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RECEIVED

July 14, 2010

JUL 15 2010

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Trimble County Water District No. 1 - Case No. 2008-00462 - Motion for Amended Order

Dear Mr. Derouen:

Enclosed please find the original and ten (10) copies of a Motion for Amended Order relating to Case No. 2008-00462.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jkm
Enclosures

cc: Distribution List

DISTRIBUTION LIST

Account No. 412.0000

**Re: Trimble County Water District No. 1 Waterworks Revenue Bonds, Series 2010,
in the principal amount of \$301,000**

Mr. Thomas G. Fern
State Director
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771 Corporate Drive, Suite 200
Lexington, Kentucky 40503-5477

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RECEIVED

JUL 15 2010

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TRIMBLE COUNTY)
WATER DISTRICT NO. 1 FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO CONSTRUCT,) Case No. 2008-00462
FINANCE AND INCREASE RATES)
PURSUANT TO KRS 278.023.)

MOTION FOR AMENDED ORDER

The Trimble County Water District No. 1 ("Applicant") respectfully states as follows:

1. That Applicant filed an Application pursuant to KRS 278.023 on November 3, 2008 for a Certificate of Public Convenience and Necessity ("CPCN") to construct, finance and increase rates for a \$2,181,000 waterworks improvements project (the "2008 Project"). Applicant received an Order issuing the Certificate on December 3, 2008.

2. That Applicant desires to construct an additional waterworks improvements project (the "2010 Project") to be funded, in part, with a \$301,000 loan from USDA, Rural Development ("RD") which loan funds were set aside for Applicant in connection with the 2008 Project.

3. That Applicant, through its engineering firm, Kentucky Engineering Group, PLLC, requested an opinion from Commission staff that a CPCN did not need to be obtained in connection with the 2010 Project. Commission staff issued an opinion on June 22, 2010 stating that the 2010 Project was exempt from the CPCN requirement.

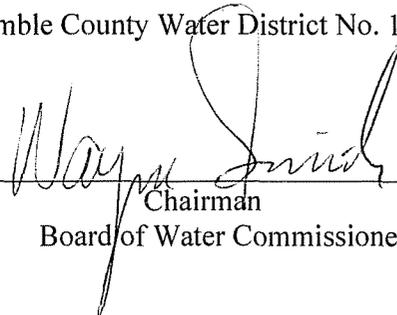
4. That RD has issued Amendment No. 2 (attached hereto) to its Letter of Conditions relating to the 2008 Project, which Amendment authorizes the issuance of a \$301,000 Series B loan to Applicant to finance, in part, the 2010 Project. Applicant has a commitment from RD to make the \$301,000 loan maturing over a 40-year period, at an interest rate not to exceed 4.25%.

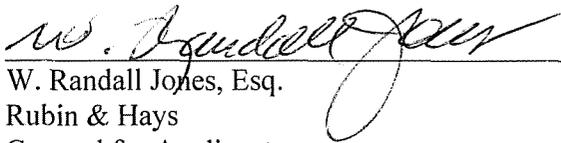
5. That Applicant requests that the Commission issue an amended order in Case No. 2008-00462 authorizing the issuance of \$301,000 of the Trimble County Water District No. 1 Waterworks Revenue Bonds, Series 2010 pursuant to the provisions of KRS 278.023.

WHEREFORE, Applicant, the Trimble County Water District No. 1, asks that the Public Service Commission of the Commonwealth of Kentucky grant to Applicant the following:

- a. An amended Order approving the financing arrangements made by Applicant, viz., the issuance of \$301,000 of Trimble County Water District No. 1 Waterworks Revenue Bonds, Series 2010 at an interest rate of not exceeding 4.25% per annum.

Trimble County Water District No. 1

By: 
Chairman
Board of Water Commissioners


W. Randall Jones, Esq.
Rubin & Hays
Counsel for Applicant
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
(502) 569-7534



**United States Department of Agriculture
Rural Development
Kentucky State Office**

JUN 23 2010

June 21, 2010

Wayne Smith, Chairman
Trimble Co. Water District #1
PO Box 63
Bedford , Kentucky 40006

Re: Letter of Conditions Dated March 7, 2005

Dear Mr. Smith:

This letter shall serve as Amendment No. 2 to the Letter of Conditions dated 3/7/05. The purpose of this amendment is to restore the balance of the original \$1,232,000 loan approved that was planned to be cancelled, increase cost of the facility, and add a funding source.

The Second Paragraph on Page 1 is revised to read as follows:

“ This letter is not to be considered as loan approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$1,232,000, a 2006 State Grant of \$300,000, a 2008 State Grant (HB608) in the amount of \$950,000, and a Federal Emergency Management Agency (FEMA) Grant of \$92,000. ”

Paragraph numbered “21” is revised to read as follows:

“ 21. Cost of Facility:

Breakdown of Costs:

Development	\$ 2,214,822
Land and Rights	10,000
Legal and Administrative	30,000
Engineering	171,200
Interest	20,000
Contingencies	<u>127,978</u>
TOTAL	\$ 2,574,000

Financing:

RUS Loan Series A	\$ 931,000	
RUS Loan Series B	301,000	
FEMA Grant	92,000	
2006 State Grant	300,000	
2008 State Grant (HB 608)	<u>950,000</u>	
TOTAL	\$ 2,574,000	”

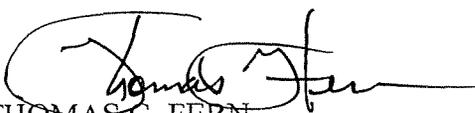
Paragraph numbered “23” is revised to read as follows:

“ 23. Use of Remaining Project Funds:

After providing for all authorized costs, any remaining project funds will be considered to be RUS/State 2006/State 2008/FEMA grant funds and refunded in proportion to participation in the project. If the amount of unused project funds exceeds the grants, that part would be RUS loan funds. ”

All other provisions of the referenced Letter of Conditions remain in full force and unchanged.

Sincerely,



THOMAS G. FERN
State Director

- cc: Area Director – Shelbyville, Kentucky
- Area Manager – Williamstown, Kentucky
- KIPDA ADD - Louisville, Kentucky
- Ruth H. Baxter - Carrollton, Kentucky
- Rubin & Hays - Louisville, Kentucky ✓
- Kentucky Engineering Group, PLLC -Versailles, Kentucky
- PSC - ATTN: Dennis Jones - Frankfort, Kentucky



United States Department of Agriculture
Rural Development
Kentucky State Office

July 6, 2010

SUBJECT: Trimble County Water District
Stream Crossing Replacements
Contract Award Concurrence

TO: Area Office
Williamstown, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject contract to the low bidder, POC, in the amount of \$ 268,860.35.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.


THOMAS G. FERN
State Director
Rural Development

cc: KEG
Versailles, Kentucky

771 Corporate Drive • Suite 200 • Lexington, KY 40503
Phone: (859) 224-7300 • Fax: (859) 224-7425 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

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