500,000 (c)	\$0 NA	2/4/2010	sewer
76	Hart Co Industrial Authority	\$2,300,000		\$999,811 (c)	\$3,000,000	2/4/2010	sewer
77	Marshall Co. Fiscal Court	\$1,075,000	\$800,000	\$275,000	\$0 NA	6/3/10;12/6/12	80% grant/ 20% loan
	TOTALS	\$7,109,835	\$800,000	\$2,339,646	\$3,000,000	40	
PROJECTS APPROVED IN FY2011:							
78	Bullitt Co Sanitation District	\$500,000	\$0	\$500,000 (c)	\$0 NA	8/5/2010	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	12/9/2010	water
83	Caneyville, City of	\$445,000	\$0	\$110,000 (c)	\$0 NA	12/9/2010	sewer
84	Crab Orchard, City of	\$1,660,000	\$400,000	\$410,000	\$0 NA	12/9/2010	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	2/3/2011	
87	Mt. Washington, City of	\$700,000	\$560,000	\$140,000 (c)	\$0 NA	2/3/2011	
88	White Plains, City of	\$657,000	\$525,600	\$131,400 (c)	\$0 NA	2/3/2011	
89	Beattyville, City of	\$675,000	\$140,000	\$35,000 (c)	\$0 NA	3/3/2011	water
90	Elkton, City of	\$141,700	\$0	\$136,761 (c)	\$0 NA	3/3/2011	water
91	Nicholas County Sanitation District	\$2,641,000	\$0	\$550,000 (c)	\$0 NA	3/3/2011	sewer
92	North McLean Co WD	\$737,871	\$200,000	\$50,000 (c)	\$0 NA	3/3/2011	water
93	MuniNet	\$2,031,370	\$0	\$2,031,370 (c)	\$0 NA	4/7/2011	broadband
	TOTALS	\$16,419,852	\$2,940,400	\$7,901,931	\$0		
PROJECTS APPROVED IN FY2012:							
94	Crittenden-Livingston Water District	\$300,000	\$0	\$300,000 (c)	\$0 NA	8/4/2011	water
95	Lewisburg, City of	\$0	\$0	\$0	\$0 NA	3/1/2012	water - withdrawn 12/2/13
96	Olive Hill, City of	\$505,000	\$0	\$505,000	\$0 NA	3/1/2012	water
97	Mount Olivet, City of	\$1,100,000	\$0	\$350,000 (c)	\$0 NA	4/12/2012	water
98	Nebo Water District	\$92,000	\$0	\$92,000 (c)	\$0 NA	6/7/2012	water - WX21107002
	TOTALS	\$1,997,000	\$0	\$1,247,000	\$0		
PROJECTS APPROVED IN FY2013:							
99	East Pendleton Water District	\$160,000	\$0	\$160,000 (c)	\$0 NA	8/2/2012	water WX21191002
100	Marion County Water District	\$548,180	\$0	\$548,180 (c)	\$0 NA	8/2/2012	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	8/2/2012	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	3/7/2013	sewer - SX21029031
106	Pineville, City of	\$1,380,000	\$0	\$1,380,000	\$0 NA	4/4/2013	water - WX21013926
107	Green River Valley Water District	\$1,175,000	\$0	\$1,175,000	\$0 NA	4/4/2013	water - WX21099037
108	Burkesville, City of	\$1,500,000	\$0	\$500,000 (c)	\$0 NA	5/2/2013	sewer - SX21057003
109	Scottsville, City of	\$2,093,465	\$0	\$1,416,540	\$0 NA	5/2/2013	sewer - SX21003027
	TOTALS	\$11,014,532	\$84,756	\$8,002,920	\$0		
PROJECTS APPROVED IN FY2014:							
110	Paradise Park Reg Industrial Dev Auth	\$853,585	\$0	\$350,000	\$0 NA	9/5/2013	water - WX21177029
111	US 60 Water District	\$1,605,810	\$0	\$1,300,000	\$0 NA	9/5/2013	water - WX21211033
112	Greensburg, City of	\$83,813	\$0	\$83,813	\$0 NA	2/6/2014	water - WX21087018
113	Edmonton, City of	\$174,907	\$0	\$174,907 (c)	\$0 NA	2/6/2014	water - WX21169031
114	Dawson Springs, City of	\$450,000	\$0	\$350,000	\$0 NA	3/6/2014	water - WX21107035
115	Wickliffe, City of	\$150,000	\$0	\$150,000	\$0 NA	3/6/2014	water - WX21007006
116	Lebanon Junction, City of	\$200,000	\$0	\$200,000	\$0 NA	4/3/2014	sewer - SX21029032
117	Grand Rivers, City of	\$263,000	\$0	\$263,000	\$0 NA	4/3/2014	water - WX21139017
118	Mount Olivet, City of	\$65,000	\$0	\$65,000	\$0 NA	4/3/2014	sewer - SX21201007
119	Hickman, City of	\$0	\$0	\$0	\$0 NA	4/3/2014	water - WX21075017 - withdrawn 8/20/14
120	London, City of	\$1,100,300	\$0	\$1,100,300	\$0 NA	5/1/2014	sewer - SX21125004
121	Greenup Joint Sewer Agency	\$2,000,000	\$0	\$2,000,000	\$0 NA	6/26/2014	sewer - SX21089072
122	Greensburg, City of	\$0	\$0	\$0	\$0 NA	6/26/2014	water - WX21087008 - withdrawn 2/20/14
	TOTALS	\$6,946,415	\$0	\$6,037,020	\$0		
PROJECTS APPROVED IN FY2015:							
123	Hustonville, City of	\$476,400	\$0	\$476,400	\$0 NA	9/4/2014	water - WX21137046
124	Bracken Co Water District	\$358,000	\$0	\$358,000	\$0 NA	12/4/2014	water - WX21023045
125	Northern Kentucky Water District	\$1,834,917	\$0	\$1,500,000	\$0 NA	2/5/2015	water - WX21117002
126	Cattlettsburg, City of	\$270,000	\$0	\$270,000	\$0 NA	2/5/2015	sewer - SX21019076
127	Barbourville, City of	\$130,000	\$0	\$130,000	\$0 NA	4/2/2015	water - WX21121007
	TOTALS	\$3,069,317	\$0	\$2,734,400	\$0		
GRAND TOTALS		\$249,570,222	\$3,825,156	\$123,660,088	\$1,566,812,723	13,536	

