



Office of the Oldham County Attorney

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February 10, 2006

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FEB 14 2006

**PUBLIC SERVICE
COMMISSION**

Mr. Thomas Dorman, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

IN RE: Oldham County Water District – Public Service Commission
Application for the Erection of an Elevated Water Tank

Dear Mr. Dorman:

Case No. 2006-00065

Enclosed please find the original and ten (10) copies of the Application of the Oldham County Water District for a Certificate of Public Convenience and Necessity to erect an elevated water tank pursuant to KRS Chapter 278. The Plans and Specifications are being sent under separate cover.

Please be advised that Project Bids have been verbally extended until March 22, 2006. Accordingly, we respectfully request that this Application be expedited and an Order be issued as soon as possible. If you need additional information or documentation, please let us know.

Best regards,


JOHN R. FENDLEY
Oldham County Attorney

JRF:jp

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the matter of:

APPLICATION OF OLDHAM COUNTY)
WATER DISTRICT FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY)
TO CONSTRUCT AN ELEVATED WATER)
TANK)

Case No. 2006-0005

APPLICATION

Oldham County Water District (OCWD), by counsel, pursuant to KRS 278.020 petitions the Commission for a certificate of public convenience and necessity to erect a 2 million gallon water tank. The following information is filed in accordance with the Commission's regulations:

1. OCWD's office address is P.O. Box 51, Buckner, Kentucky 40010. Its principal officers are listed in its current Annual Report, which is on file with the Commission as are its prior years' Reports;
2. OCWD is a non-profit water district organized under KRS Chapter 74 and has no separate articles of incorporation or by-laws;
3. A description of OCWD's water system and its property stated at original cost by accounts is contained in its Annual Report, which is incorporated by reference pursuant to 807 KAR 5:001(5)(5). All required normal financial schedules and other data are in that Annual Report;
4. OCWD serves approximately 7016 residential customers, 457 commercial customers, 44 public authorities and 2 wholesale customers for a total of 7509 customers, in Oldham County;

5. The 2 million gallon elevated water tank shall be erected on a 1.874 acre tract located between Commerce Parkway and Highway 146 in LaGrange, Kentucky;

6. The project is in the public interest and is necessary in order to increase our storage capacity. In previous years we have had to restrict customers' water usage due to OCWD's inability to store enough water to meet their needs. In addition, this storage capacity deficiency has been ascertained by the Public Service Commission as well.

7. The total construction cost is \$2,000,000.00, which will be initially funded by a \$450,000.00 KIA Grant, #WX21185030, proceeds being held in the Oldham County reserve account, and the balance being secured by a loan either from The Bank – Oldham County and/or an additional KIA Grant;

8. The 1.874 acre tract has been acquired by Oldham County Fiscal Court as evidenced by the accompanying deed of conveyance, attached as **Exhibit "A"**;

9. This service will not compete with any other utility in the area;

10. Based on these facts, OCWD believes that it is in the public interest that this certificate be granted.

11. The following information is provided in response to 807 KAR 5:001(8):

a. Articles of Incorporation – None, OCWD is a statutorily created water district under KRS Chapter 74.

12. The following information is supplied in response to 807 KAR 5:001(9):

a. Facts relied upon to show that the application is in the public interest: The 2 million gallon water tank is needed to allow sufficient water storage to meet the demands of the increasing residential, commercial, and wholesale customers as well as additional public authorities;

b. No new franchises are required;

c. Diagrams of the proposed construction and construction specifications are contained in the Plans and Specifications which are being forwarded to the Commission by the Engineers;

d. A map of the area showing the location of the proposed elevated water tank is filed herewith as **Exhibit "B"**;

e. The constructions costs will be funded by a \$450,000.00 KIA Grant, Oldham County Reserve funds, and further funding either by a loan from The Bank – Oldham County or an additional KIA Grant.

f. The estimated cost of operating the elevated water tank after its construction is attached hereto as **Exhibit "C"**.

WHEREFORE, the Applicant, Oldham County Water District requests that the Public Service Commission of Kentucky grant to the Applicant the following:

A. A certificate of public convenience and necessity permitting the Applicant to construct a water system improvement project.

