

DAMON R. TALLEY, P.S.C.

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DAMON R. TALLEY

ATTORNEY AT LAW

October 8, 2004

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RECEIVED

OCT 08 2004

**PUBLIC SERVICE
COMMISSION**

RE: Southern Water and Sewer District

Case 2004-00407

Dear Ms. O'Donnell:

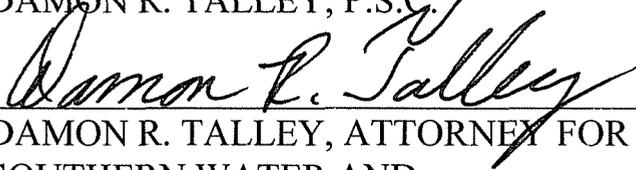
Enclosed are the original and ten (10) copies of the Application of the Southern Water and Sewer District.

The Application is being filed pursuant to the provisions of KRS 278.023 and 807 KAR 5:069 which requires Commission approval within 30 days.

Should you need any additional information, please let me know.

Yours truly,

DAMON R. TALLEY, P.S.C.


DAMON R. TALLEY, ATTORNEY FOR
SOUTHERN WATER AND
SEWER DISTRICT

DRT/ln

Enclosures

cc: Southern Water and Sewer District

COMMONWEALTH OF KENTUCKY

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION

OCT 08 2004

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF SOUTHERN)
 WATER AND SEWER DISTRICT, FLOYD)
 COUNTY, KENTUCKY, (1) FOR A CERTIFICATE)
 OF PUBLIC CONVENIENCE AND NECESSITY)
 AUTHORIZING CONSTRUCTION OF MAJOR)
 ADDITIONS AND IMPROVEMENTS TO ITS) CASE NO.
 SANITARY SEWER SYSTEM; (2) SEEKING) 2004- 00407
 APPROVAL OF PROPOSED SEWER)
 RATES AND CHARGES; AND (3) SEEKING)
 APPROVAL OF THE ISSUANCE OF CERTAIN)
 SECURITIES, PURSUANT TO THE PROVISIONS)
 OF KRS 278.023 AND 807 KAR 5:069.)

** *** ***** **

The Applicant, **SOUTHERN WATER AND SEWER DISTRICT** (the "District"), situated in Floyd County, Kentucky, acting by and through its Commission, respectfully tenders this Application and requests that the Public Service Commission of Kentucky (the "PSC") issue its Order, pursuant to KRS 278.023, 807 KAR 5:069 and all other applicable laws and regulations, (1) issuing a Certificate of Public Convenience and Necessity authorizing the District to construct major additions and improvements to its sanitary sewer

system (the "Project") for the purpose of collecting and treating sewage in the area to be served by the District; (2) approving the proposed sewer rates and charges; and (3) approving the issuance of certain securities by the District. In support of this Application, and in conformity with the regulations of the PSC, the District states as follows:

1. The District was established by Order of the Floyd County Judge/Executive entered on March 14, 2000, pursuant to the provisions of KRS Chapter 74. The District is the legal successor to the Mud Creek Water District and the Beaver Elkhorn Water District which merged, pursuant to the Order of the PSC dated December 16, 1999 in PSC Case No. 99-375, to form the District. The District is now, and has been since its inception, regulated by the PSC. All records and proceedings of the PSC with reference to the District are incorporated into this Application by reference.

2. The mailing address of the District is:
Southern Water and Sewer District
P.O. Box 610
McDowell, Kentucky 41647

ATTENTION: Hubert Halbert, Chairman

3. The governing body of the District is its Commission. In conformity with KRS 74.020(1)(a) the County Judge/Executive of Floyd County has entered Orders appointing the present Commissioners, who are

residents of the District. The present members of the Commission, and their respective offices, are as follows: Hubert Halbert, Chairman; Paula G. Johnson, Secretary; Bert Layne, Treasurer; Eula Hall, Commissioner; and Palmer Frasure, Commissioner. Each of the five (5) Commissioners has qualified for office.

4. The Project is identified as the Wayland Sewer Project and consists of the construction and installation of (a) approximately 5.5 miles of gravity and force main sewer collection lines and appurtenances; (b) a 100,000 gallon per day wastewater treatment plant; (c) four (4) pump stations; and (d) a telemetry system. The Project will provide sanitary sewer service to approximately 224 new customers. The Project is more fully described in plans, specifications and reports prepared on behalf of the District by Summit Engineering, Inc., Lexington, Kentucky, and on file in the office of the District.

5. The total Project cost is \$3,750,000. The District proposes to finance the construction of the Project by (a) a PRIDE grant in the amount of \$1,020,000 to be administered by the United States of America, acting by and through the U.S. Department of Agriculture (the "USDA"); (b) a grant from the United States Environmental Protection Agency (the "EPA") in the amount of \$1,500,000; (c) a grant from the United States Department of Housing and

Urban Development Community Development Block Grant Program (“HUD-CDBG”) in the amount of \$1,000,000; and (d) a federally assisted wastewater revolving loan from the Kentucky Infrastructure Authority (the “KIA”) in the amount of \$230,000. The financing sources are summarized as follows:

USDA – PRIDE Grant	\$1,020,000
EPA Grant	1,500,000
HUD - CDBG Grant	1,000,000
KIA Loan	<u>230,000</u>
Total	\$3,750,000

6. The District has entered into an agreement with the USDA which sets forth the specific terms and conditions for obtaining the PRIDE grant in the amount of \$1,020,000. The Letter of Conditions dated December 18, 2003 and Amendment No. 1 dated April 15, 2004, which contain these terms and conditions, are attached hereto and incorporated herein by reference as **EXHIBIT 1**.

7. As itemized in paragraph five (5), the District has successfully obtained grants totaling \$3,520,000 or 94% of the Project cost.

8. The remaining amount of the Project cost will be financed by a loan from KIA in the amount of \$230,000. The loan will be for a term of 20 years and at an interest rate of one percent (1%). KIA will also charge the

District an annual loan servicing fee of two-tenths of one percent (0.2%). The total annual debt service, including principal, interest and loan servicing fee, will be \$13,177. A copy of the Conditional Commitment Letter from KIA dated May 10, 2004 is attached hereto and incorporated herein by reference as **EXHIBIT 2**.

9. The schedule setting forth the sewer rates and charges required by USDA is contained in paragraph 19 of Amendment No. 1 to the Letter of Conditions (See **EXHIBIT 1**).

10. The District's consulting engineers, Summit Engineering, Inc., Lexington, Kentucky (the "Engineers"), have prepared a Preliminary Engineering Report and a Final Engineering Report, as well as detailed plans and specifications, for the construction and installation of the Project. The Preliminary Engineering Report and the Final Engineering Report are attached hereto and incorporated herein by reference as **EXHIBITS 3 and 4**. **EXHIBITS 3 and 4** contain, among other things, a description of the Project, cost figures and other pertinent financial data and projections, data justifying the proposed rate schedule and proposed plans for the financing of the Project. A Project map showing the location and routes of the various sewer lines and the location of the wastewater treatment plant is included as part of

EXHIBIT 3.

11. The area to be served by the Project is the City of Wayland which is located in southern Floyd County, Kentucky. At present, Wayland does not have a sanitary sewer system. This Project will eliminate failing septic systems and straight pipes used by the majority of the residents in the Project area.

12. It is the opinion of the Commission of the District that the public health, safety and general welfare of the residents and inhabitants of the Project area will be enhanced and promoted by the construction of the Project and the proposed method of financing the Project.

13. The District has caused public advertising to be made according to law soliciting competitive bids for the construction and installation of the Project; has received, opened and considered the construction bids; and has received data prepared by the Engineers showing the bids received and the recommendations of the Engineers with respect thereto. The Engineers' bid tabulation and best bid recommendations are attached hereto and incorporated herein by reference as **EXHIBITS 5 and 6.**

14. The USDA has approved the District's proposed award of the best bid as evidenced by the Letter of Concurrence in Bid Award dated April 20, 2004, which is attached hereto and incorporated herein by reference as

EXHIBIT 7.

15. Attached hereto and incorporated herein by reference as **EXHIBIT 8** is a certified statement from the District's Chairman, based upon the statements, representations, and professional opinions of the Engineers for the District, concerning the following:

- A. The proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:071, including, but not limited to: Section 5 (1); Section 7 (1) through (3); and Section 8 (1). Since this Project involves the construction of sewer facilities rather than drinking water facilities, the references in 807 KAR 5:069, Section (1)(5)(a) to various provisions of 807 KAR 5:066 are not applicable;
- B. All other state approvals or permits for the Project have already been obtained;
- C. The rates proposed by the District shall produce the total revenue requirements set out in the engineering reports; and
- D. The dates when it is anticipated that construction will begin and end.

16. The District does not contemplate having the Project constructed with any deviation from minimum construction standards or operating conditions of the PSC.

17. The proposed sewer rates and charges for the District are set forth in paragraph 19 of Amendment No. 1 to the USDA Letter of Conditions

(**EXHIBIT 1**) and in the Notice of Proposed Sewer Rates, which is attached hereto and incorporated herein by reference as **EXHIBIT 9**.

18. The District has arranged for the publication, prior to or at the same time this Application is filed, of a Notice of Proposed Sewer Rates pursuant to Section 2 of 807 KAR 5:069 in The Floyd County Times, Prestonsburg, Kentucky, which is the newspaper of general circulation in the District's service area. This Notice sets out the proposed sewer rates of the District and a brief description of the Project. It should be noted that the rates proposed by the District will be the initial sewer rates for the District. (Since the District does not yet serve any sewer customers, it has not previously adopted sewer rates). A copy of the newspaper clipping and an Affidavit of Publication evidencing publication in the newspaper will be submitted to the Commission promptly upon receipt thereof.

19. The District plans to use any contingency funds remaining after construction of the Project to make additional sanitary sewer system improvements. These improvements will be made with the approval and under the supervision of the USDA.

20. The District respectfully represents to the PSC that there is a genuine need and demand for the Project.

WHEREFORE, the Applicant, the Southern Water and Sewer District, pursuant to KRS 278.023, respectfully requests the Public Service Commission of Kentucky to issue the following:

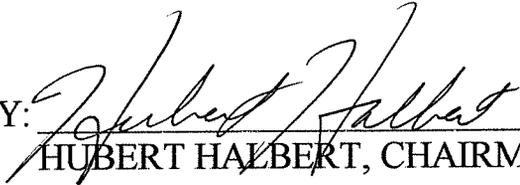
A. A Certificate of Public Convenience and Necessity authorizing the construction and installation of the Project;

B. An Order approving the proposed plan of financing which consists of a loan from KIA in the principal amount \$230,000, at an interest rate of 1.0%, with an annual loan servicing fee of 0.2%, and for a term of 20 years; and

C. An Order approving the proposed schedule of sewer rates and charges as set forth in Amendment No. 1 to the Letter of Conditions filed herewith as **EXHIBIT 1**.

Respectfully submitted,

SOUTHERN WATER
AND SEWER DISTRICT

BY: 
HUBERT HALBERT, CHAIRMAN


DAMON R. TALLEY, P.S.C.
Counsel for Applicant
112 N. Lincoln Blvd.
P.O. Box 150
Hodgenville, KY 42748-0150
(270) 358-3187 FAX (270) 358-9560

EXHIBIT LIST

SOUTHERN WATER AND SEWER DISTRICT

- EXHIBIT 1 ORIGINAL AND AMENDED LETTER OF CONDITIONS**
- EXHIBIT 2 KIA COMMITMENT LETTER**
- EXHIBIT 3 PRELIMINARY ENGINEERING REPORT**
- EXHIBIT 4 FINAL ENGINEERING REPORT**
- EXHIBIT 5 BID TABULATIONS**
- EXHIBIT 6 ENGINEER'S BEST BID RECOMMENDATIONS**
- EXHIBIT 7 USDA LETTER OF CONCURRENCE**
- EXHIBIT 8 CERTIFIED STATEMENT OF CHAIRMAN**
- EXHIBIT 9 NOTICE OF PROPOSED SEWER RATES**



Committed to the future of rural communities.

771 Corporate Drive, Suite 200, Lexington, KY 40503-5477
Telephone 859/224-7300; Fax 859/224-7340; TTY 859/224-7422

April 15, 2004

Mr. Hubert Halbert, Chairman
Southern Water and Sewer District
245 Kentucky Route 680
McDowell, Kentucky 41647

Re: Letter of Conditions Dated December 18, 2003

Dear Mr. Halbert:

This letter shall serve as Amendment No. 1 to the Letter of Conditions dated December 18, 2003. The purpose of this amendment is to add a section that will include the user rates as this is a new wastewater treatment facility.

Paragraph numbered "19" is added to read as follows:

" 19. Rates and Charges:

Rates and charges for facilities and services rendered by the District must be at least adequate to the meet cost of maintaining, repairing, and operating the sewer system and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Summary of Sewer Rates and Tap Fees:

Minimum Sewer Charge for 2,000 Gallons or Less of Water Usage	\$ 23.65
Sewer Charge per 1,000 Gallons in Excess of 2,000 Gallons	\$ 7.93
Tap Fee for New Customers on Gravity Line	\$ 400.00
Tap Fee for New Customers on Force Main	\$ 2,610.00 "

All other provisions of the referenced Letter of Conditions remain in full force and unchanged.

Sincerely,


KENNETH SLONE
State Director

cc: Area Director - Morehead, Kentucky
/ Rural Development Manager - Prestonsburg, Kentucky
Summit Engineering - Lexington, Kentucky
PRIDE, Attn: Cindy Lackey - Somerset, Kentucky



United States
Department of
Agriculture

Rural
Development

771 Corporate Drive, Suite 200
Lexington, KY 40503-5477
(859) 224-7336 TTY(859) 224-7422

December 18, 2003

Mr. Hubert Halbert, Chairman
Southern Water and Sewer District
245 Kentucky Route 680
McDowell, Kentucky 41647

Dear Mr. Halbert:

This letter establishes conditions which must be understood and agreed to by you before further processing of your Personal Responsibility in a Desirable Environment (PRIDE) grant application and which must be met before the grant funds are released.

The Executive Director of PRIDE has entered into an agreement with the State Director of Rural Development whereby the grant will be administered by the Rural Utilities Service (RUS). The State and Area Office staff will be responsible for administering the PRIDE grant offer for the proposed project in an amount not to exceed \$1,020,000. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by USDA Rural Development and PRIDE, by written amendment to this letter. Any changes not approved by Rural Development and PRIDE shall be cause for discontinuing processing of the application. It should also be understood that PRIDE is under no obligation to provide additional funds to meet an overrun in construction costs.

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire that further consideration be given to your application.

The "Letter of Intent to Meet Conditions" must be executed within three weeks from the date of this letter or it becomes invalid unless a time extension is granted by Rural Development.

If the conditions set forth in this letter are not met within 180 days from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

1. Applicant Contribution:

The District will not be required to make a contribution toward the cost of the project.

1a. Grant Agreement:

Attached is a copy of RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

1b. Drug-Free Work Place:

Prior to release of grant funds, the District will be required to execute Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - For Grantees Other Than Individuals."

2. Land Rights and Real Property:

The District will be required to furnish satisfactory title, easements, etc., necessary to install, maintain and operate the facility to serve the intended users. The pipelines will be on private rights-of-way where feasible. Easements and options are to be secured prior to advertising for construction bids.

3. Organization:

The District will be legally organized under applicable KRS, which will permit them to perform this service.

4. Accomplish Audits for Years in Which Federal Financial Assistance is Received:

The District will accomplish audits in accordance with OMB Circular A-133, during the years in which federal funds are received. The District will provide copies of the audits to the Area Office and the appropriate Federal cognizant agency as designated by OMB Circular A-133.

5. Planning and Performing Development:

A. The engineer should not be authorized to commence work on final plans and specifications until a determination has been made that the project can be planned and constructed within the estimated cost shown in paragraph "12" of this letter. The engineer may then proceed to develop final plans and specifications to be completed no later than 150 days from this date, and prepare bid documents. The Rural Development Manager is prepared to furnish the necessary guide for him to follow so as to keep the project plans and documents within our guidelines and requirements. The project should not be advertised for construction bids until all easements and enforceable options have been obtained, and total funds are committed or available for the project.

B. The following documents will be submitted to Rural Development for review and must be concurred in by Rural Development prior to advertisement for construction bids:

1. Final plans, specifications and bid documents.
2. Applicant's letter on efforts to encourage small business and minority-owned business participation.
3. Legal Service Agreements.
4. Engineering Agreements.

Revision in these documents will be subject to Rural Development concurrence. Any agreements, contracts, etc. not reviewed and approved by Rural Development will not be eligible for payment from project funds.

Prior to receipt of an authorization to advertise for construction bids, the District will obtain advance clearance from Local Counsel regarding compliance with KRS 424 pertaining to publishing of the advertisement for construction bids in local newspapers and the period of time the notice is required to be published.

6. Compliance with Section 504 of the Rehabilitation Act of 1973:

The District will be required to comply with Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), in order to make sure no handicapped individual, solely by reason of their handicap, is excluded from participation in the use of the sewer system, be denied the benefits of the sewer system, or be subjected to discrimination.

7. Compliance with Special Laws and Regulations:

The District will be required to conform with any and all state and local laws and regulations affecting this type project.

8. Treatment Plant/System Operator:

The District is reminded that the treatment plant and/or system operator must have an Operator's Certificate issued by the State.