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

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

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

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

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

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

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

PROJECTS PER SPECIAL PROVISIONS DURING 1998 GENERAL SESSION

11 MEADE COUNTY FISCAL COURT	\$4,204,225	\$2,500,000	12/18/1998	
12 CITY OF RICHMOND	\$8,400,000	\$4,000,000	9/1/1998	
13 CITY OF MIDWAY	\$4,760,971	\$3,500,000	6/6/2000	
14 CITY OF HINDMAN	\$3,000,000	\$3,000,000	7/28/1999	
TOTALS	<u>\$20,365,196</u>	<u>\$13,000,000</u>		(rf)

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

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

PROJECTS PER SPECIAL PROVISIONS DURING 2000 GENERAL SESSION

16 HORTON CAMP INF AT GREEN RIVER ST PARK	650,000.00	650,000.00	6/6/2000	
17 FLEMING CO WATER COMM	75,000.00	75,000.00	2/1/2001 (AA date)	
18 FLEMING CO '201' SEWER PLANNING	50,000.00	50,000.00	10/1/2001 (AA date)	
19 CITY OF WURLAND	25,000.00	25,000.00	10/1/2001 (AA date)	
20 SPURLOCK & LITTLE MUD CREEK	300,000.00	300,000.00	8/17/2001 (AA date)	
21 PIKE COUNTY - TAYLOR FORK	50,000.00	50,000.00	8/6/2001 (AA date)	
22 SOUTHERN MADISON WATER DISTRICT	200,000.00	200,000.00	3/1/2001 (AA date)	
23 HENDERSON CO WATER DISTRICT	500,000.00	500,000.00	8/20/2001 (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	8/6/2001 (AA date)	
26 LARUE COUNTY FISCAL COURT	750,000.00	750,000.00	8/6/2001 (AA date)	
27 CARROL COUNTY FISCAL COURT	250,000.00	250,000.00	8/1/2001 (AA date)	
28 CITY OF RACELAND	25,000.00	25,000.00	9/21/2001 (AA date)	
29 CITY OF WORTHINGTON	25,000.00	25,000.00	8/6/2001 (AA date)	
30 CITY OF FLATWOODS	25,000.00	25,000.00	10/1/2001 (AA date)	
TOTALS	<u>3,925,000.00</u>	<u>3,925,000.00</u>		(rf)

