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January 23, 2019

Accounts Payable
Lexington-Fayette Urban County Government
200 E. Main Street
Lexington, Kentucky 40507

RE: West Hickman Storage Facility Water Main Extension; KAW WBS No. D12-0201-P-1486

To whom it may concern:

This letter is to advise that the post-bid estimate for a water main to provide water service to the above referenced area is **\$22,831.00**. Upon receipt of your deposit in this amount, we will order material and prepare for construction. We estimate that construction will begin from three to five weeks after your deposit is received.

To the extent there is any refund to be made at the end of the project after all costs are accrued, **such refund will be paid to the APPLICANT, by check made payable to the APPLICANT**. To the extent that any amount is owed to Kentucky American Water at the end of the project after all costs are accrued, payment of such amounts are the responsibility of the APPLICANT. To the extent the APPLICANT owes any of the refunded amount to the contractors, it is the responsibility of the APPLICANT for these amounts owed and Kentucky American Water has no responsibility in that regard.

The assigned inspector and primary contact regarding construction scheduling for the project is Shane Crow. He may be reached at (859) 537-0752.

Enclosed in duplicate is the 3-T Extension Deposit Agreement covering installation of the facilities and refund conditions. Also enclosed is a Stormwater Pollution Prevention Agreement. **Please sign both sets of agreements, have signatures witnessed and return all copies to me, along with your deposit.** One fully executed copy of each agreement will be returned for your records.

Please be aware that the recent Tax Cuts and Jobs Act has determined that all contributions in aid of construction are considered taxable income for federal tax purposes.

This estimate of cost is good for 45 days from the date of this letter. If you have any questions or need additional information, please call me at (859) 335-3415.

Sincerely,

Cole Mitcham, P.E.
Senior Project Engineer

CM/df

Enclosures