9. Prior to Release of Funds, the District Will Be Required to Adopt:

- A. Form RD 400-1, "Equal Opportunity Agreement."
- B. Form RD 400-4, "Assurance Agreement."
- C. Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transaction."
- D. RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans."

The District must offer the opportunity for all residents in the service area to become users of the facilities regardless of race, creed, color, religion, sex, national origin, marital status, physical or mental handicap or level of income.

10. Disbursement of Project Funds:

A construction account for the purpose of disbursement of project funds (PRIDE) will be established by the District prior to start of construction. The position of officials entrusted with the receipt and disbursement of PRIDE project funds will be covered by a "Fidelity Bond," with PRIDE as Co-obligee, in the amount of construction funds on hand at any one time during the construction phase.

During construction, the District shall disburse project funds in a manner consistent with subsection 1780.76 (e) of RUS Instruction 1780. Form RD 1924-18, "Partial Payment Estimate," or similar form approved by Rural Development, shall be used for the purpose of documenting periodic construction estimates, and shall be submitted to Rural Development for review and acceptance. Prior to disbursement of funds by the District, the Board of Directors shall review and approve each payment estimate. All bills and vouchers must be approved by Rural Development prior to payment by the District.

Monthly review of the District's construction account records shall be made by Rural Development.

11. Disbursement of Grant Funds:

The PRIDE funds will be advanced as they are needed in the amounts(s) necessary to cover the PRIDE proportionate share of obligations due and payable by the District. Grant funds, upon receipt, must be deposited in an interest bearing account in accordance with 7 CFR part 3016 (as applicable). Interest earned on grant funds in excess of \$100 (as applicable) per year will be submitted to PRIDE at least quarterly.

12. Cost of Facility:

Breakdown of Costs:

Development	\$ 2,874,573
Land and Rights	150,000
Legal and Administrative	43,500
Engineering	392,000
Contingencies	<u>284,200</u>
TOTAL	\$ 3,744,273

Financing:

PRIDE Grant	\$ 1,020,000
KIA Loan	227,273
EPA Grant	1,500,000
HUD-CDBG	<u>997,000</u>
TOTAL	\$ 3,744,273

13. Mandatory Sewer Connection Ordinance:

The City and/or County as appropriate will be required to adopt a mandatory Sewer Connection Ordinance and will be required to enforce required connections to the sewer system to the maximum extent practical and permissible pursuant to the provisions of the applicable Kentucky Revised Statutes.

14. Debt Collection Improvement Act (DCIA) of 1996:

The Debt Collection Improvement Act (DCIA) of 1996 requires that all federal payments after January 1, 1999 must be made by Electronic Funds Transfer/Automated Clearinghouse (EFT/ACH). Grantees receiving payments by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The grantee should complete Form SF-3881, "Electronic Funds Transfer Payment Enrollment Form," for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least thirty (30) days prior to the first advance of funds.

15. Commitment of EPA and HUD-CDBG Grants:

This Letter of Conditions is issued contingent upon a firm commitment being in effect prior to advertising for construction bids for the EPA grant in the amount of \$1,500,000 and for the HUD-CDBG grant in the amount of \$997,000.

16. Use of Remaining Project Funds:

The applicant contribution shall be considered as the first funds expended. After providing for all authorized costs, any remaining project funds will be considered to be PRIDE grant funds and refunded.

17. Mitigation Measures:

- A. The Floodplain requirements as outline in the Clearinghouse Comments dated November 7, 2002 addressed to Ms. Betsie Carroll of Summit Engineering, Inc. and signed by Ronald W. Cook, Manager, Kentucky State Clearinghouse must be incorporated into the plans and specifications.
- B. The Kentucky Heritage Council were furnished with the required evidence that the plant site was a previously disturbed site and they (KHC) and the State Preservation Officer determined in a letter dated January 28, 2003 to Mr. Jim Adcock of the U.S. Environmental Protection Agency and signed by David Morgan, Director, Kentucky Heritage Council that the project would have no effect upon any cultural resources or resources eligible for the National Register of Historical Places.

18. Final Approval Conditions:

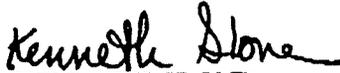
Final approval of this grant will depend on your willingness, with the assistance of all your co-workers, to meet the conditions of this letter in an orderly and systematic manner. Then too, final approval will depend on funds being available.

Southern Water and Sewer District

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If you desire to proceed with your application, the Rural Development Manager will allot a reasonable portion of time to provide guidance in processing your grant offer.

Sincerely,


KENNETH SLONE
State Director

Enclosures

cc: Rural Development Manager - Morehead, Kentucky
Community Development Manager - Prestonsburg, Kentucky
Summit Engineering - Lexington, Kentucky
PRIDE, Attn: Cindy Lackey - Somerset, Kentucky

**Kentucky Infrastructure Authority**

375 Versailles Road
Frankfort, Kentucky 40601-3646
502-573-0260 • 502-573-0157 fax
<http://wris.state.ky.us/kia/>

May 10, 2004

Mr. Hubert Halbert
Chairman
Southern Water & Sewer District
P.O. Box 610
McDowell, Kentucky 41647

**KENTUCKY INFRASTRUCTURE AUTHORITY
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND
CONDITIONAL COMMITMENT LETTER A04-06**

Dear Mr. Halbert :

The Kentucky Infrastructure Authority (KIA) commends your efforts to improve public service facilities in your community. Your loan application to the KIA for wastewater facilities was approved by KIA on May 6, 2004. The total cost of the project shall not exceed \$3,750,000 of which the KIA loan shall provide up to \$230,000. Other anticipated funding for the project is reflected in the attached credit analysis. The credit analysis and the Application for Loan Assistance incorporated herein by reference fully describes the project.

A loan agreement will be executed between KIA and the Southern Water & Sewer District upon satisfactory performance of the conditions set forth in this letter. A period of six months from the date of this letter (November 10, 2004) will be allowed for you to meet the conditions set forth in this letter. Funds will be available for disbursement only after execution of the loan agreement.

The loan agreement and this commitment shall be subject, but not limited to, the following terms:

1. The KIA project loan shall not exceed \$230,000.
2. The loan shall bear interest at the rate of 1.0% per annum commencing with the first draw of funds.
3. The loan shall be repaid over a period not to exceed 20 years from the date the loan is closed.



4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1 or December 1 immediately succeeding the date of the initial draw of funds, provided that if such June 1 or December 1 shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1 or December 1 which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid.
5. Full principal payments will commence on the appropriate June 1 or December 1 within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. An annual loan servicing fee of two-tenths of one percent of the outstanding loan balance shall be payable to KIA as a part of each interest payment.
7. Loan funds will be disbursed after execution of the loan agreement as project costs are incurred.
8. KIA loan funds must be expended within six months of official date of initiation of operation.

The following is a list of the standard conditions to be satisfied prior to execution of the loan agreement or incorporated in the loan agreement. Any required documentation must be submitted to the agency noted in parenthesis, either KIA or the Division of Water (DOW).

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 21 days of bid opening.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The final plan of operation must be approved prior to 50 percent payment. (DOW)
4. The draft operation and maintenance manual must be approved prior to 90 percent payment. The final operation and maintenance manual must be approved prior to final payment and loan closing. (DOW)
5. The city must agree to expend all KIA loan funds within six months of the date of initiation of operation.

Mr. Halbert
May 10, 2004
Page Three

6. Documentation of final funding commitments from all parties other than KIA as reflected in the credit analysis shall be provided prior to preparation of the loan agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
7. The consulting engineer shall certify the expected life of the project.
8. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the state's execution of the Assistance Agreement. The committee meets monthly on the third Tuesday. At this time we know of no further submission required for their review; however, they may request information as needed.
9. The city must complete and return to KIA the attached "Authorization For Electronic Deposit of Vendor Payment" Form.

Any special conditions listed below and/or stated in the credit analysis must be resolved.

1. The Sewer Use Ordinance must be approved by DOW before any payments are requested.

Please inform KIA of any changes in your financing plan as soon as possible. We will assist you in a final evaluation of the financing plan when construction bids are available. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,

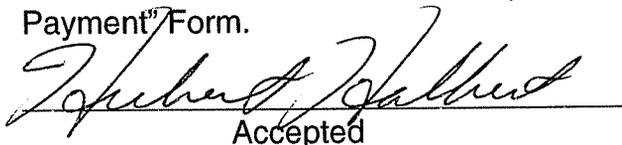


Sandy Williams
Financial Analyst

Attachments

cc: Kelli Rice, Division of Water
Dirk Bedarff, Peck, Shaffer & Williams, L.L.P.
State Local Debt Officer, DLG

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Also attach the completed "Authorization For Electronic Deposit of Vendor Payment" Form.


Accepted

5/19/04
Date

PRELIMINARY ENGINEERING REPORT

**ADDENDUM NO. 1 TO WAYLAND AND GARRETT
201 FACILITIES PLAN**

**DECEMBER 27, 2003
REVISED JANUARY 13, 2003**

PREPARED FOR

**SOUTHERN WATER AND SEWER DISTRICT
PO BOX 601
MCDOWELL, KENTUCKY**

PREPARED BY

**SUMMIT ENGINEERING INC.
120 PROSPEROUS PLACE, SUITE 101
LEXINGTON, KY 40509**

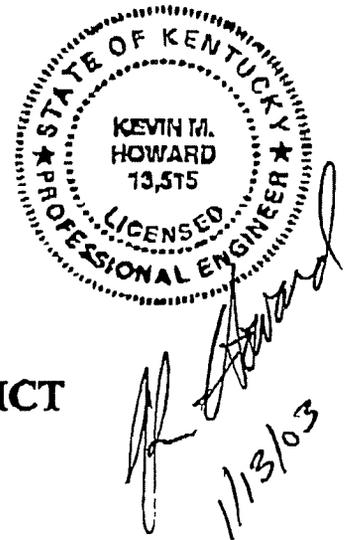


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 - (A) Plan
 - (B) Capital Cost
 - (C) Funding
 - (D) Operations
- 4 Revised 2-20 Year Plan

LIST OF EXHIBITS

- A 0-2 Year Plan
- B Future Population, Waste Flow, and Waste Loads by Planning Area
- C1 Preliminary Opinion of Probable Project Cost
- C2 Preliminary Opinion of Probable Construction Cost
100,000 GPD Ea. Plant
- C3 Preliminary Opinion of Probable Construction Cost
Wayland to Punkin Collector Sewers
- D Probable Sources of Funding
- E Estimated Operations Budget – Southern Water Sewer System
- F 3-20 Year Plan
- G Proposed Process Schematic for Wastewater Treatment Plan

1. PURPOSE

This addendum is prepared to amend the 201 Facilities Plan for Wayland and Garrett. The Southern Water District authorized Summit Engineering, Inc. to develop the design for the 0-2 Year plan for Wayland and Garrett in April of 2002. The preliminary design effort identified problems with the siting of the treatment plant in the existing Wayland and Garrett 201 Plan.

The existing 201 Plan identified three treatment alternatives. These were:

1. Wastewater Plant at Wayland
2. Wastewater Plant at Hueysville
3. Wastewater Plant at Martin

Alternate 2, the Hueysville Plant, was the preferred alternate. The stated reasons for preference of this site were:

- a. That selection of this site would allow the customers between Wayland and Hueysville to be added to the project and
- b. That selection of this site would be favorable to a future addition of customers from Salt Lick.

Upon more detailed investigation it is Southern Water's opinion that the Wayland site should have been selected instead of the Hueysville site. The bases of this conclusion are as follows:

- a. The Hueysville site is too far from the initial customers to be served. The resulting project must construct so much transmission line that there are limited funds for collector sewers. This produces a project that has insufficient customers to fund plant operations.
- b. The Hueysville site is not suitable for a wastewater plant. The terrain does not lend itself to construction. There are occupied dwellings within the buffer zone.
- c. The citizens of Wayland, who are responsible for obtaining a portion of the funding for construction, want the plant to be located closer to their community.
- d. The Wayland site is more readily purchased than the Hueysville site, has a level area ready for construction, and has no "buffer zone" problems.
- e. The conclusion that waste generated by the customers between Wayland and Hueysville can not be directed to a plant in Wayland is in error. Wastewaters may be pumped from Hueysville to Wayland.
- f. Salt Lick is not a part of the 20 year plan or planning area and should not have included in the site selection criteria.

The following paragraphs will describe the Wayland treatment site in more detail and provide a new 0-2 year plan. It should be noted that the changes of this addendum are limited to plant siting and layout of the 0-2 year collector sewers. With minor exceptions, the basic wastewater treatment methodology as set forth in Figure 8 of the existing 201 Plan will not be changed. The exceptions are limited to addition of tertiary treatment as required by the wasteload allocation and deletion of the sludge drying beds as Southern Water intends to purchase a mobile belt press of dewatering wastewater sludges.

A schematic for the proposed plant at Wayland is provided as Exhibit 'G'.

2. LOCATION OF ALTERNATE PLANT SITE

The center of the Wayland treatment site is located in "Glo Hollow" approximately one half mile northwest of the community of Wayland. In the 1950s "Glo Hollow" was the site of the Glo Valley Coal Corporations repair shop. Today the site is a vacant excess spoil fill left by a mining operation. The site may be precisely located on the USGS Wayland 7.5 minute topographic quadrangle map at 37 26'53" latitude and 82 48' 56" longitude (See Exhibit 'A').

3. REVISED 0-2 YEAR PLAN

PLAN. Exhibit 'A' details the revised 0-2 year plan as proposed by this Addendum. The treatment works would be located in Glo Hollow as illustrated. Collector sewers would be extended to four service areas. These are:

1. Punkin Center
2. Estill
3. Wayland
4. Glo

It is estimated that a total of 256 homes will be provided with sewer service (See Exhibit 'B'). The gravity collection system would include four wastewater pump stations: Punkin Center, Estill Hills, Estill Bottom and Wayland. Isolated homes, difficult to serve by conventional gravity systems, will be provided with individual grinder pumping units. A pressure system is the best way to serve Glo due to the rugged terrain.

CAPITAL COST. Exhibit 'C' presents a preliminary opinion of probable project cost for the 0-2 year plan.

FUNDING. Exhibit 'D' presents the plan to fund the 0-2 year plan. It is anticipated that funds will be obtained from PRIDE (Section 531), EPA, CDBG and ARC.

OPERATIONS. Exhibit 'E' presents a preliminary analysis of the system operations budget. With conservative assumptions, the project still has a positive cash flow.

4. REVISED 2-20 YEAR PLAN

A revised phasing plan is presented on Exhibit 'F'. The 3 to 10 year plan would include the Lackey, Martin's Branch, Shop Branch, Stamper Branch, and Upper Steele Branch service areas. It is anticipated that the addition of 289 new customers in the 3 to 10 year phase will require an expansion in capacity of the Wayland wastewater plant. Since the plant is proposed as dual 50,000 GPD extended aeration treatment trains. We would propose to accomplish the expansion by adding a parallel 50,000 GPD treatment train raising the plant capacity to 150,000 GPD.

The 11 to 20 year plan would include the Garrett and Stone Coal Branch service areas. Wastewaters would be collected downstream of Garret and pumped upstream to the Wayland wastewater treatment plant. It is anticipated that the addition of 472 new customers would require a final expansion in capacity of the Wayland wastewater plant. Again, we would propose that this be accomplished by constructing a parallel 50,000 GPD extended aeration treatment train to raise the total capacity of the plant to 200,000 GPD.