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

31	Columbia-Campbellsville	WX21001008	\$3,415,000	\$55,000	12/6/2001
32	Bath County Water District	WX21011002	\$2,253,000	\$1,150,000	12/6/2001
33	City of Paris	WX21017002	\$2,300,000	\$1,000,000	12/6/2001
34	City of Ashland	WX21019006	\$2,362,626	\$750,000	12/6/2001
35	Bracken County Water District	WX21023001	\$1,810,000	\$93,500	12/6/2001
36	City of Murray	WX21035005	\$1,126,000	\$0	12/6/2001
37	Center Ridge Water District	WX21035011	\$262,200	\$262,200	12/6/2001
38	West Carroll Water District	WX21041301	\$2,200,000	\$500,000	12/6/2001
39	Rattlesnake Ridge Water District	WX21043001	\$4,130,000	\$440,000	12/6/2001
40	Christian County Water District	WX21047011	\$2,200,000	\$1,000,000	12/6/2001
41	Owensboro Municipal Utilities	WX21059001	\$2,500,000	\$1,000,000	12/6/2001
42	Consumers Water District	WX21083002	\$1,117,868	\$1,000,000	12/6/2001
43	City of Caneyville	WX21085001	\$486,000	\$186,000	12/6/2001
44	Grayson County Water District	WX21085009	\$2,878,000	\$1,000,000	12/6/2001
45	City of Cumberland	WX21095662	\$1,600,000	\$400,000	12/6/2001
46	Henderson Water Utility	WX21101005	\$600,000	\$600,000	12/6/2001
47	Wood Creek water District	WX21125527	\$350,364	\$350,364	12/6/2001
48	Louisa Water District	WX21127001	\$5,570,570	\$1,000,000	12/6/2001
49	Electric Plant Board of the City of Vanceburg	WX21135001	\$4,077,000	\$977,000	12/6/2001
50	City of Sacramento	WX21149002	\$150,000	\$150,000	12/6/2001
51	Western Lewis Rectorville Water District	WX21161001	\$1,399,000	\$275,000	12/6/2001
52	Edmonton Water Works	WX21169001	\$2,222,782	\$595,782	12/6/2001
53	Tri-Village Water District	WX21187205	\$1,800,000	\$800,000	12/6/2001
54	City of Falmouth	WX21191311	\$1,000,000	\$300,000	12/6/2001
55	City of Hazard	WX21193009	\$5,500,000	\$250,000	12/6/2001
56	Buffalo Trail Water Association	WX21201005	\$1,500,000	\$750,000	12/6/2001
57	US 60 Water District	WX21211026	\$1,375,000	\$650,000	12/6/2001
58	Taylorville Water Works	WX21215087	\$3,500,000	\$430,400	12/6/2001
59	Campbellsville-Greensburg	WX21217004	\$3,181,900	\$0	12/6/2001
60	Cadiz-Trigg County Regional Water Commissio	WX21221002	\$14,000,000	\$70,000	12/6/2001
61	City of Midway	WX21239003	\$766,000	\$150,000	12/6/2001
62	City of Booneville	WX21189002	\$687,000	\$130,000	6/6/2002
TOTALS			\$78,320,310	\$16,315,246	(rlf)

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

63	Knott Co Water & Sewer		\$500,000	\$500,000	10/5/2006
64	Bath Co WD		\$514,340	\$250,000	12/7/2006
65	Western Pulaski Co Water District		\$620,000	\$620,000	5/10/07; 6/21/07
66	City of Harlan		\$200,000	\$200,000	6/21/2007
TOTALS			\$1,834,340	\$1,570,000	(rlf)

PROJECTS APPROVED IN FY2008:

67	City of Arlington		\$190,750	\$190,750	7/19/2007
68	City of Elkton		\$200,000	\$200,000	7/19/2007
69	City of Georgetown		\$80,000	\$80,000	7/19/2007
70	Morehead Utility Plant Board		\$373,900	\$373,900	7/19/2007
TOTALS			\$844,650	\$844,650	

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

bold, italics - pending board approval

- (s) - Amount represented in the assistance agreement
- (c) - Grant has been closed.
- (rlf) - To be funded out of the revolving loan funds

