

## **107.020 Definitions.**

- (1) The term "governing body," as used in this chapter, means and includes the legislative body of any city, whether the same be designated by applicable statutes as a general council, a common council, a city council, a board of commissioners, or otherwise. The term "governing body," as used in KRS 107.010 to 107.220 shall include the legislative body of any county unless the context requires otherwise. The terms "municipality" and "city" as used in KRS 107.010 to 107.220 shall include county within their meaning unless the context requires otherwise.
- (2) The term "ordinance" means and includes any ordinance enacted in accordance with the general laws applicable to ordinances of the class of city in question, and the form of government thereof, and in accordance with the provisions of this chapter.
- (3) The term "public way" means and includes streets, boulevards, avenues, roads, lanes, alleys, parkways, courts, terraces, and other courses of travel open to the general public by whatsoever name designated.
- (4) The terms "improvement" and "project" mean and include:
  - (a) The construction of public ways or the substantial reconstruction or widening thereof;
  - (b) The construction, installation, or substantial reconstruction of sanitary, storm, or combined sewers and appurtenances;
  - (c) The construction, enlargement or substantial reconstruction of sewage treatment plants for rendering sewage less hazardous to public health, safety, and general welfare;
  - (d) The construction, installation, or substantial replacement of fire hydrants in cities of the third through sixth classes, necessary water mains and appurtenances in a city in a county containing a city of the first or second class; or
  - (e) Any combination of the same. Bonds for improvements defined in paragraphs (b), (c) and (d) of this subsection may be caused to mature as to principal in term or serial maturities not to exceed thirty (30) years from date of issue.
- (5) The term "costs" as applied to any project undertaken under this chapter includes the cost of labor, materials, and equipment necessary to complete the project in a satisfactory manner, cost of land acquired, and every expense connected with the project, including preliminary and other surveys, inspections of the work, engineers' fees and costs, attorneys' fees, preparation of plans and specifications, publication of ordinances and notices, interest which will accrue on the bonds until the due date of the first annual improvement assessment levied in connection therewith, a sum equal to any discount in the sale of the bonds (if discount bids are authorized and permitted by the governing body), a reasonable allowance for unforeseen contingencies, the printing of bonds, and other costs of financing which may include the payment of a fee to a fiscal agent for advice and assistance in the preparation and marketing of the bonds. As applied to wastewater collection projects undertaken by metropolitan sewer districts "costs" also include:
  - (a) The cost of inspections of work as construction progresses;

- (b) Interest which will accrue on the bonds until the due date of the first annual improvement assessment if a lump sum is not paid;
  - (c) Capitalized interest on the bonds for a period not to exceed three (3) years;
  - (d) All or any portion of the debt service reserve requirement, if determination is made to finance same from bond proceeds;
  - (e) Payment of attorneys' fees, underwriting and fiscal agency fees, trustees' fees, rating service fees if approved by the fiscal court; and
  - (f) Other costs of issuance of bonds.
- (6) The term "assessed value basis" means the plan for the levying of annual improvement benefit assessments on the basis of the assessed values of the benefited properties, as authorized by this chapter. As applied to wastewater collection projects undertaken by metropolitan sewer districts, "assessed value basis" means the plan for the levying of annual improvement benefit assessments upon benefited property for the benefits conferred by the construction of projects on the basis of the ad valorem assessed values (land only) of the benefited property, whether the owners pay such levies in full or on an annual basis to amortize bonds. Identical annual improvement benefit assessments upon classified zones of benefited property may also be included in this plan where determination is made by order of a metropolitan sewer district, as provided in KRS 107.030, that benefits conferred by construction of a project are substantially equal and that the assessed value (land only) of all benefited property or designated zones thereof shall therefore be deemed equal in respect of a given wastewater collection project.
- (7) The term "front-foot basis" refers to the plan for financing improvements by apportioning the cost among benefited properties upon the basis of the number of linear feet thereof abutting upon the improvement project, as otherwise provided by law.
- (8) The terms "property to be benefited," "properties to be benefited," "benefited property" and "benefited properties" all mean and refer to the property or properties defined in KRS 107.140. As applied to wastewater collection projects undertaken by metropolitan sewer districts, "benefited property" and "property to be benefited" mean the property (land only) proposed to be benefited by construction of a wastewater collection project instituted by a metropolitan sewer district and against which lump-sum or annual improvement benefit assessments are to be levied.
- (9) "Construction" means the following services and facilities provided by a metropolitan sewer district:
- (a) Preliminary planning to determine the economic and engineering feasibility of construction of wastewater collection projects, and any engineering, architectural, legal, fiscal, and economic investigations and studies necessary. Also included are all necessary surveys, designs, plans, working drawings, specifications, procedures, and other required actions incident to the construction of wastewater collection projects;

- (b) The building, acquisition, installation, erection, alteration, remodeling, improvement, expansion, or extension of wastewater collection projects and any other physical devices reasonably associated with such projects;
  - (c) The provision of sewer collection services and facilities to benefited property although not directly financed by the issuance of bonds; and
  - (d) Inspection and supervision incident to the acquisition, construction, and installation of wastewater collection projects.
- (10) "Debt service reserve requirement" means with respect to any particular issue of bonds for a wastewater collection project of a metropolitan sewer district, the maximum annual requirements for payment of principal of and interest on such bond issue funded either in whole or in part by application of bond proceeds or accrued by the levying of improvement benefit assessments as provided in KRS Chapters 76 and 107.
- (11) "Metropolitan sewer district" means a joint metropolitan sewer district which has been duly created under KRS 76.005 to 76.210.
- (12) "Order" means a formal and binding enactment of the board of a metropolitan sewer district entered in connection with the financing by such district of a wastewater collection project.
- (13) "Wastewater" means any water or liquid substance containing sewage, industrial waste, or other pollutants or contaminants.
- (14) "Wastewater collection project" means treatment plants and all or part of any facilities and systems of a metropolitan sewer district used in the collection, holding, or transmission of wastewater from a benefited property to wastewater treatment plants or other similar facilities for final disposition. These terms shall include, without being limited to, sanitary sewage collection lines, intercepting sewers, outfall sewers, sewer laterals, power stations and pumping stations, and other equipment and their appurtenances necessary to enable the project to fulfill its function, including land acquisition, if required, whether such project facilities are provided by funds derived from issuance of bonds or otherwise provided by a district in any manner.
- (15) "Classified zone" means any portion of any construction phase of a wastewater collection project designated by a metropolitan sewer district after a determination that all property located in such zone is benefited substantially equal by such construction.

**Effective:** July 15, 1994

**History:** Amended 1994 Ky. Acts ch. 63, sec. 1, effective July 15, 1994. -- Amended 1986 Ky. Acts ch. 23, sec. 8, effective July 15, 1986. -- Amended 1984 Ky. Acts ch. 111, sec. 57, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 388, sec. 4, effective July 15, 1982. -- Amended 1976 (1st Extra. Sess) Ky. Acts ch. 13, sec. 10. - - Amended 1970 Ky. Acts ch. 242, sec. 2. -- Amended 1964 Ky. Acts ch. 161, sec. 1. -- Amended 1960 Ky. Acts ch. 226, sec. 2. -- Created 1956 Ky. Acts ch. 239, sec. 2.