EXHIBIT "B"
FUTURE POPULATION, WASTE FLOWS, AND WASTE LOADS BY PLANNING AREA

Project Year	CUSTOMERS (See Note 1)		ESTIMATED POPULATION SERVED (See Note 2)		GPD ESTIMATED WASTE LOAD (See Note 3)		PEAKING FACTOR (See Note 4)		ESTIMATED PEAK SEWER FLOW G.P.M. (See Note 5)		BOD5 LBS/DAY (See Note 6)		TSS LBS/DAY (See Note 7)		WASTE SLUDGE AS DRY SOLIDS LBS/DAY (See Note 8)	
	2002	2022	2002	2022	2002	2022	2002	2022	2002	2022	2002	2022	2002	2022	2002	2022
FLOWS & LOADS AS STAND ALONE SERVICE AREAS																
	43	44	65	88	6,450	8,774	4.3	4.3	19	26	14	19	16	22	10	14
Head of Steele Creek	39	40	59	80	5,850	7,957	4.3	4.3	17	24	13	18	15	20	9	13
Stamper Branch	31	32	47	63	4,650	6,325	4.3	4.3	14	19	10	14	12	16	7	10
Shop Branch	106	108	212	216	21,200	21,628	4.1	4.1	61	62	47	48	53	54	34	35
Wayland	30	31	60	61	6,000	6,121	4.3	4.3	18	18	13	13	15	15	10	10
West Wayland	83	85	125	169	12,450	16,935	4.2	4.2	36	49	27	37	31	42	20	27
Head of Right Beaver (Note 9)	22	22	44	45	4,400	4,489	4.3	4.3	13	13	10	10	11	11	7	7
Glo	6	6	12	12	1,200	1,224	4.4	4.4	4	4	3	3	3	3	2	2
Wayland to Estill (Route 7)	29	30	44	59	4,350	5,917	4.3	4.3	13	18	10	13	11	15	7	9
Martin Branch & Gobblers Knob (Note 9)	23	23	46	47	4,600	4,693	4.3	4.3	14	14	10	10	12	12	7	8
Estill Bottom	28	29	56	57	5,600	5,713	4.3	4.3	17	17	12	13	14	14	9	9
Estill Hills	41	42	82	84	8,200	8,366	4.3	4.3	24	25	18	18	21	21	13	13
Punkin Center	37	38	56	75	5,550	7,549	4.3	4.3	17	22	12	17	14	19	9	12
Lacey	20	20	30	41	3,000	4,081	4.4	4.3	9	12	7	9	8	10	5	7
West Lacey (Knott County)	216	220	324	441	32,400	44,072	4.1	4.0	91	122	71	97	81	110	52	71
Stonecoal (Note 9)	25	26	38	51	3,750	5,101	4.3	4.3	11	15	8	11	9	13	6	8
South Garrett	53	54	80	108	7,950	10,814	4.3	4.2	24	32	17	24	20	27	13	17
Garrett	18	18	27	37	2,700	3,673	4.4	4.3	8	11	6	8	7	9	4	6
Garrett Hills	22	22	33	45	3,300	4,489	4.3	4.3	10	13	7	10	8	11	5	7
North Garrett	48	49	72	98	7,200	9,794	4.3	4.2	21	29	16	22	18	24	12	16
West Garrett	72	73	108	147	10,800	14,691	4.2	4.2	32	43	24	32	27	37	17	24
Lower Rock Fork (Note 9)	10	10	15	20	1,500	2,040	4.4	4.4	5	6	3	4	4	5	2	3
Large Customers as Equiv.			10	10	1,000	1,000	4.4	4.5	3	3	2	2	3	3	2	2
Lacey Retirement Home	1,002	1,022	1,641	2,044	164,100	204,446	4.4	4.5	482	595	361	450	410	506	259	324
TOTAL PLANNING AREA																
Sub-Total Yellow 0-2					51,200	52,234			151	154	113	115	128	131	82	84
Sub-Total Blue 3-10					42,300	57,539			126	170	93	127	106	144	68	92

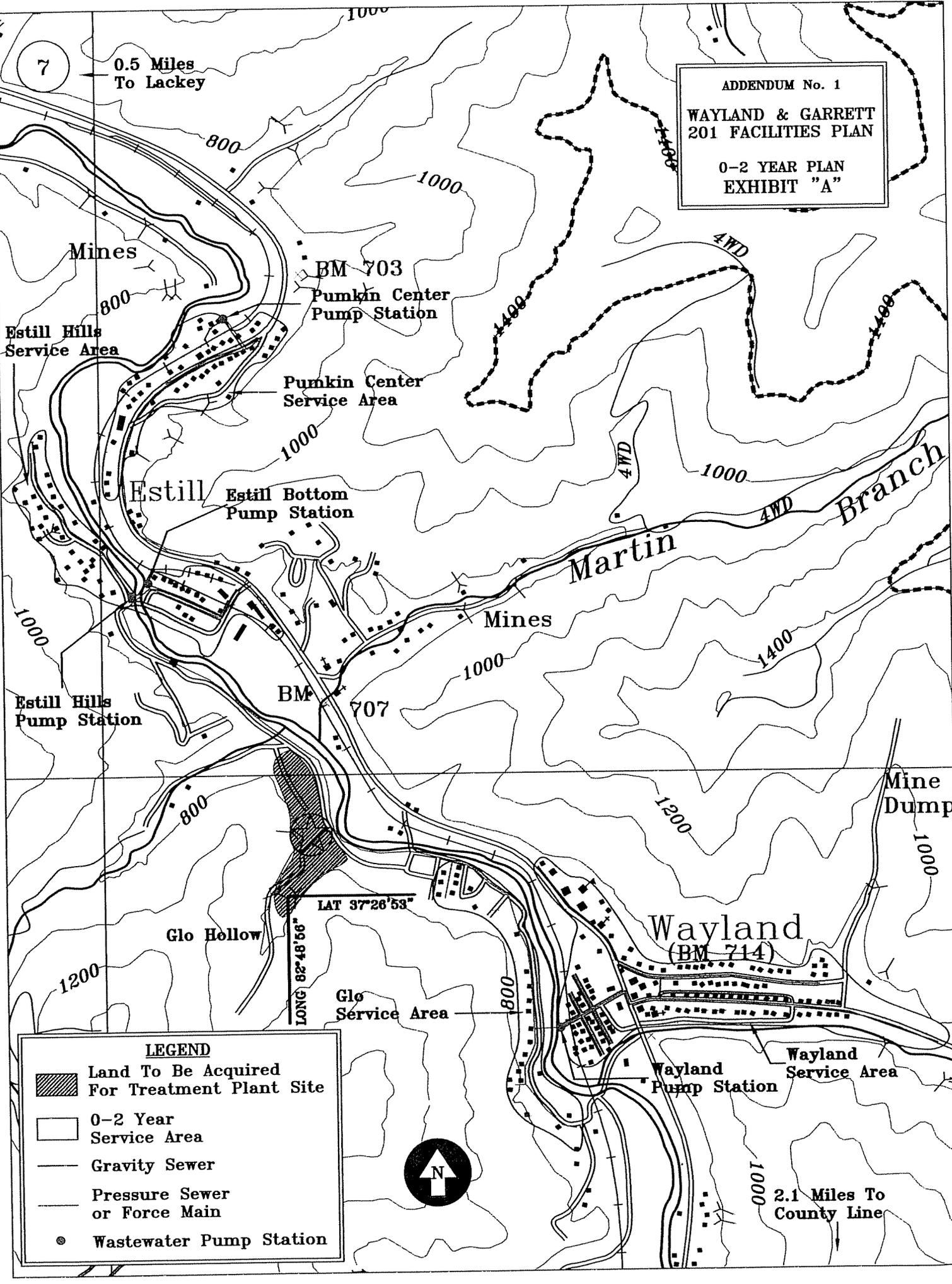
SHADING LEGEND
 Yellow indicates 0-2 Year Service Areas
 Blue indicates 3-10 Year Service Areas
 Brown indicates 11-20 Year Service Areas

- Notes:
- 1 Based on Projected 0.1% per Annual Population Increase
 - 2 Estimated Population = Estimated wastewater (gpd) / 100 gallons
 - 3 Load at 200 Gallons per customer per day = 6,000 Gal/Month
 - 4 10 States Standard Peaking Factor $(18 + vP) / (4 + vP)$; P in 1000s
 - 5 Peaking Factor Applied to Load (Use for Interceptors & Lift Station)
 - 6 Based on 0.22 Lbs/Person/Day (Ten State Standard)
 - 7 Based on 0.25 Lbs/Person/Day (Ten State Standard)
 - 8 Based on 0.16 Lbs/Person/Day (Ten State Standard)
 - 9 Derived from 201 Plan - No field count

7

0.5 Miles
To Lackey

ADDENDUM No. 1
 WAYLAND & GARRETT
 201 FACILITIES PLAN
 0-2 YEAR PLAN
 EXHIBIT "A"



LEGEND

-  Land To Be Acquired For Treatment Plant Site
-  0-2 Year Service Area
-  Gravity Sewer
-  Pressure Sewer or Force Main
-  Wastewater Pump Station



EXHIBIT 'C1'
PRELIMINARY OPINION OF PROBABLE PROJECT COST
0 - 2 YEAR PLAN

ITEM NUMBER	ITEM DESCRIPTION	UNIT	UNIT COST	QTY	AMOUNT
I. CONSTRUCTION					
1	Collector Sewers	LS	\$ 1,723,700.00	1	\$ 1,723,700.00
2	Treatment Plant (Extended Aeration)	LS	\$ 1,148,605.00	1	\$ 1,148,605.00
TOTAL CONSTRUCTION COST					\$2,872,305.00
Construction Contingency @ 10%					\$287,230.50
Basic Engineering @		6.775%			\$199,194.35
Resident Inspection @		3.080%			\$94,786.07
RD Inspection Allowance for Plants @ 2% on 1st Million of Plant					\$22,972.10
Additional Engineering Services					\$63,500.00
201 Facilities Plan Revision			\$10,000.00		
O & M Manual and Performance Certification			\$20,000.00		
Preliminary & Final Engineering Report			\$3,500.00		
Project Financing and Administration			\$7,500.00		
Environmental			\$7,500.00		
Aerial Mapping Services exclusive of ground control			\$15,000.00		
Geotechnical					\$10,000.00
Archaeological Investigations					\$1,500.00
Right of Way (Title Opinion, Appraisal, Negotiations, Property Surveys, Acq / Condemnation)					\$150,000.00
Miscellaneous (Legal, Fees for RR permits, Advertisements & Public Notices, etc.)					\$ 43,511.98
TOTAL PROJECT COST					\$3,745,000.00

EXHIBIT C2
OPINION OF PROBABLE CONSTRUCTION COST
0 - 2 YEAR PLAN
100,000 GPD EXTENDED AERATION TREATMENT PLANT

ITEM NUMBER	ITEM DESCRIPTION	UNIT	UNIT COST	QUANTITY	AMOUNT
	Mobilization	LS	\$ 20,000.00	1	\$ 20,000.00
1	Site Preparation				
a	Erosion Control, Seeding, and Clecnpup	LS	\$ 10,000.00	1	\$ 10,000.00
b	Earthwork	CY	\$ 5.00	500	\$ 2,500.00
c	Gravel Surfaces	Ton	\$ 15.00	105	\$ 1,575.00
d	Concrete Pavement for Mobile Press	LS	\$ 5,000.00	1	\$ 5,000.00
e	Fencing	LF	\$ 20.00	1,200	\$ 24,000.00
f	Yard Pipe	LS	\$ 25,000.00	1	\$ 25,000.00
2	Primary Treatment				
a	Purestream Package Treatment Plant (Note 1) Surge Tanks, Grinder Pumps, Extended Aeration Tanks, Clarifiers, Digesters, Post Aeration, Blowers, Filters & Controls	LS	\$ 709,290.00	1	\$ 709,290.00
b	Add for Double Wall Tankage	LS	\$ 60,000.00	1	\$ 60,000.00
3	Secondary Treatment				
a	Ultraviolet Disinfection (Note 2)	LS	\$ 76,010.00	1	\$ 76,010.00
4	Miscellaneous Equipment				
a	Electrical (Transformer, Motor Control Center, Lighting, Etc.)	LS	\$ 85,000.00	1	\$ 85,000.00
b	Plant Effluent Flow Meter	LS	\$ 7,500.00	1	\$ 7,500.00
b	Laboratory Building	LS	\$ 15,580.00	1	\$ 15,580.00
d	Laboratory Furniture & Equipment	LS	\$ 16,050.00	1	\$ 16,050.00
e	On Site Pump Station (110 GPM)	LS	\$ 15,000.00	1	\$ 15,000.00
f	Backup Power	LS	\$ 50,000.00	1	\$ 50,000.00
g	Influent and Effluent Samplers	LS	\$ 16,100.00	1	\$ 16,100.00
h	Automatic Dialer	LS	\$ 10,000.00	1	\$ 10,000.00
	ESTIMATED CONSTRUCTION COST WASTE WATER TREATMENT PLANT				\$ 1,148,605.00

Note 1: Purestream Package w/o Double Wall \$526,511.00, Foundation Slabs \$51,150.00, Contractor Installation, Overhead & Profit \$131,629.00.

Note 2: Ultraviolet Disinfection Equipment \$60,000.00, Foundation Slabs \$1,010.00, Contractor Installation, Overhead & Profit \$15,000.00.

EXHIBIT C3
OPINION OF PROBABLE CONSTRUCTION COST
0-2 YEAR PLAN
COLLECTOR SEWERS

ITEM NUMBER	ITEM DESCRIPTION	UNIT	UNIT COST	QUANTITY	AMOUNT
1	GRAVITY SEWERS				
a	8" Gravity Sanitary Sewer Pipe, PVC, ASTM D 3034, SDR 35	LF	\$ 35.00	9823	\$ 343,805.00
b	8" Gravity Sanitary Sewer Pipe, D.I., CL 350, PJ	LF	\$ 45.00	1779	\$ 80,055.00
2	MANHOLES				
a	Sanitary Sewer Manholes	EA	\$ 2,500.00	62	\$ 155,000.00
3	FORCE MAINS & CONNECTIONS				
a	6" SDR 11 HDPE Force Main	LF	\$ 10.00	11247	\$ 112,470.00
b	2" SDR 11 HDPE Force Main	LF	\$ 7.00	1153	\$ 8,071.00
c	Check Valve Vault	LS	\$ 5,000.00	2	\$ 10,000.00
d	6" x 2" Tapping Sleeve & Valve	LS	\$ 1,000.00	1	\$ 1,000.00
4	ENCASEMENTS				
a	Bore and Encase for 2" Pipe	LF	\$ 75.00	171	\$ 12,825.00
b	Bore and Encase for 6" Pipe	LF	\$ 125.00	225	\$ 28,125.00
c	Bore and Encase for 8" Gravity Sewer	LF	\$ 150.00	165	\$ 24,750.00
d	River Crossing	LF	\$ 100.00	200	\$ 20,000.00
5	Laterals				
a	Gravity Service Lateral Each	Each	\$ 1,200.00	181	\$ 217,200.00
6	Water Line				
a	2" SDR 11 HDPE Water Line with Disinfection	LF	\$ 7.00	1377	\$ 9,639.00
7	BITUMINOUS PAVEMENT REPLACEMENT				
a	Bituminous Pavement Replacement	LF	\$ 15.00	6988	\$ 104,820.00
b	Bituminous Full Width Replacement	Ton	\$ 60.00	0	\$ -
8	PUMP STATIONS				
a	300 GPM Duplex Wastewater Pump Station	Each	\$ 70,000.00	4	\$ 280,000.00
e	Odor Control System	Each	\$ 30,000.00	0	\$ -
f	Telemetry RTU	Each	\$ 7,500.00	4	\$ 30,000.00
g	Grinder Pump Station Complete With Electrical & 1 1/4" Force Main	Each	\$ 4,500.00	43	\$ 193,500.00
9	General				
a	Air/Vacuum Relief Assembly	Each	\$ 1,500.00	1	\$ 1,500.00
b	Seeding and Cleanup	LF	\$ 0.25	15399	\$ 3,849.75
c	Landscape Allowance	LS	\$ 5,000.00	1	\$ 5,000.00
d	Mobilization @ 5%	LS	\$ 82,100.00	1	\$ 82,100.00
ESTIMATED CONSTRUCTION COST					\$ 1,723,700
COLLECTOR SEWERS					

EXHIBIT 'D'
PROBABLE SOURCES OF FUNDING
0 - 2 YEAR PLAN

ITEM NUMBER	ITEM DESCRIPTION			AMOUNT
1	PRIDE - Sect 531 (Note 1)			\$ 1,020,000.00
2	EPA Grant (Note 1)			\$ 1,500,000.00
3	CDBG (Note 2)			\$ 1,000,000.00
4	ARC (Note 3)			\$ 225,000.00
TOTAL FUNDING				\$3,745,000.00
<p>NOTES</p> <ol style="list-style-type: none"> 1. Committed 2. Application Pending 3. Applied For 				

EXHIBIT 'E'
ESTIMATED OPERATIONS BUDGET
SOUTHERN WATER DISTRICT
SEWER SYSTEM

A. INCOME **\$80,640.00**

Customers	@	Avg. Bill	@	12 Bills/Yr	
224		\$30.00		12	\$80,640.00

B. O&M EXPENSES (See Following Tables) **\$ 77,019.10**

Labor	\$ 46,125.00
Chemicals	\$ 1,344.00
Power	\$ 12,876.18
Sludge Disposal	\$ 5,601.92
Supplies & Replacement	\$ 8,000.00
Contract Laboratories	\$ 3,072.00

C. NET INCOME **\$3,620.90**

D. DEBT SERVICE **\$ -**

None

E. BALANCE AVAILABLE FOR COVERAGE **\$3,620.90**

EXHIBIT 'E' (cont)
ESTIMATED OPERATIONS BUDGET
O&M EXPENSES
SOUTHERN WATER DISTRICT SEWER SYSTEM

A. Labor **\$ 46,125.00**

I. Certified operator to operate plant and trouble shoot pump stations.

Basic salary	\$ 30,000.00
Fringes	\$ 15,000.00
Total	\$ 45,000.00

Cost/Hr @ 2000 Hr/Yr \$ 22.50

Part Time @ 1000 Hr/Yr **\$ 22,500.00**

II. Maintenance crew for new connections, routine pump maintenance and flood clean-up.

3 Laborers & 1 Backhoe

Basic laborer salary	\$ 15,000.00
Fringes	\$ 7,500.00
Total	\$ 22,500.00

Cost/Hr @ 2000 Hr/Yr \$ 11.25

Backhoe Cost/Hr \$ 45.00

Crew Cost/Hr.

3 Men @	\$ 11.25	\$ 33.75
1 Backhoe @	\$45.00	\$ 45.00
Crew Cost/Hr		\$ 78.75

Part Time @ 300 Hr/Yr **\$ 23,625.00**

EXHIBIT 'E' (cont)
ESTIMATED OPERATIONS BUDGET
O&M EXPENSES
SOUTHERN WATER DISTRICT SEWER SYSTEM

B. Chemicals **\$ 1,344.00**

UV Disinfection Only. No CL2 or SO2 required!