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

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

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	
TOTALS	<u>\$37,672,835</u>	<u>\$26,119,616</u>				

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

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

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

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

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

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

AVAILABLE FUNDS FFY 1989:

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

AVAILABLE FUNDS FFY 1990:

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

AVAILABLE FUNDS FFY 1991:

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

AVAILABLE FUNDS FFY 1992:

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

AVAILABLE FUNDS FFY 1993:

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

AVAILABLE FUNDS FFY 1994:

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

AVAILABLE FUNDS FFY 1995:

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

AVAILABLE FUNDS FFY 1996:

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

ADDITIONAL FUNDS FFY 1997:

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

AVAILABLE FUNDS FFY 1998:

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

AVAILABLE FUNDS FFY 1999:

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

AVAILABLE FUNDS FFY 2000:

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

AVAILABLE FUNDS FFY 2001:

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

AVAILABLE FUNDS FFY 2002:

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

AVAILABLE FUNDS FFY2003:

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

AVAILABLE FUNDS FFY2004:

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

AVAILABLE FUNDS FFY2005:

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

AVAILABLE FUNDS FFY2006:

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

AVAILABLE FUNDS FFY2007:

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

AVAILABLE FUNDS FFY2008:

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

AVAILABLE FUNDS FFY2009:

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

AVAILABLE FUNDS FFY2010:

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

AVAILABLE FUNDS FFY2011:

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

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	<u>\$20,864,920</u>

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	<u>\$19,710,720</u>

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	<u>\$20,700,200</u>

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

CURRENT REVOLVING/SURPLUS FUND BALANC **\$265,100,997**

Leverage Bonds - Balance **\$0**

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED	
PROJECTS APPROVED IN SFY 1995:				
55	HOPKINSVILLE, CITY OF	\$401,000	\$240,264 (c)	08-30-94; 4-7-11 Assumed from Pembroke
56	MT. STERLING, CITY OF	\$1,110,540	\$1,055,969 (c)	08-30-94
57	WEST LIBERTY, CITY OF	\$737,972	\$329,764 (c)	08-30-94 (AMD. 2-26-96)
58	MT. VERNON, CITY OF	\$998,650	\$652,162 (c)	08-30-94 (REAP. 2-26-96) (REAP.3-6-97)
59	WORTHINGTON, CITY OF	\$790,000	\$388,332 (c)	08-30-94
60	SOMERSET, CITY OF	\$2,759,200	\$2,631,067 (c)	08-30-94
61	PERRY COUNTY S.D. #1	\$845,790	\$601,673 (c)	08-30-94 (AMD. 6/1/97)
62	BOYD COUNTY (PHASE II)	\$6,990,000	\$6,270,000 (s)	09-27-94 (AMD. 2-2-95)(AMD 12-10-99)
63	FRANKLIN, CITY OF (2)	\$2,600,080	\$2,572,240 (c)	09-27-94
64	BRODHEAD, CITY OF	\$899,411	\$502,650 (c)	11-29-94
65	NEWPORT, CITY OF	\$1,759,645	\$1,596,327 (c)	11-29-94 (AMD. 8-29-96)
66	PIKEVILLE, CITY OF (2)	\$3,466,413	\$2,134,015 (c)	11-29-94 (AMD. 8-30-95) (AMD.6-19-97)(ASSUMED FROM REIDLAND)
67	PADUCAH-MCCRACKEN JOINT SEWER AGENCY	\$3,798,069	\$3,516,117 (c)	11-29-94
68	HOPKINSVILLE, CITY OF (2)	\$3,715,533	\$3,191,098 (c)	02-02-95
69	JENKINS, CITY OF (2)	\$719,755	\$719,755 (c)	02-02-95
70	RUSSELL, CITY OF	\$244,730	\$71,666 (c)	02-02-95
71	LEBANON, CITY OF	\$6,491,336	\$5,805,838 (c)	03-31-95
72	REGIONAL WATER RESOURCE AGENCY (O'BORO)	\$11,885,276	\$7,160,493 (c)	03-31-95
73	MOREHEAD, CITY OF (RCSD)	\$3,347,424	\$3,130,152 (c)	03-31-95 (Assumed from RCSD)
74	GREENUP CO. ENVIRONMENTAL COMMISSION	\$3,798,920	\$3,370,168 (c)	5-30-95 (AMD. 3/16/99)
75	BOYD / GREENUP SANITATION DISTRICT #1	\$391,116	\$371,573 (c)	5-30-95
76	PIKEVILLE, CITY OF	\$1,953,260	\$462,584 (c)	5-30-95; 3/2/06 Assumed from Mtn WD
	TOTALS	\$59,704,120	\$46,773,907	
PROJECTS APPROVED IN SFY 1996:				
	NONE	\$0	\$0	
	TOTALS	\$0	\$0	
PROJECTS APPROVED IN SFY 1997:				
77	HARLAN, CITY OF	\$6,053,575	\$2,546,299 (c)	7-18-96 (REAP. 4-27-98)
78	HAWESVILLE, CITY OF	\$871,000	\$435,000 (c)	7-18-96
79	EMINENCE, CITY OF	\$1,381,339	\$945,408 (c)	7-18-96
80	SCOTTSVILLE, CITY OF	\$4,608,815	\$3,959,472 (c)	7-18-96
81	ELKHORN CITY, CITY OF	\$926,726	\$926,726 (c)	7-18-96 (AMD 4-1-98)
82	GRAYSON, CITY OF	\$3,635,970	\$3,424,567 (s)	7-18-96 (AMD. 9-1-98)
83	MOREHEAD, CITY OF	\$2,357,176	\$781,381 (c)	7-18-96
84	JACKSON, CITY OF	\$719,287	\$681,983 (c)	8-29-96
85	LAWRENCE, COUNTY OF	\$1,566,000	\$868,219 (c)	3-6-97 (AMD 11/1/01)
86	GREENUP CO. ENVIRONMENTAL COMMISSION	\$2,368,793	\$2,331,195 (c)	3-6-97
87	HARDIN CO WATER DISTRICT 1	\$4,846,450	\$4,809,652 (c)	6-19-97; 3/6/08 Assumed from Radcliff
88	WARREN COUNTY WATER DISTRICT (1)	\$1,082,400	\$980,781 (c)	6-19-97
	TOTALS	\$30,417,531	\$22,690,683	
PROJECTS APPROVED IN SFY 1998:				
89	CRESTWOOD, CITY OF	\$351,516	\$351,516 (c)	8-14-97; 3/2/06 (A1) Assump. fell through
90	PARIS, CITY OF	\$723,734	\$402,667 (c)	11-10-97 (A1)
91	LEWISPORT, CITY OF	\$2,279,000	\$1,074,308 (c)	11-10-97
92	MAYSVILLE, CITY OF	\$12,538,828	\$11,722,252 (c)	2-26-98
93	WARREN COUNTY WATER DISTRICT (2)	\$265,000	\$253,057 (c)	2-26-98
94	PRESTONSBURG, CITY OF	\$4,392,500	\$919,183 (s)	2-26-98
95	CRESTWOOD, CITY OF	\$10,358,404	\$6,146,750 (+)	4-27-98; 3/2/06 Assump. fell through
	TOTALS	\$30,908,982	\$20,869,733	
PROJECTS APPROVED IN SFY 1999:				
96	PARIS, CITY OF	\$7,528,385	\$5,943,287 (c)	9-1-98
97	MIDWAY, CITY OF	\$282,250	\$141,125 (c)	10-13-98 (A1)
98	MAYFIELD, CITY OF	\$1,401,962	\$1,160,472 (c)	10-13-98
99	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
	TOTALS	\$19,975,429	\$15,583,941	
PROJECTS APPROVED IN SFY 2000:				
102	MOREHEAD, CITY OF	\$1,100,372	\$279,000 (c)	09-01-99
103	HOPKINSVILLE, CITY OF	\$889,478	\$834,891 (c)	09-01-99 AMD 6/8/00
104	RWRA-OWENSBORO	\$26,264,248	\$25,963,257 (c)	12/10/99 AMD 6/2/05
105	SOUTH SHORE, CITY OF	\$502,790	\$188,849 (c)	12/10/99
106	MOREHEAD, CITY OF	\$592,695	\$257,300 (c)	4/4/00
107	MIDWAY, CITY OF	\$4,337,596	\$702,589 (c)	6/6/2000
	TOTALS	\$33,687,179	\$28,225,886	

TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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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	
TOTALS		\$17,114,829	\$9,981,890		