OLDHAM COUNTY WATER DISTRICT

THIS DEED, is made and entered into this 9th day of February 2006, by and between COUNTY OF OLDHAM, KENTUCKY, a political subdivision of the Commonwealth of Kentucky, whose mailing address is Oldham Fiscal Courthouse, 100 West Jefferson Street, LaGrange, Kentucky 40031, GRANTOR, and OLDHAM COUNTY WATER DISTRICT, GRANTEE, whose mailing address is 3707 W. Highway 146, Buckner, Kentucky 40010.

WITNESSETH: That for \$1.00 and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby convey unto Grantee, in fee simple, with covenant of General Warranty, the following described property, located in Oldham County, Kentucky:

A certain tract of land located in Oldham County, Kentucky, on the south side of Ky. Hwy. 146, southwest of Town of LaGrange and further described as:

Beginning at an existing iron pin, in the south Right-of Way line of the CSX Railroad, being the northeast corner of Parts Unlimited Inc., (DB 818, Pg. 28); thence, with said Right-of-Way line, with a curve turning to the left, with a radius of 1942.86 feet, with a chord bearing of North 56 Degrees 28 Minutes 22 Seconds East, with a chord length of 275.00 feet, to an iron pin and cap, set this survey, in a New Division Line of the County of Oldham, Kentucky (DB 700 Pg. 133 Tract 1); thence, with New Division Lines, the following (2) two calls: South 25 Degrees 54 Minutes 08 Seconds East 320.00 feet, to an iron pin and cap, set this survey; thence, South 61 Degrees 54 Minutes 33 Seconds West 210.10 feet, to an iron pin and cap, set this survey, in the line of Parts Unlimited Inc.; thence, with Parts Unlimited Inc., the following (2) two calls: North 80 Degrees 18 Minutes 38 Seconds West 80.00 feet, to an existing iron; thence, North 25 Degrees 20 Minutes 08 Seconds West 245.08 feet, to a point of beginning, containing 1.874 Acres per survey performed by Neal W. Roberts, PLS #3159, on September 12, 2005.

All iron pins set for this survey are 5/8-inch diameter rebar with a plastic cap stamped "Neal W. Roberts #3159".

Being a portion of the same property acquired by Grantor by Deed dated December 27, 2001, and recorded in Deed Book 700, Page 133, in the Office of the Clerk of Oldham County, Kentucky.

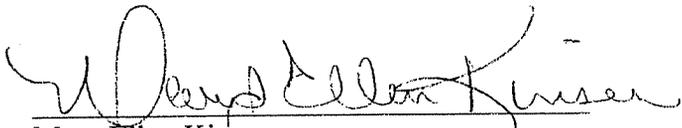
Grantor covenants that it is lawfully seized of the property hereby conveyed, has full right and power to convey same, and that said property is free from all encumbrances except restrictions, easements and stipulations of record. This property is transferred with consideration of the Third amendment made to the lease agreement dated January 19, 2006, and recorded in Deed Book 857, Page 613, filed in the Office of the Clerk of Oldham County, Kentucky.

CERTIFICATE OF TRANSFER FOR NOMINAL CONSIDERATION

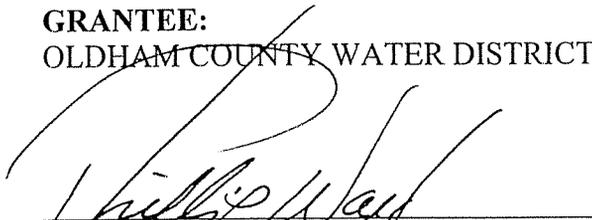
Being first duly sworn, the undersigned state that the transfer made in the foregoing Deed is a transfer for nominal consideration and that the estimated fair cash value of the property transferred therein is \$52591.21.

IN TESTIMONY WHEREOF, witness the signature of the Parties on the date first above written.

GRANTOR:
COUNTY OF OLDHAM, KENTUCKY

BY: 
Mary Ellen Kirser
Oldham County Judge/Executive

GRANTEE:
OLDHAM COUNTY WATER DISTRICT

BY: 
Phillip Ward, Superintendent
Oldham County Water District