Estimated Polymer for sludge dewatering \$ 112.00 Per Month

Annual Cost \$ 112.00 Per/Mo. 12 Month \$ 1,344.00

C. Power **\$ 12,876.18**

I. Four small lift stations

Min. monthly electric bill 30

Annual electric bill per station \$ 360.00

Annual cost stations

4 Stations @ \$ 360.00 \$ 1,440.00

II. Plant

Approx connected load (HP) 50

Assume load operates (Hrs/Day) 12

Power cost per KWH \$ 0.07

Cost/Hr

50 x 0.746 KWH/HP x \$ 0.07 \$ 2.61

Annual cost

365 Days x 12 Hrs/Day x \$ 2.61 \$ 11,436.18

EXHIBIT 'E' (cont)
ESTIMATED OPERATIONS BUDGET
O&M EXPENSES
SOUTHERN WATER DISTRICT SEWER SYSTEM

D. Sludge Disposal **\$ 5,601.92**

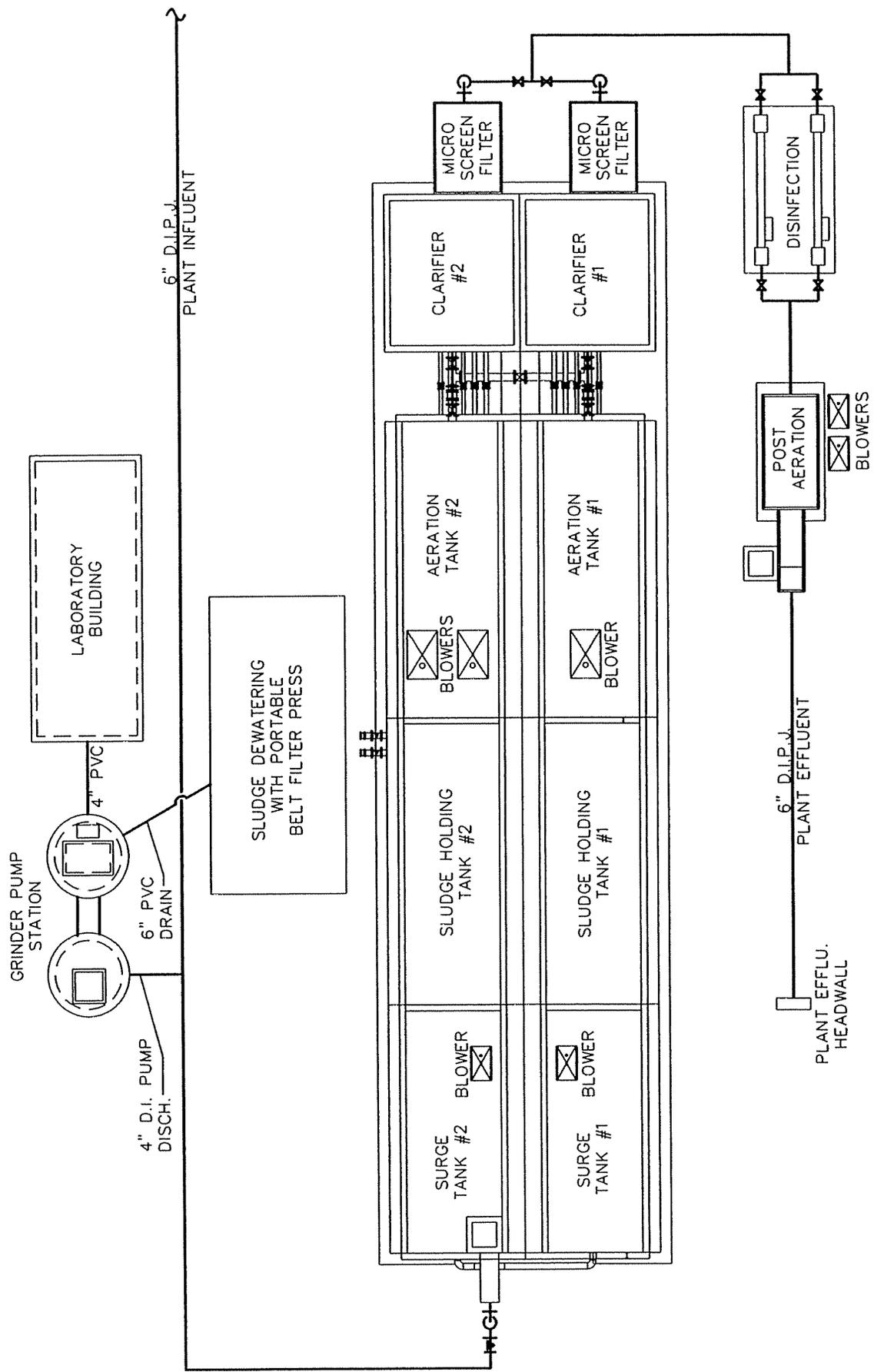
100,000 GPD Plant can serve 1000 persons @ 100 gpcd		
Ten States Sludge Production Factor	0.16	Lb Dry Solids per capita
Daily Sludge Production	160	Lb Dry Solids/Day
Weekly Sludge Production	1120	Lb Dry Solids/Week
Daily Volume Sludge @ 1.5%	1279	Gal/Day
Standard Work Day w Mobile Press Processes	25000	Gal/Day
Days req'd to generate 1 good press run	19.5	
Press Runs per Year	18.7	
Cost Per Press Run (Including disposal of sludge excluding polymer)	\$ 300.00	
Annual Cost Sludge Disposal	\$ 5,601.92	

E. Supplies & Replacement Reserve **\$ 8,000.00**

Budget for annual supplies & replacement reserve

F. Consulting Laboratory Analyses for DMRs **\$ 3,072.00**

Monthly laboratory analyses	\$ 256.00	
Annual cost analyses	\$ 3,072.00	



DATE:	1/10/03
SCALE:	N.T.S.
DRAWN BY:	RT
CHECKED:	
SHEET:	
OF:	G

PROCESS SCHEMATIC

**100,000 GPD WASTEWATER TREATMENT PLANT
GLO HOLLOW SITE**

SUMMIT ENGINEERING, INC.



LEWISTON, NY
 HAZARD, NY
 COLLETON, NY
 BRUNNEN, VA

**WAYLAND SANITARY SEWER PROJECT
FINAL ENGINEERING REPORT
CONTRACT NO 1 AND 2
SOUTHERN WATER AND SEWER DISTRICT
FLOYD COUNTY, KENTUCKY**

Introduction

This report is prepared as documentation for the award of the contracts number 1 and 2 for the Wayland Sanitary Sewer Project. The contracts are part of a long-term effort by Southern Water and Sewer District to provide sanitary sewer service in southern Floyd County.

Wayland Sanitary Sewer Project consists of two contracts; Contract 1, the Wayland Wastewater Treatment Plant, and Contract 2, the Wayland to Punkin Center Sanitary Sewer System. These contracts will be awarded in the spring of 2004 and completed within a year.

History/Objective

A 201 Facilities Plan was written for Wayland and Garrett in August of 2001. This identified the existing problems in the area caused by straight pipe discharges and failing septic tanks. It also outlined a means for providing a sewage collection and treatment system over the planning period.

An addendum to the 201 Facilities Plan was written in December of 2002 and revised in January of 2003. It concluded that the best location for a new wastewater treatment plant was in proximity to "Glo Hollow."

The 0-2 year plan was revised to provide collector sewers to the Punkin Center, Estill, Wayland, and Glow service areas. The 3 to 10 and 11 to 20 year plans were revised to detail future system expansions.

Plans and Approvals

Plans, Specifications, Construction Permit Applications, and Supporting Calculations were submitted to DOW for review on March 24, 2003. The DOW approval letters were issued on November 21, 2003 for the wastewater treatment plant contract and on November 25, 2003 for the collection system contract. Refer to Tab 21, of the Authorization to Award (ATA) package, for copies of these approvals.

Easements and Rights of Way

Southern Water and Sewer District and its attorney furnished right of way certifications for the project.

Project Costs

Refer to Tab 4, of the ATA package, for a summary of the anticipated total project cost for the 0 to 2 year plan of the Wayland Sanitary Sewer Project.

Refer to Tab 2, of the ATA package, for the construction costs for Contract 1 (Wastewater Treatment Plant) which are based on the proposal by AST Environmental, Inc.

Refer to Tab 2, of the ATA package, for the construction costs for Contract 2 (Wayland to Punkin Center Sanitary Sewer System) which are based on the proposal by K. Carrender Construction Co.

These contracts were advertised for bids in January 2004. Refer to Tab 8, of the ATA package, for the project affidavit of advertisement. Bids for the project were opened on February 27, 2004 with a 90 day bid hold period. The last day to award the contracts is May 27, 2004. Refer to Tab 2, of the ATA package, for the February 27 bid tabulations. Refer to Tab 15, of the ATA package, for the Engineer's evaluation of the bids and recommendation regarding award.

Funding

Refer to Tab 4, of the ATA package, for a summary of the funds available for the planned construction of Contracts 1 and 2

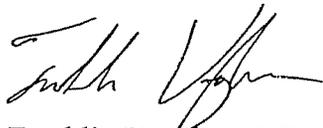
Financial Viability

Refer to the approved facilities plan and PSC package for a project debt analysis. Essentially, this analysis indicates that the revenue from the customer base will provide sufficient coverage of the proposed debt service, therefore, this project is viable.

Construction Schedule

Refer to Tab 18, of the ATA package, for the Contractors' proposed construction schedule.

Respectfully Submitted,



Franklin Vaughan, P.E.



Tab 2 WWTP

EXHIBIT 'A'
 BID TABULATION
 WAYLAND SANITARY SEWER PROJECT
 CONTRACT 1- WASTEWATER TREATMENT PLANT
 BID OPENING 2/27/04

	AST Environmental, Inc.	Free Contracting, Inc.	Goggans Construction Co.	Howard Engineering & Construction	Patriot Construction
Lump Sum Price	\$ 1,172,817.00	\$ 1,398,131.43	\$ 1,660,000.00	\$ 1,232,500.00	\$ 1,594,300.00
Alternate 1- Deduct MicroComm Telemetry.	\$ 11,937.00	\$ 15,287.00	\$ 16,000.00	\$ 65,000.00	\$ 18,000.00
Alternate 2- Deduct Independent Surge, Sludge and Aeration. Provide common wall construction to save steel.	\$ -	\$ 13,500.00	\$ -	\$ -	\$ -
Alternate 3- Deduct Portable Ventilator and Gas Detection Equipment as required by specification section 15580.	\$ 2,530.00	\$ 2,500.00	\$ 4,500.00	\$ 2,000.00	\$ 2,500.00

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project; that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.





Tab 2 Lines

WAYLANE
RY SEWER PROJECT
WAYLAND TO PUNKIN CENTER SANITARY SEWER PROJECT
BID OPENING 2/27/04

ITEM NUMBER	ITEM DESCRIPTION	UNIT	QUANTITY	Fields Excavation UNIT COST	AMOUNT	K. Corraender Construction UNIT COST	AMOUNT	Kinder Constructors UNIT COST	AMOUNT	Maintain Enterprises UNIT COST	AMOUNT
1	General										
1a	Mobilization / Demobilization	LS	1	\$ 45,750.00	\$ 45,750.00	\$ 25,000.00	\$ 25,000.00	\$ 20,000.00	\$ 20,000.00	\$ 50,000.00	\$ 50,000.00
1b	Steeding and Cleanup	LS	1	\$ 1,875.00	\$ 1,875.00	\$ 2,000.00	\$ 2,000.00	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00	\$ 40,000.00
1c	Removal and Disposal of Existing Septic Tanks (Unavoidably Encountered)	Each	5	\$ 1,875.00	\$ 9,375.00	\$ 1,000.00	\$ 5,000.00	\$ 2,000.00	\$ 10,000.00	\$ 2,200.00	\$ 11,000.00
1d	Landscape Allowance	LS	1	\$ 1,875.00	\$ 1,875.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
1e	Special Pipe Bedding - Ordered in Writing (see Note 3.)	Ton	200	\$ 58.75	\$ 11,750.00	\$ 15.00	\$ 3,000.00	\$ 62.00	\$ 12,400.00	\$ 18.00	\$ 3,600.00
1	GRAVITY SEWERS										
1	8" Gravity Sanitary Sewer Pipe, PVC, ASTM D 3034, SDR 35	LF	9531	\$ 51.04	\$ 486,462.24	\$ 32.35	\$ 308,327.85	\$ 62.00	\$ 476,510.00	\$ 31.00	\$ 294,461.00
2	8" Gravity Sanitary Sewer Pipe, D.I., CL 350, P1	LF	1789	\$ 56.29	\$ 100,702.81	\$ 54.00	\$ 96,606.00	\$ 62.00	\$ 110,918.00	\$ 39.00	\$ 69,771.00
2a	Manholes										
2a	Sanitary Sewer Manhole Type "A", 0-6 ft.	EA	60	\$ 1,213.75	\$ 72,825.00	\$ 1,100.00	\$ 66,000.00	\$ 2,020.00	\$ 121,300.00	\$ 2,200.00	\$ 132,000.00
2b	Sanitary Sewer Manhole Type "B"	EA	2	\$ 818.12	\$ 1,636.25	\$ 1,100.00	\$ 2,200.00	\$ 2,125.00	\$ 4,250.00	\$ 2,500.00	\$ 5,000.00
2c	Extra Vertical Height for Manhole Type "A"	VF	64	\$ 312.50	\$ 20,000.00	\$ 110.00	\$ 7,040.00	\$ 180.00	\$ 11,520.00	\$ 100.00	\$ 6,400.00
3	FORCE MAINS & RELATED ACCESSORIES										
3a	Force Main - Stream Crossing (Note 4)	LF	11667	\$ 131,516.29	\$ 1,537,782.25	\$ 93.75	\$ 1,127,776.25	\$ 220.00	\$ 2,571,400.00	\$ 12.00	\$ 138,804.00
3b	6" SDR 17 HDPE Force Main	LF	30	\$ 1,017.74	\$ 30,532.20	\$ 53.00	\$ 1,590.00	\$ 84.00	\$ 2,550.00	\$ 45.00	\$ 1,350.00
3c	3" SDR 17 HDPE Force Main	LF	380	\$ 59.49	\$ 22,606.20	\$ 35.00	\$ 13,300.00	\$ 18.00	\$ 6,840.00	\$ 6.51	\$ 2,471.80
3d	2" SDR 11 HDPE Force Main	LF	1540	\$ 59.18	\$ 91,136.20	\$ 37.50	\$ 57,750.00	\$ 27.00	\$ 41,580.00	\$ 14.00	\$ 21,560.00
3e	2" SDR 11 HDPE Force Main - Stream Crossing (Note 4)	LF	32	\$ 514.41	\$ 16,461.12	\$ 538.00	\$ 17,216.00	\$ 392.00	\$ 12,640.00	\$ 45.00	\$ 1,440.00
3f	1 1/4" SDR 11 HDPE Force Main	LF	3400	\$ 54.33	\$ 184,322.00	\$ 57.50	\$ 195,500.00	\$ 61.00	\$ 207,400.00	\$ 12.00	\$ 40,800.00
3g	Check Valve Vault, Complete with all valves & plumbing, in place	LS	2	\$ 55,418.75	\$ 110,837.50	\$ 56,000.00	\$ 112,000.00	\$ 43,100.00	\$ 86,200.00	\$ 14,000.00	\$ 14,000.00
3h	Air/Vacuum Relief Assembly for Wastewater (Field Located)	EA	8	\$ 51,775.00	\$ 414,200.00	\$ 52,000.00	\$ 416,000.00	\$ 57.00	\$ 456.00	\$ 20,000.00	\$ 20,000.00
4	ENCASEMENTS										
4a	Bore & Encase for 8" Gravity Sewer	LF	185	\$ 147.50	\$ 27,167.50	\$ 100.00	\$ 18,500.00	\$ 165.00	\$ 30,525.00	\$ 100.00	\$ 18,500.00
4b	Bore & Encase for 6" HDPE Pipe	LF	275	\$ 145.00	\$ 39,875.00	\$ 90.00	\$ 24,750.00	\$ 114.00	\$ 31,350.00	\$ 95.00	\$ 26,125.00
4c	Open Cut Case for 6" HDPE Pipe	LF	72	\$ 437.5	\$ 31,500.00	\$ 50.00	\$ 3,600.00	\$ 66.00	\$ 4,752.00	\$ 45.00	\$ 3,240.00
4d	Open Cut Case for 3" HDPE Pipe	LF	51	\$ 45.79	\$ 2,333.29	\$ 35.00	\$ 1,785.00	\$ 66.00	\$ 3,366.00	\$ 45.00	\$ 2,295.00
4e	Open Cut Case for 2" HDPE Pipe	LF	63	\$ 37.80	\$ 2,381.40	\$ 25.00	\$ 1,575.00	\$ 66.00	\$ 4,158.00	\$ 45.00	\$ 2,835.00
5	Lateral										
5a	8" x 8" x 4" SDR 35 PVC Wye	Each	118	\$ 83.03	\$ 9,797.54	\$ 40.00	\$ 4,720.00	\$ 123.00	\$ 14,514.00	\$ 50.00	\$ 5,900.00
5b	4" SDR 35 PVC Tee-in to Manhole	Each	30	\$ 437.5	\$ 13,125.00	\$ 50.00	\$ 1,500.00	\$ 182.00	\$ 5,460.00	\$ 1,500.00	\$ 45,000.00
5c	8" x 8" x 4" Ductile Iron Push Joint Wye	Each	44	\$ 335.00	\$ 14,740.00	\$ 350.00	\$ 15,400.00	\$ 305.00	\$ 13,420.00	\$ 525.00	\$ 23,100.00
5d	4" Gravity Service Lateral - SDR 35 PVC	LF	2140	\$ 40.70	\$ 87,098.00	\$ 22.00	\$ 47,080.00	\$ 18.00	\$ 38,520.00	\$ 15.00	\$ 32,100.00
5e	4" Gravity Service Lateral - Ductile Iron, Push Joint	LF	334	\$ 47.55	\$ 15,881.70	\$ 42.25	\$ 14,111.50	\$ 29.00	\$ 9,684.00	\$ 21.94	\$ 7,311.30
6	Water Line										
6a	Connect to Existing 6" Water Line	LS	1	\$ 2,388.75	\$ 2,388.75	\$ 1,200.00	\$ 1,200.00	\$ 1,170.00	\$ 1,170.00	\$ 1,800.00	\$ 1,800.00
6b	4" SDR 11 HDPE Water Line	LF	1377	\$ 9.02	\$ 12,420.54	\$ 4.50	\$ 6,196.50	\$ 17.00	\$ 23,409.00	\$ 11.00	\$ 15,147.00
6c	4" Resilient Wedge Gate Valve w box & cover	EA	2	\$ 573.75	\$ 1,147.50	\$ 500.00	\$ 1,000.00	\$ 610.00	\$ 1,220.00	\$ 650.00	\$ 1,300.00
7	Blimbansu Pavement Replacement										
7a	Mill Bl. 1006 & Full Width Blimbanu Pavement Replacement with Conc. Sub-Slab	LS	1	\$ 112,906.40	\$ 112,906.40	\$ 67,500.00	\$ 67,500.00	\$ 64,000.00	\$ 64,000.00	\$ 60,700.00	\$ 60,700.00
7b	Full Width Blimbanu Pavement Replacement w Conc. Sub-Slab on County Road	LF	5480	\$ 44.26	\$ 242,544.80	\$ 18.00	\$ 98,640.00	\$ 21.20	\$ 116,176.00	\$ 15.45	\$ 84,666.00
8	PUMP STATIONS										
8a	Punkin Center Pump Station, Complete, In Place	LS	1	\$ 84,436.25	\$ 84,436.25	\$ 85,000.00	\$ 85,000.00	\$ 87,100.00	\$ 87,100.00	\$ 90,500.00	\$ 90,500.00
8b	Exit Hill Bottom Pump Station, Complete, In Place	LS	1	\$ 78,091.25	\$ 78,091.25	\$ 80,000.00	\$ 80,000.00	\$ 82,000.00	\$ 82,000.00	\$ 86,500.00	\$ 86,500.00
8c	Exit Hill Pump Station, Complete, In Place	LS	1	\$ 78,698.75	\$ 78,698.75	\$ 80,000.00	\$ 80,000.00	\$ 83,100.00	\$ 83,100.00	\$ 85,600.00	\$ 85,600.00
8d	Wayland Pump Station, Complete, In Place	LS	1	\$ 85,306.25	\$ 85,306.25	\$ 90,000.00	\$ 90,000.00	\$ 86,000.00	\$ 86,000.00	\$ 103,600.00	\$ 103,600.00
8e	Residential Grinder Pump Station, Complete, In Place (Note 3)	Each	47	\$ 2,968.75	\$ 139,531.25	\$ 3,000.00	\$ 141,000.00	\$ 2,730.00	\$ 128,700.00	\$ 4,200.00	\$ 197,400.00
8f	Spare Core Assembly for Residential Grinder Station - Suitably Stored	Each	3	\$ 1,125.00	\$ 3,375.00	\$ 1,500.00	\$ 4,500.00	\$ 910.00	\$ 2,730.00	\$ 1,125.00	\$ 3,375.00
8g	Extra Vertical Height for Residential Grinder Enclosure	VF	30	\$ 208.75	\$ 6,262.50	\$ 400.00	\$ 12,000.00	\$ 240.00	\$ 7,200.00	\$ 175.00	\$ 5,250.00
8h	Pressure Sewer Lateral Assembly	EA	47	\$ 929.38	\$ 43,680.86	\$ 500.00	\$ 23,500.00	\$ 440.00	\$ 20,680.00	\$ 500.00	\$ 23,500.00
8i	Residential Power Feed - Materials, Coordination, Inspection	EA	47	\$ 126.25	\$ 5,933.75	\$ 500.00	\$ 23,500.00	\$ 500.00	\$ 23,500.00	\$ 250.00	\$ 11,750.00
TOTAL BASE BID											
							\$ 2,068,683.48	\$ 1,589,473.10	\$ 2,040,354.00	\$ 1,795,670.70	