PROJECTS APPROVED IN SFY2002:

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

PROJECTS APPROVED IN SFY 2003

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

PROJECTS APPROVED IN SFY 2004

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

PROJECTS APPROVED IN SFY 2005

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

PROJECTS APPROVED IN SFY 2006

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

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

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

PROJECTS APPROVED IN SFY 2008

159	CITY OF BARLOW	\$169,500	\$168,954 (c)	9/6/07 (A1)
160	CITY OF WHITESBURG	\$7,474,000	\$1,040,900 (c)	9/6/07
161	CITY OF OWENSBORO	\$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

TOTAL \$300,885,449 \$260,014,598

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	\$10,000,000	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

TOTAL \$107,886,200 \$71,167,731

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

Total \$103,083,700 \$83,483,238

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	12/9/10;3/1/12;8/1/13	
206	Campton, City of		\$3,217,200	\$1,400,000	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	
Total			\$144,085,094	\$120,565,256		

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	\$6,800,000	\$6,800,000	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	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		\$46,000,000	\$46,000,000	3/1/12	
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		\$1,802,125	\$1,586,875	3/1/12	
241	Flemingsburg, City of		\$2,000,000	\$500,000	4/12/12	
242	Jackson, City of		\$1,200,000	\$700,000	4/12/12	
243	Russell Springs, City of		\$719,000	\$719,000	4/12/12	
244	South Shore, City of		\$4,006,000	\$3,006,000	4/12/12	
245	Worthington, City of		\$500,000	\$500,000	4/12/12	
246	Flatwoods, City of	SX21089082	\$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	\$2,000,000	\$2,000,000	6/7/12	
252	Perry County Sanitation District	SX21193100	\$3,060,000	\$1,675,000	6/7/12; 2/6/14	
Total			\$96,860,536	\$86,179,251		

TOTAL PROJECT AMOUNT	KIA AMOUNT	DATE APPROVED
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PROJECTS APPROVED IN SFY 2013

253	Jenkins, City of	SX21133013	\$1,500,000	\$500,000	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
		SX21067045			
256	Lexington-Fayette Urban Co Govt	SX21067047	\$5,232,640	\$4,657,640	3/7/13
		SX21067038			
		SX21067043			
257	Lexington-Fayette Urban Co Govt	SX21067044	\$13,674,302	\$13,674,302	3/7/13
		SX21067037			
		SX21067039			
		SX21067040			
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	Lincoln County Sanitation District	SX21137001	\$4,433,000	\$2,000,000	6/19/13
	Total		\$97,513,163	\$87,055,163	

PROJECTS APPROVED IN SFY 2014

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
	Total		\$30,323,765	\$30,303,515	

PROJECTS APPROVED IN SFY 2015

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	\$3,975,000	\$3,975,000	10/2/14	
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	
	Total		\$123,471,225	\$74,242,904		

GRAND TOTALS - COMMITMENTS

\$1,667,037,968	\$1,292,651,582
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bold, italics - pending board approval

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(A1) - Planning and Design Loan

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

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

AVAILABLE FUNDS FFY 2009:

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

	TOTAL PROJECT AMOUNT	KIA AMOUNT	FIRST USE FUNDS	DATE APPROVED
PROJECTS APPROVED IN SFY 2009:				
1 Sanitation District #1	\$395,000	\$395,000 (c)	\$395,000	6/4/09
2 Sanitation District #1	\$1,755,545	\$1,371,545 (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
TOTALS	\$19,563,325	\$13,265,418	\$13,265,418	
PROJECTS APPROVED IN SFY 2010:				
10 Calvert City, City of	\$1,083,128	\$986,831 (c)	\$986,831	7/9/09; 1/7/10
11 Princeton, City of	\$2,475,000	\$1,103,744 (c)	\$1,103,744	7/9/09; 2/4/10
12 Northern Madison Co Sanitation District	\$510,000	\$510,000 (c)	\$510,000	8/6/09
13 Kentucky Horse Park	\$1,950,000	\$950,000 (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
TOTALS	\$63,487,044	\$35,528,064	\$35,528,064	
GRAND TOTALS - COMMITMENTS	\$83,050,369	\$48,793,482	\$48,793,482	
BALANCE AVAILABLE FOR LOAN			\$0	

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(c) - Final amounts; Loan has been closed

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