




TO: Mayor Linda Gorton
Urban County Council

FROM: 
Charles H. Martin, P.E., Director
Division of Water Quality

DATE: October 31, 2025

SUBJECT: KIA Loan Invitation A26-018S
North Elkhorn Wet Weather Storage Tank

Request

The Division of Water Quality is requesting authorization to submit a revised loan application to the Kentucky Infrastructure Authority (KIA) in order to provide funding for the North Elkhorn Wet Weather Storage Tank Consent Decree Remedial Measures project. This revision increases the loan amount from \$8,698,370 to \$20,000,000.

Purpose of Request

Resolution 403-2025 authorized and directed the mayor to execute and submit a loan application to the Kentucky Infrastructure Authority (KIA). This loan would provide funding for the new North Elkhorn Pump Station and Wet Weather Storage complex, which is a component of the Consent Decree Sanitary Sewer Remedial Measures Plan. The current total project cost is estimated to be \$38,567,013.

KIA has offered to increase the loan amount to a total of \$20,000,000. The division recommends accepting the revised loan amount to further enhance this favorable capital project funding mechanism.

Project Cost in FY2026 budget year and future budget years

Repayment of the loan at a to-be determined interest rate would be a financial obligation for the duration of the loan, assumed to be 20 years.

Are the funds budgeted

NA – budget would be established if the loan application is approved.

Director/Commissioner

Martin/Albright