NOTES:
 1. The method of payment varies with the individual item and is described at the close of each section of the Technical Specs.
 2. The unit bid for "Mobilization/Demobilization" shall include all mobilization and demobilization costs for this item.
 3. Special Pipe Bedding may only be installed on written order of ENGINEER.
 4. Include all work depicted in stream crossing details (concrete anchors, pipe rap, etc.)
 5. Contractor's attention is directed to specifications. This includes, but is not limited to, new water base or oil based paint for customer, NEMA 3R disconnect, electric conductor in SCIE 80 PVC conduit from meter base to control panel, etc.

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project, that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.

[Signature]

**BID TABULATION
ALTERNATES
WAYLAND SANITARY SEWER PROJECT
CONTRACT NO. 2
WAYLAND TO PUNKIN CENTER SANITARY SEWER PROJECT
BID OPENING 2/27/04**

ITEM NO.	ITEM	UNIT	QUANTITY	Fields Excavating		K. Carrander Construction		Kinder Construction		Mountain Enterprises	
				UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
	NOTES:										
	1. The Base Bid shall be used for the determination of the low bidder. It shall be the OWNER'S option as to accept or reject the alternates listed below for the low bid.										
	2. Contractors MUST bid ALL alternates. Bids without alternate prices will be rejected.										
9	ADD RADIO-TELEMETRY TO WASTEWATER PUMP STATIONS										
9a	Telemetry RTU - Punkin Center Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
9b	Telemetry RTU - Estill Bottom Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
9c	Telemetry RTU - Estill Hill Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
9d	Telemetry RTU - Wayland Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
10	ADD ODOR CONTROL TO WASTEWATER PUMP STATIONS										
10a	Odor Control- Punkin Center Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
10b	Odor Control- Estill Bottom Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
10c	Odor Control- Estill Hill Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
10d	Odor Control- Wayland Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project; that the same was received in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.



Franklin B. Vaughan, III
FRANKLIN B. VAUGHAN, III
22317
LICENSED PROFESSIONAL ENGINEER

Tab 4

Part III - Budget Information

Detailed Project Cost Estimate

If other funding sources will be used with Fund A, please identify the funding source and the amount for each line item.

1. ADMINISTRATIVE AND LEGAL EXPENSES

Allowable administrative expenses **do not include** costs that are related to the normal functions of government. Allowable legal fees are generally those associated with the purchase of eligible land or easements and certain services in support of the project (e.g., review of contracts, compliance with the Real Property Acquisition Act).

Cost Category	Cost	Funding Source(s)	Total Cost
Advertisements	\$ 1,420.43	Pride	\$ 1,420.43
Legal Fees	\$15,000.00	Pride	\$15,000.00
Other: BSADD – CDBG Grants Admin	\$50,000.00	CDBG	\$50,000.00

2. LAND ACQUISITION

This category includes purchases, lease, and/or easements for the site and/or rights-of-way.

NOTE: Land acquisition is ineligible for FAWRF participation.

Cost Category	Cost	Funding Source(s)	Total Cost
Wastewater Treatment Plant Sludge Handling Facilities Pump Stations Interceptor Sewers	\$131,104.88	Pride	\$131,104.88
Collection Sewers On-site & Other Alternative Systems	\$134,142.50	Pride	\$134,142.50

3. RELOCATION EXPENSES

Enter estimated costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc.

Cost Category	Cost	Funding Source(s)	Total Cost
N/A			

4. ENGINEERING

Planning	Cost	Funding Source(s)	Total Cost
Preliminary Planning	\$7,500.00	Pride	\$7,500.00
Facility Plan	\$10,000.00	Pride	\$10,000.00
Loan Application	\$3,500.00	Pride	\$3,500.00
Sewer Use Ordinance User Charge System Archaeological/Vegetative Survey Sewer System Evaluation Survey Other			

Design			
Plans/Specifications	\$130,774.38	Pride	\$130,774.38
Preliminary Plan of Operation	\$3,000.00	Pride	\$3,000.00
Value Engineering (if applicable)			
Construction Services			
Securing/Evaluating Bids	\$10,000.00	Pride	\$10,000.00
Change Orders	\$10,000.00	Pride	\$10,000.00
General Engineering Reviews	\$20,000.00	Pride	\$20,000.00
On-site Inspections	\$17,000.00	Pride	\$10,000.00
Provide As-Built Drawings	\$3,000.00	Pride	\$10,000.00
Resident Inspection			
Resident Inspection	\$109,896.20	Pride	\$109,896.20
Other Engineering Services			
Final Plan of Operation			
O & M Manual	\$17,000.00	Pride	\$17,000.00
Start-up Services			
Other: Performance Certification	\$3,000.00	Pride	\$3,000.00
Other: Geotechnical	\$4,600.00	Pride	\$4,600.00
Additional Engineering Services			
Negotiation due to change in scope	\$15,000.00	Pride	\$15,000.00
Service as expert witness			
Other: Aerial Mapping Services	\$13,697.00	Pride	\$13,697.00
TOTAL ENGINEERING COSTS			\$377,967.58

5. CONSTRUCTION COSTS ESTIMATE (Note 1)

Enter the estimated cost of construction contracts only. (Space is provided for additional information such as location, contracts, etc.).

_____ Pre-Bid Engineer's Estimate

 X Actual Bid Prices

Cost Category	Cost	Funding Source(s)	Total Cost
Wastewater Treatment Plant (Contract 1)			
(I) Secondary Portion	\$100,000.00	CDBG	\$100,000.00
(II) Advanced Portion	\$850,000.00	CDBG	\$850,000.00
	\$45,326.90	EPA	\$45,326.90
	\$177,490.10	Pride	\$177,490.10
(IIIA) I/I Correction			
(IIIB) Major Sewer Rehabilitation			
(IVA) Collector Sewers			
(IVB) Interceptor Sewers			

(V) Combined Sewer Overflow

SUB-TOTAL CONSTRUCTION COSTS (Contract 1) \$1,172,817.00

Wayland to Punkin Center Sanitary Sewer System (Contract 2)

(I) Secondary Portion

(II) Advanced Portion

(IIIA) I/I Correction

(IIIB) Major Sewer Rehabilitation

(IVA) Collector Sewers	\$727,336.55	EPA	\$727,336.55
	\$230,000.00	SRF	\$230,000.00

(IVB) Interceptor Sewers	\$727,336.55	EPA	\$727,336.55
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(V) Combined Sewer Overflow

SUB-TOTAL CONSTRUCTION COSTS (Contract 2) \$1,684,673.10

TOTAL CONSTRUCTION COSTS \$2,857,490.10

6. EQUIPMENT

Enter the estimated cost of shop, laboratory, and safety equipment, etc. to be used at the facility if such costs are not included in any construction contract.

Cost Category	Cost	Funding Source(s)	Total Cost
N/A			

7. MISCELLANEOUS

Enter the estimated costs for items such as but not limited to value engineering, interim financing, and capitalized interest.

Cost Category	Cost	Funding Source(s)	Total Cost
Interim Financing	\$20,000	Pride	\$20,000
Capitalized Interest	\$20,000	Pride	\$20,000

8. CONTINGENCIES

Enter estimated contingency costs. (This amount should be calculated at 5% based on construction contracts only.)

	Funding Source(s)	Total Cost
Construction Contract at 5%	Pride	\$142,874.51

9. TOTAL PROJECT COSTS \$ 3,750,000.00

Part III - Budget Information
Project Cost Summary

ITEM	COST CLASSIFICATION	BUDGET	FUND SOURCES					TOTAL
			PRIDE/NOAA	SRF	EPA	CDBG		
1	Administrative & Legal Expense	\$ 66,420.43	\$ 16,420.43	\$ -	\$ -	\$ 50,000.00	\$ 66,420.43	
2	Land Acquisition	\$ 265,247.38	\$ 265,247.38	\$ -	\$ -	\$ -	\$ 265,247.38	
3	Relocation Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4	Engineering	\$ 377,967.58	\$ 377,967.58	\$ -	\$ -	\$ -	\$ 377,967.58	
5	Construction	\$ 2,857,490.10	\$ 177,490.10	\$ 230,000.00	\$ 1,500,000.00	\$ 950,000.00	\$ 2,857,490.10	
6	Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Miscellaneous	\$ 40,000.00	\$ 40,000.00	\$ -	\$ -	\$ -	\$ 40,000.00	
8	Contingencies (5%)	\$ 142,874.51	\$ 142,874.51	\$ -	\$ -	\$ -	\$ 142,874.51	
9	TOTAL	\$ 3,750,000.00	\$ 1,020,000.00	\$ 230,000.00	\$ 1,500,000.00	\$ 1,000,000.00	\$ 3,750,000.00	
	PERCENT OF TOTAL PROJECT COST	100.0%	27.2%	6.1%	40.0%	26.7%	100.0%	

Filename: X:\02\413 WAYLAND SANITARY SEWER\Services During Construction\BUDGET - KIA STYLE.xls[032604

Tab 8

**STATE OF KENTUCKY
COUNTY OF FAYETTE**

Before me, a Notary Public, and for said County and State, this 11 day
of February, 2004 came Christine Templin

Personally known to me, who, being duly sworn, states as follows:

That she is Account Executive of
Lexington Herald-Leader, and that said publication date of
January 28 + February 11, 2004 carried the advertising
of Southern Water and Sewer
occupying the following space 21 in.

By Christine Templin

(SEAL)

Lee H. Napier
Notary Public

LEXINGTON HERALD LEADER
WWW.KENTUCKY.COM

SECTION ONE ADVERTISEMENT FOR BIDS

Southern Water and Sewer District, P.O. Box 610, McDowell, Kentucky 41647, seeks sealed bids for the construction of Wayland Sanitary Sewer Project, Central No. 1 Wastewater Treatment Plant, Contract No. 2. Wayland to Fontana Center Sanitary Sewer System will be received by Southern Water and Sewer District at the office of Robert Meyer, Project Manager, until 3:00 p.m. local time February 22, 2004 and then of said office publicly opened and read aloud.

The Contract Documents may be inspected at the following locations:

- Southern Water and Sewer District, P.O. Box 610, McDowell, Kentucky 41647
- Seawall Engineering, Inc., 120 Prosperous Place, Suite 101, Lexington, KY 40507
- Summit Engineering, Inc., 131 Summit Dr., Pikeville, KY 41501

The Contract Documents are organized as two sets: (a) the plan contract and (b) the line contract. Copies of the Contract Documents may be purchased from Lynn Imaging upon payment of a non-refundable charge of \$250.00 per set cash or check payable to Lynn Imaging. Documents may be obtained from Lynn Imaging, 328 Old Vine Street, Lexington, KY 40507, 859/226-5850 or <http://www.lynnimaging.com>. If documents are to be mailed, there will be an additional handling fee of \$10.00 for each set payable to Lynn Imaging.

Contract Documents will NOT be issued after 2:00 PM on February 24, 2004.

Any Contract awarded under this invitation for bids are expected to be funded in part by a grant from the U.S. Environmental Protection Agency. Neither the United States nor any of its departments, agencies or employees is or will be a party to this invitation for bids or any resulting contract. This procurement will be subject to regulations contained in 40 CFR Part 31.36, with the exception of the Davis-Bacon Act.

Bidders must comply with Title VI of the Civil Rights Act of 1964, the Anti-Kickback Act, and the Contract Work Hours Standard Act and 40 CFR 31.361 (b), (c), & (d).

Bidders must comply with the President's Executive Order No. 11246 as amended, which prohibits discrimination in employment regarding race, creed, color, sex or national origin.

The bidder must provide certification of Prior work under Executive Order 11246 Equal Employment Opportunity as amended.

The Contractor/Subcontractor will comply with 41 CFR 60.4, in regard to affirmative action, to insure equal opportunity to females and minorities and will copy the time tables and goal set forth in 41 CFR 60.4 if applicable to the area of the project.

The bidder will make positive efforts to use small, minority, women-owned, and disadvantaged businesses.

The project will be awarded to the lowest, responsive, and responsible bidder.

Federal wage and hour provisions do apply to this project. State and hour provisions do apply to this project. This project is being funded, in part, with EPA, PRIDE, RD, ARC, CDBG, and local funds.

A Pre-Bid Conference will be conducted by representatives of Summit Engineering, Inc. Interested parties are to meet at the Wayland Community Center at 9:00 a.m. on February 19, 2004.

1/23/04
Southern Water and Sewer District

ADVERTISEMENT FOR BIDS

The Housing Authority of London will receive bids for the complete construction of the project entitled CFP KY065-501-02 & 03, London, Kentucky. Bids will be received until 2:00 p.m. EST (Eastern Standard Time) on the 18th day of February, 2004, at the office of the Housing Authority of London, at which time and place all bids shall be publicly opened and read aloud.

A Pre-Bid Conference for General Contractors proposing to submit bids on this project will be held at 10:00 a.m. EST (Eastern Standard Time) on the 4th day of February 2004, where each prime contractor should be represented.

