

RESOLUTION

OF

CAVELAND SANITATION AUTHORITY, INC.

The Board of Directors of Caveland Sanitation Authority, Inc. d/b/a Caveland Environmental Authority, a Kentucky corporation ("Corporation"), hereby unanimously consent to the adoption of the following resolutions taking or authorizing the actions specified therein:

WHEREAS, the Corporation provides water and/or sanitary sewer services to its municipalities, and Corporation is required by the provisions of its bond documents to maintain specific rates for water service charges and sewer service charges for its municipal water and sanitary sewer systems (collectively, "Services").

WHEREAS, to maintain these rates in compliance with its bond documents, the Corporation desires to develop a system for a consistent, fair and equitable policy for annual rate increases to customers for its Services and, consistent with same, desires to establish a perpetual, annual rate increase for its Services, with such rate increases to be based upon the Consumer Price Index for All Urban Consumers ("CPI-U"), as promulgated by the Bureau of Labor Statistics of the United States Department of Labor and/or its successors.

NOW BE IT THEREFORE RESOLVED, on an annual basis, at the Corporation's May Board meeting, Corporation shall evaluate the then current CPI-U and shall increase the applicable rates and charges in effect for Corporation's Services based upon the CPI-U, with the minimum rate increase to be zero percent (0%) and the maximum rate increase not to exceed five percent (5%); provided, that if the CPI-U (or a successor or substitute index) is not available, a reliable governmental or other nonpartisan publication evaluating the information thereto for use in determining the CPI-U, shall be used; and

FURTHER RESOLVED, that these rates and charges shall remain in effect on a perpetual basis until such time as Corporation determines to amend these rates and charges consistent with the best interests of the Corporation.

CERTIFICATE

The undersigned CEO of Caveland Sanitation Authority, Inc. d/b/a Caveland Environmental Authority, hereby certifies that the foregoing Resolution was duly adopted by unanimous consent of the Directors at a meeting held on October 22nd, 2020, and conducted pursuant to KRS 271B.8-200.

This 22 day of October 2020.

Joe Gardner

JOE GARDNER
TITLE: President

Attest: Joseph C. Bailey
Secretary