Proposed forms of Contract documents, including plans and specifications, are on file at the office of the Housing Authority of London and at the office of Donald L. Rochester, Architect, 628 N. Broadway, Suite 304, Lexington, Kentucky, 40508.

For the public use of material and subcontractors plans and specifications will be on file at the following offices:

- F.W. Dodge/AGC Builders Exchange of Louisville
2321 Fortune Drive, Suite 112A 2300 Meadow Drive
Lexington, KY 40509 Louisville, KY 40218
- F.W. Dodge/AGC Construction Market Data

The following resolutions were signed by Mayor Teresa Ann Isaac, attested by Council Clerk Lix Damrell and published on January 28, 2004-11.

Resolution No. 8-2004

A Resolution accepting the bids of Recreomics, Inc. in the amount of \$14,913.94 and Spahr Corp. in the amount of \$2,681.80 for swimming pool supplies for the Div. of Parks. Passed Urban County Council: January 22, 2004.

Resolution No. 9-2004

A Resolution accepting the bids of Lexington Tree Service, Inc., Evans Tree Service, Swartz Mowing, Inc., Big Beaver Tree Service, Inc., Arlington Tree Service and G. A. L. Construction Co., Inc. establishing a price contract for tree removal, for the Div. of Streets and Roads. Passed Urban County Council: January 22, 2004.

Resolution No. 10-2004

A Resolution accepting the bid of Honda of Frankfort establishing a price contract for hybrid vehicles, for the Div. of Fleet Services. Passed Urban County Council: January 22, 2004.

Resolution No. 11-2004

A Resolution approving pursuant to Section 22-55.1 of the Code of Ordinances the bond with surety of Sandra M. Varella, County Judge/Executive in the amount of \$10,000, and directing the Div. of Risk Management to record the bond with surety, along with a certified copy of this resolution, in the Office of the Fayette County Clerk. Passed Urban County Council: January 22, 2004.

Resolution No. 12-2004

A Resolution ratifying the probationary civil service appointments of Keith Thomas, Equipment Operator Sr., Grade 109N, \$11,766 hourly, in the Div. of Solid Waste, effective January 12, 2004; Elsworth, Women, Jr., Equipment Operator Sr., Grade 109N, \$12,394 hourly, in the Div. of Solid Waste, effective January 12, 2004; Terry Russell, Equipment Operator Sr., Grade 109N, \$12,122 hourly, in the Div. of Solid Waste, effective January 12, 2004.

effective January 12, 2004; Grant Pastorn, Graduate Counselor, Grade 113E, \$1,789.84 bi-weekly, in the Div. of Community Corrections, effective January 12, 2004; Sandra Chenault, Administrative Specialist, Grade 110N, \$16.84 hourly, in the Div. of Revenue, effective January 26, 2004; Theresa Reynolds, Grant Manager, Grade 117E, \$1,532.40 bi-weekly, in the Div. of Community Development, effective January 12, 2004; ratifying the permanent civil service appointments of Bennie C. Begley, Public Service Supervisor Sr., Grade 114E, in the Div. of Sanitary Sewers, effective January 28, 2004; Stacy Justice, Communications Office Sr., Grade 113N, in the Div. of Police, effective February 11, 2004; ratifying the probationary sworn appointments of Embry Beatty, Ronald Bowman, Robert Burns, Howard Carter, Claude Cobb, Jr., Robbie Cole, Otis Cvetkovic, Brad Fontney, Terrance Gatewood, Christophe Graves, Jason Green, Richard Harris, James Ingledue, Anthony Johnson, Lee McCrystal, Larry Morgan, Christopher Nathan, Vanderhook Joseph Ward, David White, Firefighter, Grade 311N, \$12.30 hourly, in the Div. of Fire, effective January 26, 2004.

Resolution No. 13-2004

A Resolution authorizing the Mayor to execute four (4) Releases of Easement for storm and sanitary sewer easements at 130-14 Prosperous Place. Passed Urban County Council: January 22, 2004.

Resolution No. 14-2004

A Resolution authorizing the Mayor to execute an access easement at 119-123 Cisco Road. Passed Urban County Council: January 22, 2004.

Resolution No. 15-2004

A Resolution authorizing the Mayor to execute a Release of Easement for utility easement at 440, 540 and 600 Geary Road and 683, 691 and 7031 Ather, Bonaparte Road. Passed Urban County Council: January 22, 2004.

Resolution No. 16-2004

A Resolution authorizing the Mayor to execute a Release of Easement for utility easement at 440, 540 and 600 Geary Road and 683, 691 and 7031 Ather, Bonaparte Road. Passed Urban County Council: January 22, 2004.

Resolution No. 17-2004

A Resolution authorizing the Mayor to execute a Release of Easement for utility easement at 440, 540 and 600 Geary Road and 683, 691 and 7031 Ather, Bonaparte Road. Passed Urban County Council: January 22, 2004.

Resolution No. 18-2004

A Resolution authorizing the Mayor to execute a Release of Easement for utility easement at 440, 540 and 600 Geary Road and 683, 691 and 7031 Ather, Bonaparte Road. Passed Urban County Council: January 22, 2004.

Resolution No. 19-2004

A Resolution authorizing the Mayor to execute a Release of Easement for utility easement at 440, 540 and 600 Geary Road and 683, 691 and 7031 Ather, Bonaparte Road. Passed Urban County Council: January 22, 2004.

the frequency and price of gasoline and retail consumers in Urban County and late in the investigation supported by the Passed Urban County Council February 9, 2004

Resolution No. 43-2004
A Resolution authorizing the Dept. of Law to accept a Deed conveying a temporary construction easement from George E. Hamilton and Cecylavna Hamilton, located at 690 East London Avenue for the London Avenue improvements Project in the amount of \$1,250,000 plus utility and engineering closing costs. Passed Urban County Council February 9, 2004

Resolution No. 44-2004
A Resolution authorizing the Dept. of Law to accept a Deed conveying a temporary construction easement from Antonio Calvo and Carlon C. Calvo, located at 801 Meadow Lane for the London Avenue improvements Project and authorizing payment of the amount of \$1,700,000 plus utility and engineering closing costs. Passed Urban County Council February 9, 2004

Resolution No. 45-2004
A Resolution authorizing the Dept. of Law to accept a Deed of Easement for Virginia Pines for a permanent sanitary sewer collection and temporary construction easement at 228 Morton Avenue for the Meadows Neighborhood Arterial Neighborhood improvements Phase IIIA of a cost not to exceed \$100,000. Passed Urban County Council February 9, 2004

Resolution No. 46-2004
A Resolution authorizing the Dept. of Law to accept a Deed of Easement from Moss Price, Inc. for a permanent sanitary sewer easement and a temporary construction easement at 1514 South Drive for the Meadows Neighborhood Arterial Neighborhood improvements Phase IIIA of a cost not to exceed \$650,000. Passed Urban County Council February 9, 2004

Resolution No. 47-2004
A Resolution authorizing the Dept. of Law to accept a Deed of Temporary Construction Easement from Ruby Jackson for property located at 835 East London Avenue for the London Avenue improvements Project of a cost not to exceed \$725,000. Passed Urban County Council February 9, 2004

Resolution No. 48-2004
A Resolution authorizing the Dept. of Law to accept a Deed of Temporary Construction Easement from the City of Lexington, Cabinet and to provide any additional information requested in connection with this grant application.

Resolution No. 49-2004
A Resolution authorizing the Mayor to execute and submit a Grant Application to the Ky. Transportation Cabinet and to provide any additional information requested in connection with this grant application which grant funds are in the amount of \$64,000.00 federal funds, and are for construction of the Glenogles Trail. Passed Urban County Council February 9, 2004

Resolution No. 51-2004
A Resolution authorizing the Mayor to execute and submit a Grant Application to the Ky. Transportation Cabinet and to provide any additional information requested in connection with this grant application which grant funds are in the amount of \$58,400.00 federal funds, and are for the Waller Avenue Sidewalk Project. Passed Urban County Council February 9, 2004

Resolution No. 52-2004
A Resolution authorizing the Mayor to execute and submit a Grant Application to the Ky. Transportation Cabinet and to provide any additional information requested in connection with this grant application which grant funds are in the amount of \$400,000.00 federal funds, and are for Wolf Run Greenway Project. Passed Urban County Council February 9, 2004

Resolution No. 53-2004
A Resolution authorizing the Mayor to execute and submit a Grant Application to the Ky. Transportation Cabinet and to provide any additional information requested in connection with this grant application which grant funds are in the amount of \$300,000.00 federal funds, and are for construction of the Raven Run Nature Sanctuary Visitor Center. Passed Urban County Council February 9, 2004

Resolution No. 54-2004
A Resolution authorizing the Mayor to execute a Paramedic Training Services Agreement with UNIS of Kings, Inc. doing business as The Ridge Behavioral Health System, in accordance with the Government. Passed Urban County Council February 9, 2004

Resolution No. 55-2004
A Resolution authorizing the Mayor to execute a Purchase Agreement with Eber Messinger, Scott & May Engineers Inc. (\$315,000), Quest Engineers Inc. (\$115,000) and CRW Engineers Inc. (\$28,000) for engineering services for water retention in the Fayette County flood plain. The cost not to exceed \$300,000. Passed Urban County Council February 9, 2004

Resolution No. 56-2004
A Resolution authorizing the Mayor to execute on

**SECTION ONE
ADVERTISEMENT FOR BIDS**

Southern Water and Sewer District, P.O. Box 610, McDowell, Kentucky 41647. Separate sealed bids for the construction of Wayland Sanitary Sewer Project, Contract No. 1 - Wastewater Treatment Plant, Contract No. 2 - Wayland to Dunkin Center Sanitary Sewer System will be received by Southern Water and Sewer District at the office of Robert Meyer, Project Manager until 3:00 p.m. (Local Time) February 27, 2004 and then at said office publicly opened and read aloud.

The Contract Documents may be examined at the following location:
Southern Water and Sewer District, P.O. Box 610, McDowell, Kentucky 41647
Summit Engineering, Inc., 129 Prosperous Place, Suite 101, Lexington, KY 40509
Summit Engineering, Inc., 131 Summit Dr., Pittsville, KY 41501

The Contract Documents are organized as two sets: (a) the plant contract and (b) the line contract. Copies of the Contract Documents may be purchased from Lynn Imaging upon payment of a non-refundable charge of \$250.00 per set cash or check payable to Lynn Imaging. Documents may be obtained from Lynn Imaging, 328 Old Vine Street, Lexington, KY 40507, 859/226-5850 or at <http://www.lynnimaging.com>. If documents are to be mailed, there will be an additional handling fee of \$10.00 for each set payable to Lynn Imaging.

Contract Documents will NOT be issued after 2:00 PM on February 24, 2004.

Any Contract(s) awarded under this invitation for bids are expected to be funded in part by a grant from the U.S. Environmental Protection Agency. Neither the United States nor any of its departments, agencies or employees is or will be a party to this invitation for bids or any resulting contract. This procurement will be subject to regulations contained in 40 CFR Part 31.36, with the exception of the Davis-Bacon Act.

Bidders must comply with Title VI of the Civil Rights Act of 1964, the Anti-Graft Act, and the Contract Work Hours Standard Act and 40 CFR 31.361 (3.4, & 6).

Bidders must comply with the President's Executive Order No. 11246 as amended, which prohibits discrimination in employment regarding race, creed, color, sex or national origin.

The bidder must provide certification of prior work under Executive Order 11246 (Equal Employment Opportunity) as amended.

The Contractor/Subcontractor will comply with 41 CFR 60.4, in regard to affirmative action, to insure equal opportunity to females and minorities and will apply the same tables and goal set forth in 41 CFR 60.4 if applicable to the work of the project.

The bidder will make positive efforts to use small, minority, women-owned, and disadvantaged businesses.

The project will be awarded to the lowest, responsive, and responsible bidder.

Federal wage and hour provisions do apply to this project. State and local provisions do apply to this project. This project is being funded, in part, with EPA, FRIDE, RD, ARC, CDBG, and local funds.

A Prebid Conference will be conducted by representatives of Summit Engineering, Inc. interested parties are to meet at the Wayland Community Center at 2:00 a.m. of February 19, 2004.

1723/04
Southern Water and Sewer District

**IN DEBT?
GET OUT!**

...with a
**Herald-Leader
delivery route.**

Herald-Leader delivery routes generate hundreds of dollars a month in profits.

- Early morning hours.
- Short-term commitment.
- Minimal requirements.

Tab 15 WWTP

**SUMMIT ENGINEERING INC.**

March 5, 2004

Mr. Robert Meyer, Superintendent
Southern Water and Sewer District
P. O. Box 610
McDowell, Kentucky 41647

Re: Wayland Sanitary Sewer Project Contract 1
Wastewater Treatment Plant

Dear Mr. Meyer:

Bids for the referenced project were opened at the offices of the Southern Water and Sewer District at 3:00 P.M. on February 27, 2004. The attendance list is attached as Exhibit 'A'.

A certified tabulation of the bids received is attached hereto as Exhibit 'B'. Five bids were received for Contract 1. AST Environmental submitted the low bid of \$1,172,817.00.

EVALUATION OF LOW BIDDER**Experience**

AST Environmental Inc. is a Ohio based corporation which indicated it had been in business for 11 years. AST Environmental, Inc. has completed projects for the US Air Force, US Dept of Energy, and multiple other entities. It is our understanding that AST Environmental, Inc. fulfilled its obligations under these prior contracts. See Exhibit 'C' for a summary of activities completed to verify AST Environmental, Inc. suitability.

Bid Bond

AST Environmental Inc. provided bid bonds drawn on the Lexon Insurance Company. This bonding company is listed on the Treasury Department's 570 list.

Bidders Questionnaire

AST Environmental Inc. signed the site and contract document certificates.

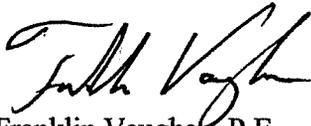
Page 2 Wayland Sanitary Sewer Project Contract 1
Letter of Recommendation
March 5, 2004

RECOMMENDATION AND RESOLUTION

Summit Engineering's research leads us to believe that award of Contract 1 to AST Environmental Inc. is in the best interests of the Project. The contract documents provide for a ninety (90) day bid hold for Contract 1. The last day to award Contract 1 is May 27, 2004. If you are in agreement with this recommendation, Exhibit 'D' is a resolution for the Boards use on this project. Our plan is to submit the Authorization to Award (ATA) package to the funding agencies on March 24, 2004. We will need to include the adopted resolution in the ATA.

Summit Engineering, Inc. appreciates the opportunity to be of assistance. If additional information is needed, I may be reached at 859-264-9860 x 307.

Sincerely,

A handwritten signature in black ink, appearing to read "Franklin Vaughan". The signature is written in a cursive style with a large, sweeping initial "F".

Franklin Vaughan, P.E.
Senior Project Engineer

Enclosures

cc: file

Wayland Sanitary Sewer Project Contract 1
Letter of Recommendation
March 5, 2004

Exhibit 'A'

BID OPENING SIGN IN SHEET

Wayland Sanitary Sewer Project
Friday, February 27, 2004 3:00 PM

<p>Representative Name: <u>KEVIN HOWARD</u></p> <p>Company Name: <u>SUMMIT ENGINEERING INC.</u></p> <p>Address: <u>120 PROSPEROUS PLACE #101</u></p> <p>City: <u>LEXINGTON</u> State: <u>KY</u> Zip: <u>40509</u></p> <p>Telephone: <u>859-264-9860</u> Fax: <u>859-264-9106</u></p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>Josh Fields</u></p> <p>Company Name: <u>Fields Excavating, Inc.</u></p> <p>Address: <u>177 Twsp Rd 191</u></p> <p>City: <u>Kitts Hill</u> State: <u>OH</u> Zip: <u>45645</u></p> <p>Telephone: <u>(740) 532-1780</u> Fax: <u>(740) 532-6677</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>ROGER McPEEK</u></p> <p>Company Name: <u>MOUNTAIN ENTERPRISES</u></p> <p>Address: <u>P.O. Box 13070</u></p> <p>City: <u>LEXINGTON</u> State: <u>KY</u> Zip: <u>40583</u></p> <p>Telephone: <u>606-789-9936</u> Fax: <u>606-789-8108</u></p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>Brenda Powers</u></p> <p>Company Name: <u>Big Sandy ADD</u></p> <p>Address: <u>100 Resource Drive</u></p> <p>City: <u>Prestonsburg</u> State: <u>KY</u> Zip: <u>41653</u></p> <p>Telephone: <u>606-886-2374</u> Fax: <u>886-3382</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>JAY JONES</u></p> <p>Company Name: <u>MT Enterpr's ea</u></p> <p>Address: <u>PO Box 13070</u></p> <p>City: <u>Lexington</u> State: <u>KY</u> Zip: <u>40583</u></p> <p>Telephone: <u>606 7899936</u> Fax:</p> <p>Signature:</p>	<p>Representative Name: <u>K. Carrender inc.</u></p> <p>Company Name: <u>K. Carrender Co. inc.</u></p> <p>Address: <u>200 Ringgold Rd</u></p> <p>City: <u>Somerset</u> State: <u>KY</u> Zip: <u>42503</u></p> <p>Telephone: <u>606-679-2328</u> Fax: <u>679-0130</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>Steve Kinder</u></p> <p>Company Name: <u>KINDER CONST INC.</u></p> <p>Address: <u>68 Hickory Dr.</u></p> <p>City: <u>Morehead</u> State: <u>KY</u> Zip: <u>40351</u></p> <p>Telephone: <u>606-784-1010</u> Fax:</p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>John Willis</u></p> <p>Company Name: <u>KI CARRENDER CONSTRUCTION</u></p> <p>Address: <u>200 Ringgold Rd</u></p> <p>City: <u>Somerset</u> State: <u>KY</u> Zip: <u>42503</u></p> <p>Telephone: <u>606 679 2328</u> Fax: <u>606 679-6130</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>GARY BLANKENSHIP</u></p> <p>Company Name: <u>YEOZIA WATER N.A. - SOUTHERN WATER</u></p> <p>Address: <u>P.O. Box 610</u></p> <p>City: <u>MCDOWELL</u> State: <u>KY</u> Zip: <u>41647</u></p> <p>Telephone: Fax:</p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>Braxton Howard</u></p> <p>Company Name: <u>Howard Engineering</u></p> <p>Address: <u>1303 S. Main St.</u></p> <p>City: <u>London</u> State: <u>KY</u> Zip: <u>40741</u></p> <p>Telephone: <u>(606) 864-8859</u> Fax: <u>(606) 879-6670</u></p> <p>Signature: <u>[Signature]</u></p>

BID OPENING SIGN IN SHEET

Wayland Sanitary Sewer Project
Friday, February 27, 2004 3:00 PM

Representative Name: <u>Sue Johnson</u> Company Name: <u>Patriot</u> Address: <u>35 Darwin Suller Rd</u> City: <u>Lick Creek</u> State: <u>KY</u> Zip: <u>41540</u> Telephone: <u>606-835-3450</u> Fax: <u>835-1215</u> Signature: <u>Susan Johnson</u>	Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____
Representative Name: <u>J B SHELTON</u> Company Name: <u>GORGANS CONST. CO</u> Address: <u>312 Euclid Ave</u> City: <u>PAINTSVILLE</u> State: <u>KY</u> Zip: <u>41260</u> Telephone: <u>606-789-6208</u> Fax: <u>789-6623</u> Signature: <u>J.B. Shelton</u>	Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____
Representative Name: <u>Tom Guilfoil</u> Company Name: <u>AST ENVIRONMENTAL, INC.</u> Address: <u>1115 DELAWARE AVE, SUITE 310</u> City: <u>LEXINGTON</u> State: <u>KY</u> Zip: <u>40505</u> Telephone: <u>859.258.9278</u> Fax: <u>859.258.9340</u> Signature: <u>W. Tom Guilfoil</u>	Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____
Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____	Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____
Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____	Representative Name: _____ Company Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Fax: _____ Signature: _____

Wayland Sanitary Sewer Project Contract 1
Letter of Recommendation
March 5, 2004

Exhibit 'B'

EXHIBIT 'A'
 BID TABULATION
 WAYLAND SANITARY SEWER PROJECT
 CONTRACT 1- WASTEWATER TREATMENT PLANT
 BID OPENING 2/27/04

	AST Environmental, Inc.	Free Contracting, Inc.	Goggans Construction Co.	Howard Engineering & Construction	Patriot Construction
Lump Sum Price	\$ 1,172,817.00	\$ 1,388,131.43	\$ 1,660,000.00	\$ 1,232,500.00	\$ 1,594,300.00
Alternate 1- Deduct MicroComm Telemetry.	\$ 11,937.00	\$ 15,287.00	\$ 16,000.00	\$ 65,000.00	\$ 18,000.00
Alternate 2- Deduct Independent Surge, Sludge and Aeration. Provide common wall construction to save steel.	\$ -	\$ 13,500.00	\$ -	\$ -	\$ -
Alternate 3- Deduct Portable Ventilator and Gas Detection Equipment as required by specification section 15580.	\$ 2,530.00	\$ 2,500.00	\$ 4,500.00	\$ 2,000.00	\$ 2,500.00

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project; that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.

Franklin B. Vaughan, III



Wayland Sanitary Sewer Project Contract 1
Letter of Recommendation
March 5, 2004

Exhibit 'C'



SUMMIT ENGINEERING, INC.

Memorandum

Date: March 5, 2004
To: File
From: Franklin Vaughan, P.E.
Cc:
Project: Wayland Sanitary Sewer Project Contract 1 – WWTP
Contractor Reference Check (AST Environmental)

This memorandum summarizes activities completed to verify AST Environmental (AST) references.

Business Standing

As of March 4, 2004, the KY Secretary of State lists AST Environmental in “Good” standing.

Surety

As of February 17, 2004, the KY Department of the Treasury's Listing of Approved Sureties certifies AST's surety, Lexon Insurance Company (NAIC #13307).

Past Performance

On Thursday, March 4, 2004, I spoke with Charles McCulloch at CEC Engineers to verify AST's work on the Rockwood Iron & Metal Landfill Closure project and the Landfill Cap and Closure project. Mr. McCulloch indicated that AST did exceptional work and would recommend highly. Complicated projects and AST pulled it off. AST stayed within schedule and unit price budget.

On Thursday, March 4, 2004, I spoke with Ray Vaske at URS Corp. to verify AST's work on the Excavation of Soil Impacted with Chlorinated VOCs project. Mr. Vaske indicated that AST performed on-time and under budget. Mr. Vaske would recommend Tom and Duane Guilfoil highly. AST project included removing 350 tons of soil under a concrete floor inside a building during a facility shutdown. AST completed the project on-time and under budget.

On Friday, March 5, 2004, I spoke with Ron Owens at Wright Patterson AFB to verify AST's work on the Clean Oil/Water Separators and Coal Settling Basins project. Mr. Owens indicated that the Base has worked with AST for the past five years on multiple projects. He rates AST performance highly and recommends them for projects on the Base.

Organization Number 0570728
Name A.S.T. ENVIRONMENTAL, INC.
Profit or Non-Profit P - Profit
Company Type FCO - Foreign Corporation
Status A - Active
Standing G - Good
State OH
File Date 10/23/2003
Authority Date 10/23/2003
Principal Office 70 COMMERCIAL WAY
SPRINGBORO, OH 45066
Registered Agent DUANE GUILFOIL
1115 DELAWARE AVE.
SUITE 300
LEXINGTON, KY 40505

Current Officers
President ROBERT WELSH
Vice President DUANE GUILFOIL

This organization has no assumed names

Wayland Sanitary Sewer Project Contract 1
Letter of Recommendation
March 5, 2004

Exhibit 'D'

**SOUTHERN WATER AND SEWER DISTRICT
RESOLUTION NO. ____**

A RESOLUTION TO ISSUE A NOTICE OF AWARD FOR:

**WAYLAND SANITARY SEWER PROJECT
CONTRACT 1- WASTEWATER TREATMENT PLANT
CONTRACT 2- WAYLAND TO PUNKIN CENTER SANITARY SEWER SYSTEM
WAYLAND, KENTUCKY**

WHEREAS, the Southern Water and Sewer District opened sealed bids for the aforementioned project on February 27, 2004 and

WHEREAS, AST Environmental, Inc. submitted the low bid for Contract 1 of the project in the amount of \$ _____ and

WHEREAS, K. Carrender Construction Co., Inc. submitted the low bid for Contract 2 of the project in the amount of \$ _____ and

WHEREAS, the Southern Water and Sewer District has secured funding for the Project.

THE SOUTHERN WATER AND SEWER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

That the construction contract for Contract 1 (Wastewater Treatment Plant) be awarded to AST Environmental, Inc., contingent upon funding agency(s) concurrence.

That the construction contract for Contract 2 (Wayland to Punkin Center Sanitary Sewer System) be awarded to K. Carrender Construction Co., Inc., contingent upon funding agency(s) concurrence.

READ AND ADOPTED BY THE Southern Water and Sewer District assembled on the ____ th day of _____, 2004.

ATTEST:

Secretary

Motion made by: _____ Seconded by: _____

Yea: _____ Nay: _____



SUMMIT ENGINEERING, INC.

April 7, 2004

Mr. Robert Meyer, Superintendent
Southern Water and Sewer District
P. O. Box 610
McDowell, Kentucky 41647

Re: Wayland Sanitary Sewer Project Contract 2
Wayland to Punkin Center Sanitary Sewer System

Dear Mr. Meyer:

This letter revises the letter sent to your office on March 5, 2004. The second paragraph of this letter should have read;

“A certified tabulation of the bids received is attached hereto as Exhibit ‘B’. Five bids were received for Contract 2. K. Carrender Construction Co. submitted the low bid of \$1,589,473.10.”

Inadvertently the low bid was misrepresented as \$1,172,817.00. DOW’s review of the ATA submittal identified this error and requested it be corrected for their approval. If you have any questions, please call me at 859-264-9860 x 307.

Sincerely,

A handwritten signature in cursive script that reads "Franklin Vaughan".

Franklin Vaughan, P.E.
Senior Project Engineer

Enclosures

cc: B. McWain, DOW
File



March 5, 2004

Mr. Robert Meyer, Superintendent
Southern Water and Sewer District
P. O. Box 610
McDowell, Kentucky 41647

Re: Wayland Sanitary Sewer Project Contract 2
Wayland to Punkin Center Sanitary Sewer System

Dear Mr. Meyer:

Bids for the referenced project were opened at the offices of the Southern Water and Sewer District at 3:00 P.M. on February 27, 2004. The attendance list is attached as Exhibit 'A'.

A certified tabulation of the bids received is attached hereto as Exhibit 'B'. Five bids were received for Contract 2. K. Carrender Construction Co. submitted the low bid of \$1,172,817.00.

EVALUATION OF LOW BIDDER

Experience

K. Carrender Construction Co. is a Somerset, Kentucky based corporation which indicated it had been in business for 28 years. K. Carrender Construction Co.. has completed projects for the City of Hindman, Beatyville, Somerset, Morehead and multiple other entities. It is our understanding that K. Carrender Construction Co.. fulfilled its obligations under these prior contracts. See Exhibit 'C' for a summary of activities completed to verify K. Carrender Construction Co.. suitability.

Bid Bond

K. Carrender Construction Co. provided bid bonds drawn on the First National Insurance Company of America. This bonding company is listed on the Treasury Department's 570 list.

Bidders Questionnaire

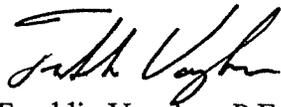
K. Carrender Construction Co..signed the site and contract document certificates.

RECOMMENDATION AND RESOLUTION

Summit Engineering's research leads us to believe that award of Contract 2 to K. Carrender Construction Co. is in the best interests of the Project. The contract documents provide for a ninety (90) day bid hold for Contract 2. The last day to award Contract 2 is May 27, 2004. If you are in agreement with this recommendation, Exhibit 'D' is a resolution for the Boards use on this project. Our plan is to submit the Authorization to Award (ATA) package to the funding agencies on March 24, 2004. We will need to include the adopted resolution in the ATA.

Summit Engineering, Inc. appreciates the opportunity to be of assistance. If additional information is needed, I may be reached at 859-264-9860 x 307.

Sincerely,



Franklin Vaughan, P.E.
Senior Project Engineer

Enclosures

cc: file

Wayland Sanitary Sewer Project Contract 2
Letter of Recommendation
March 5, 2004

Exhibit 'A'

BID OPENING SIGN IN SHEET

Wayland Sanitary Sewer Project
Friday, February 27, 2004 3:00 PM

<p>Representative Name: <u>KEVIN HOWARD</u></p> <p>Company Name: <u>SUMMIT ENGINEERING INC.</u></p> <p>Address: <u>120 PROSPEROUS PLACE #101</u></p> <p>City: <u>LEXINGTON</u> State: <u>KY</u> Zip: <u>40509</u></p> <p>Telephone: <u>859-264-9860</u> Fax: <u>859-264-9106</u></p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>Josh Fields</u></p> <p>Company Name: <u>Fields Excavating, Inc.</u></p> <p>Address: <u>177 Twsp Rd 191</u></p> <p>City: <u>Kitts Hill</u> State: <u>OH</u> Zip: <u>45645</u></p> <p>Telephone: <u>(740) 532-1780</u> Fax: <u>(740) 532-6677</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>ROGER McPEEK</u></p> <p>Company Name: <u>MOUNTAIN ENTERPRISES</u></p> <p>Address: <u>P.O. Box 13076</u></p> <p>City: <u>LEXINGTON</u> State: <u>KY</u> Zip: <u>40583</u></p> <p>Telephone: <u>606-789-9936</u> Fax: <u>606-789-8108</u></p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>Brenda Powers</u></p> <p>Company Name: <u>Big Sandy ADD</u></p> <p>Address: <u>100 Resource Drive</u></p> <p>City: <u>Prestonsburg</u> State: <u>Ky</u> Zip: <u>41455</u></p> <p>Telephone: <u>606-886-2374</u> Fax: <u>886-3382</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>JAY JONES</u></p> <p>Company Name: <u>MT Enterprises</u></p> <p>Address: <u>PO Box 13070</u></p> <p>City: <u>Lexington</u> State: <u>Ky</u> Zip: <u>40583</u></p> <p>Telephone: <u>606 7899936</u> Fax: _____</p> <p>Signature: _____</p>	<p>Representative Name: <u>H. Carrender inc.</u></p> <p>Company Name: <u>H. Carrender Co. inc.</u></p> <p>Address: <u>200 Ringgold Rd</u></p> <p>City: <u>Somerset</u> State: <u>KY</u> Zip: <u>42503</u></p> <p>Telephone: <u>606-679-2328</u> Fax: <u>679-0130</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>Steve Kinder</u></p> <p>Company Name: <u>KINDER Const INC.</u></p> <p>Address: <u>68 Hickory Dr.</u></p> <p>City: <u>Morehead</u> State: <u>KY</u> Zip: <u>40351</u></p> <p>Telephone: <u>606-784-1010</u> Fax: _____</p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>John Willis</u></p> <p>Company Name: <u>Ki CAR RENDOR Construction</u></p> <p>Address: <u>200 Ringgold Rd</u></p> <p>City: <u>Somerset</u> State: <u>Ky</u> Zip: <u>42503</u></p> <p>Telephone: <u>606 6792328</u> Fax: <u>606 679-0130</u></p> <p>Signature: <u>[Signature]</u></p>
<p>Representative Name: <u>GARY BLANKENSHIP</u></p> <p>Company Name: <u>YEOLIA WATER N.A. - SOUTHERN WATER</u></p> <p>Address: <u>P.O. Box 610</u></p> <p>City: <u>MCDONELL</u> State: <u>KY</u> Zip: <u>41647</u></p> <p>Telephone: _____ Fax: _____</p> <p>Signature: <u>[Signature]</u></p>	<p>Representative Name: <u>Braxton Howard</u></p> <p>Company Name: <u>Howard Engineering</u></p> <p>Address: <u>1303 S. Main St.</u></p> <p>City: <u>London</u> State: <u>KY</u> Zip: <u>40741</u></p> <p>Telephone: <u>(606) 864-8859</u> Fax: <u>(606) 878-0670</u></p> <p>Signature: <u>[Signature]</u></p>

BID OPENING SIGN IN SHEET

Wayland Sanitary Sewer Project
Friday, February 27, 2004 3:00 PM

Representative Name: Sue Johnson
 Company Name: Patriot
 Address: 35 Darwin Sullen Rd
 City: Jick Creek State: KY Zip: 41540
 Telephone: 606-835-3450 Fax: 835-1215
 Signature: Susan Johnson

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Representative Name: J B SHELTON
 Company Name: GORGANS CONST. CO
 Address: 312 Euclid Ave
 City: PAINTSVILLE State: KY Zip: 41260
 Telephone: 606-789-6208 Fax: 789-6623
 Signature: J.B. Shelton

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Representative Name: Tom GULFOIL
 Company Name: AST ENVIRONMENTAL, INC.
 Address: 1115 DELAWARE AVE, SUITE 310
 City: LEXINGTON State: KY Zip: 40505
 Telephone: 859.258.9278 Fax: 859.258.9340
 Signature: W. Tom Gulfoil

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Representative Name: _____
 Company Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Signature: _____

Wayland Sanitary Sewer Project Contract 2
Letter of Recommendation
March 5, 2004

Exhibit 'B'

BID TABULATION
WAYLAND SANITARY SEWER PROJECT
CONTRACT NO. 2
WAYLAND TO PUNKIN CENTER SANITARY SEWER PROJECT
BID OPENING 2/27/04

P-3
 Revised 2/23/04
 Attachment T
 ADDENDUM NO. 1

ITEM NUMBER	ITEM DESCRIPTION	UNIT	QUANTITY	Fields Excavating		K. Carrander Construction		Kinder Construction		Mountain Enterprises	
				UNIT COST	AMOUNT	UNIT COST	AMOUNT	UNIT COST	AMOUNT	UNIT COST	AMOUNT
1a	Mobilization / Demobilization	LS	1	\$ 45,750.00	\$ 45,750.00	\$ 25,000.00	\$ 25,000.00	\$ 20,000.00	\$ 20,000.00	\$ 50,000.00	\$ 50,000.00
1b	Seeding and Cleanup	LS	1	\$ 1,875.00	\$ 1,875.00	\$ 2,000.00	\$ 2,000.00	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00	\$ 40,000.00
1c	Removal and Disposal of Existing Septic Tanks (Unavoidably Encountered)	Each	5	\$ 1,875.00	\$ 9,375.00	\$ 1,000.00	\$ 5,000.00	\$ 2,000.00	\$ 10,000.00	\$ 2,200.00	\$ 11,000.00
1d	Landscape Allowance	LS	1	\$ 1,875.00	\$ 1,875.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
1e	Special Pipe Bedding - Ordered in Writing (see Note 3.)	Ton	200	\$ 58.75	\$ 11,750.00	\$ 15.00	\$ 3,000.00	\$ 62.00	\$ 12,400.00	\$ 18.00	\$ 3,600.00
GRAVITY SEWERS											
a	8" Gravity Sanitary Sewer Pipe, PVC, ASTM D 3034, SDR 35	LF	9531	\$ 51.04	\$ 486,462.24	\$ 32.35	\$ 308,327.85	\$ 50.00	\$ 476,550.00	\$ 31.00	\$ 295,461.00
b	8" Gravity Sanitary Sewer Pipe, D.I., CL 350, P1	LF	1789	\$ 56.29	\$ 100,702.81	\$ 54.00	\$ 96,606.00	\$ 62.00	\$ 110,918.00	\$ 39.00	\$ 69,771.00
MANHOLES											
2a	Sanitary Sewer Manhole Type "A" 0-6 ft.	EA	60	\$ 17,173.75	\$ 1,030,425.00	\$ 1,300.00	\$ 78,000.00	\$ 2,020.00	\$ 121,200.00	\$ 2,200.00	\$ 132,000.00
2b	Sanitary Sewer Manhole Type "B"	EA	2	\$ 9,111.25	\$ 18,222.50	\$ 1,100.00	\$ 2,200.00	\$ 2,125.00	\$ 4,250.00	\$ 2,500.00	\$ 5,000.00
2c	Extra Vertical Height for Manhole Type "A"	VF	64	\$ 125.00	\$ 8,000.00	\$ 110.00	\$ 7,040.00	\$ 180.00	\$ 11,520.00	\$ 100.00	\$ 6,400.00
FORCE MAINS & RELATED ACCESSORIES											
3a	6" SDR 17 HDPE Force Main	LF	11567	\$ 11.37	\$ 131,516.79	\$ 9.75	\$ 112,778.25	\$ 20.00	\$ 231,340.00	\$ 12.00	\$ 138,804.00
3b	6" SDR 17 HDPE Force Main - Stream Crossing (Note 4)	LF	69	\$ 330.46	\$ 22,791.74	\$ 353.00	\$ 24,357.00	\$ 394.00	\$ 27,186.00	\$ 455.00	\$ 31,395.00
3c	3" SDR 17 HDPE Force Main	LF	380	\$ 39.42	\$ 15,081.60	\$ 38.00	\$ 14,400.00	\$ 19.00	\$ 7,220.00	\$ 26.51	\$ 2,473.80
3d	2" SDR 11 HDPE Force Main	LF	1540	\$ 59.18	\$ 91,137.20	\$ 57.50	\$ 88,425.00	\$ 118.00	\$ 181,720.00	\$ 66.04	\$ 6,301.60
3e	2" SDR 11 HDPE Force Main - Stream Crossing (Note 4)	LF	32	\$ 144.41	\$ 4,621.12	\$ 138.00	\$ 4,416.00	\$ 192.00	\$ 6,144.00	\$ 85.00	\$ 2,720.00
3f	1 1/4" SDR 11 HDPE Force Main	LF	3400	\$ 55.33	\$ 187,722.00	\$ 52.50	\$ 178,500.00	\$ 118.00	\$ 400,800.00	\$ 112.00	\$ 380,800.00
3g	Check Valve Vault, Complete with all valves & plumbing, in place	LS	2	\$ 5,418.75	\$ 10,837.50	\$ 6,500.00	\$ 13,000.00	\$ 4,510.00	\$ 9,020.00	\$ 7,000.00	\$ 14,000.00
3h	Air/Vacuum Relief Assembly for Wastewater (Field Located)	EA	8	\$ 1,775.00	\$ 14,200.00	\$ 2,500.00	\$ 20,000.00	\$ 3,575.00	\$ 28,600.00	\$ 2,500.00	\$ 20,000.00
ENCASUREMENTS											
4a	Bore & Encase for 8" Gravity Sewer	LF	185	\$ 147.50	\$ 27,187.50	\$ 100.00	\$ 18,500.00	\$ 165.00	\$ 30,525.00	\$ 100.00	\$ 18,500.00
4b	Bore & Encase for 6" HDPE Pipe	LF	275	\$ 145.00	\$ 39,875.00	\$ 90.00	\$ 24,750.00	\$ 114.00	\$ 31,350.00	\$ 95.00	\$ 26,125.00
4c	Open Cut Case for 6" HDPE Pipe	LF	72	\$ 56.35	\$ 4,057.20	\$ 59.00	\$ 4,248.00	\$ 66.00	\$ 4,752.00	\$ 45.00	\$ 3,240.00
4d	Open Cut Case for 3" HDPE Pipe	LF	51	\$ 45.79	\$ 2,335.29	\$ 35.00	\$ 1,785.00	\$ 66.00	\$ 3,366.00	\$ 45.00	\$ 2,295.00
4e	Open Cut Case for 2" HDPE Pipe	LF	63	\$ 37.80	\$ 2,381.40	\$ 25.00	\$ 1,575.00	\$ 66.00	\$ 4,158.00	\$ 43.00	\$ 2,709.00
LATERALS											
5a	8" x 8" x 4" SDR 35 PVC Wye	Each	118	\$ 83.03	\$ 9,797.54	\$ 40.00	\$ 4,720.00	\$ 123.00	\$ 14,514.00	\$ 50.00	\$ 5,900.00
5b	4" SDR 35 PVC Tie-In to Manhole	Each	30	\$ 43.75	\$ 1,312.50	\$ 50.00	\$ 1,500.00	\$ 182.00	\$ 5,460.00	\$ 1,500.00	\$ 45,000.00
5c	8" x 8" x 4" Ductile Iron, Push Joint Wye	Each	44	\$ 335.00	\$ 14,740.00	\$ 350.00	\$ 15,400.00	\$ 305.00	\$ 13,420.00	\$ 525.00	\$ 23,100.00
5d	4" Gravity Service Lateral - SDR 35 PVC	LF	2140	\$ 40.70	\$ 87,098.00	\$ 22.00	\$ 47,080.00	\$ 18.00	\$ 38,520.00	\$ 15.00	\$ 32,100.00
5e	4" Gravity Service Lateral - Ductile Iron, Push Joint	LF	334	\$ 47.55	\$ 15,881.70	\$ 42.25	\$ 14,111.50	\$ 29.00	\$ 9,686.00	\$ 21.95	\$ 7,331.30
6	Water Line										
6a	Connect to Existing 6" Water Line	LS	1	\$ 2,288.75	\$ 2,288.75	\$ 1,200.00	\$ 1,200.00	\$ 1,170.00	\$ 1,170.00	\$ 1,800.00	\$ 1,800.00
6b	4" SDR 11 HDPE Water Line	LF	1377	\$ 9.02	\$ 12,420.54	\$ 4.50	\$ 6,196.50	\$ 17.00	\$ 23,409.00	\$ 11.00	\$ 15,147.00
6c	4" Resilient Wedge Gate Valve w box & cover	EA	2	\$ 573.75	\$ 1,147.50	\$ 500.00	\$ 1,000.00	\$ 610.00	\$ 1,220.00	\$ 650.00	\$ 1,300.00
BITUMINOUS PAVEMENT REPLACEMENT											
7a	Mill Rd. 1086 & Full Width Bituminous Pavement Replacement with Conc. Sub-Slab	LS	1	\$ 112,906.40	\$ 112,906.40	\$ 67,500.00	\$ 67,500.00	\$ 64,000.00	\$ 64,000.00	\$ 60,700.00	\$ 60,700.00
7b	Full Width Bituminous Pavement Replacement w/o Conc. Sub-Slab on County Roads	LF	5480	\$ 44.26	\$ 242,544.80	\$ 18.00	\$ 98,640.00	\$ 21.20	\$ 116,176.00	\$ 15.43	\$ 84,666.00
PUMP STATIONS											
8a	Punkin Center Pump Station, Complete, In Place	LS	1	\$ 84,536.25	\$ 84,536.25	\$ 85,000.00	\$ 85,000.00	\$ 87,100.00	\$ 87,100.00	\$ 90,500.00	\$ 90,500.00
8b	East Bottom Pump Station, Complete, In Place	LS	1	\$ 78,091.25	\$ 78,091.25	\$ 80,000.00	\$ 80,000.00	\$ 82,000.00	\$ 82,000.00	\$ 86,500.00	\$ 86,500.00
8c	East Hill Pump Station, Complete, In Place	LS	1	\$ 78,698.75	\$ 78,698.75	\$ 80,000.00	\$ 80,000.00	\$ 83,100.00	\$ 83,100.00	\$ 95,600.00	\$ 95,600.00
8d	Wayland Pump Station, Complete, In Place	LS	1	\$ 85,306.25	\$ 85,306.25	\$ 90,000.00	\$ 90,000.00	\$ 96,000.00	\$ 96,000.00	\$ 103,600.00	\$ 103,600.00
8e	Residential Grinder Pump Station, Complete, In Place (Note 5)	Each	47	\$ 2,968.75	\$ 139,931.25	\$ 3,500.00	\$ 164,500.00	\$ 2,850.00	\$ 133,950.00	\$ 4,200.00	\$ 197,400.00
8f	Spare Core Assembly for Residential Grinder Station - Suitably Stored	Each	3	\$ 1,125.00	\$ 3,375.00	\$ 1,500.00	\$ 4,500.00	\$ 910.00	\$ 2,730.00	\$ 1,125.00	\$ 3,375.00
8g	Extra Vertical Height for Residential Grinder Enclosure -	VF	30	\$ 208.75	\$ 6,262.50	\$ 400.00	\$ 12,000.00	\$ 240.00	\$ 7,200.00	\$ 175.00	\$ 5,250.00
8h	Pressure Sewer Lateral Assembly	EA	47	\$ 929.38	\$ 43,680.86	\$ 500.00	\$ 23,500.00	\$ 440.00	\$ 20,680.00	\$ 500.00	\$ 23,500.00
8i	Residential Power Feed - Materials, Coordination, Inspection	EA	47	\$ 126.25	\$ 5,933.75	\$ 500.00	\$ 23,500.00	\$ 500.00	\$ 23,500.00	\$ 250.00	\$ 11,750.00
TOTAL BASE BID					\$ 2,068,683.48		\$ 1,589,473.10		\$ 2,040,354.00		\$ 1,795,670.70

NOTES

- The method of payment varies with the individual item and is described at the close of each section of the Technical Specs.
- The amount bid for "Mobilization/Demobilization" may not exceed 3% of the Total Bid.
- Special Pipe Bedding may only be installed on written order of ENGINEER.
- Include all work depicted in stream crossing details (concrete anchors, rip rap, etc.)
- Contractor's attention is directed to specifications. This includes, but is not limited to, new meter base or split junction box for customer, NEMA 3R disconnect, electric conductor in SCH 80 PVC conduit from meter base to control panel, etc.

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project, that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.

Franklin B. Vaughan, III

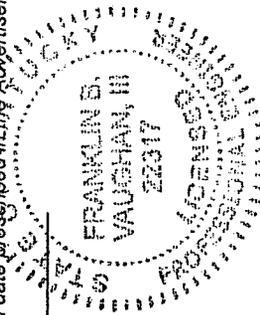


**BID TABULATION
ALTERNATES
WAYLAND SANITARY SEWER PROJECT
CONTRACT NO. 2
WAYLAND TO PUNKIN CENTER SANITARY SEWER PROJECT
BID OPENING 2/27/04**

ITEM NO.	ITEM	UNIT	QUANTITY	Fields Excavating		K. Carrender Construction		Kinder Construction		Mountain Enterprises		
				UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	
	NOTES											
	1. The Base Bid shall be used for the determination of the low bidder. It shall be the OWNER'S option as to accept or reject the alternate listed below for the low bid.											
	2. Contractors MUST bid ALL alternates. Bids without alternate prices will be rejected.											
	9. ADD-ON TELEMETRY TO WASTE WATER PUMP STATIONS											
8a	Telemetry RTU - Punkin Center Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00	
8b	Telemetry RTU - Estill Bottom Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00	
8c	Telemetry RTU - Estill Hill Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00	
8d	Telemetry RTU - Wayland Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00	
	10. ADD-ON ODOR CONTROL TO WASTE WATER PUMP STATIONS											
10a	Odor Control- Punkin Center Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	
10b	Odor Control- Estill Bottom Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	
10c	Odor Control- Estill Hill Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	
10d	Odor Control- Wayland Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project; that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.

Franklin D. Vaughan, III



Wayland Sanitary Sewer Project Contract 2
Letter of Recommendation
March 5, 2004

Exhibit 'C'



Memorandum

Date: March 5, 2004

To: File

From: Franklin Vaughan, P.E.

Cc:

Project: Wayland Sanitary Sewer Project Contract 2 – Collection System
Contractor Reference Check (K. Carrender Construction Co.)

This memorandum summarizes activities completed to verify K. Carrender Construction Co. (Carrender) references.

Business Standing

As of March 4, 2004, the KY Secretary of State lists Carrender in “Good” standing.

Surety

As of February 17, 2004, the KY Department of the Treasury's Listing of Approved Sureties certifies Carrender's surety, First National Insurance Company of America (NAIC #24724).

Past Performance

On Friday, March 5, 2004, I spoke with Durand Hacker at R.M. Johnson Engineers to verify AST's work on the multiple projects that Carrender has completed. Mr. Hacker indicated that Carrender did exceptional work and would recommend highly.

Organization Number 0284281
Name K. CARRENDER CONSTRUCTION COMPANY,
INC.
Profit or Non-Profit P - Profit
Company Type KCO - Kentucky Corporation
Status A - Active
Standing G - Good
State KY
File Date 3/21/1991
Organization Date 3/21/1991
Last Annual Report 6/26/2003
Principal Office 200 RINGGOLD ROAD
SOMERSET, KY 42503
Registered Agent MELVIN K. CARRENDER
200 RINGGOLD RD.
SOMERSET, KY 42503
**Common No Par
Shares** 2000

Current Officers

President Melvin K Carrender
Vice President Constance L Willis
Secretary John Willis
Treasurer Greg Burtrem

Incorporators and Initial Directors

Director MELVIN K. CARRENDER
Incorporator DAVID C. HULL
Director JEANIE CARRENDER

This organization has no assumed names

Wayland Sanitary Sewer Project Contract 2
Letter of Recommendation
March 5, 2004

Exhibit 'D'

**SOUTHERN WATER AND SEWER DISTRICT
RESOLUTION NO. ____**

A RESOLUTION TO ISSUE A NOTICE OF AWARD FOR:

**WAYLAND SANITARY SEWER PROJECT
CONTRACT 1- WASTEWATER TREATMENT PLANT
CONTRACT 2- WAYLAND TO PUNKIN CENTER SANITARY SEWER SYSTEM
WAYLAND, KENTUCKY**

WHEREAS, the Southern Water and Sewer District opened sealed bids for the aforementioned project on February 27, 2004 and

WHEREAS, AST Environmental, Inc. submitted the low bid for Contract 1 of the project in the amount of \$ _____ and

WHEREAS, K. Carrender Construction Co., Inc. submitted the low bid for Contract 2 of the project in the amount of \$ _____ and

WHEREAS, the Southern Water and Sewer District has secured funding for the Project.

THE SOUTHERN WATER AND SEWER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

That the construction contract for Contract 1 (Wastewater Treatment Plant) be awarded to AST Environmental, Inc., contingent upon funding agency(s) concurrence.

That the construction contract for Contract 2 (Wayland to Punkin Center Sanitary Sewer System) be awarded to K. Carrender Construction Co., Inc., contingent upon funding agency(s) concurrence.

READ AND ADOPTED BY THE Southern Water and Sewer District assembled on the ____ th day of _____, 2004.

ATTEST:

Secretary

Motion made by: _____ Seconded by: _____

Yea: _____ Nay: _____

Tab 18 WWTP

ID	Task Name	Duration	Start	Finish	5/23	5/30	6/6	6/13	6/20	6/27	7/4	7/11	7/18	7/25	8/1	8/8	8/15	8/22	8/29	9/5	9/12	9/19	9/26	10/3	10/10	10/17	10/24	10/31	11/7	11/14	11/21	11/28		
1	Notice to Proceed	0 days	Tue 6/1/04	Tue 6/1/04																														
2	Preplanting	20 days	Tue 6/1/04	Mon 6/28/04																														
3	Submittals	10 days	Tue 6/1/04	Mon 6/14/04																														
4	Review and Approval of Submittal	10 days	Tue 6/1/04	Mon 6/28/04																														
5	Permits	10 days	Tue 6/1/04	Mon 6/14/04																														
6	Package Treatment Plant Fabrication	60 days	Tue 6/1/04	Mon 8/2/04																														
7	Mobilization and Site Preparation	3 days	Mon 6/9/04	Wed 6/11/04																														
8	Grading and Ditch Lining	4 days	Thu 6/12/04	Thu 6/19/04																														
9	Install Pump Station and Valve Vault	4 days	Fri 6/20/04	Wed 6/25/04																														
10	Install Chemical Spill Manhole and Piping	1 day	Thu 6/28/04	Thu 6/28/04																														
11	Install Concrete Pads	34 days	Fri 6/27/04	Wed 10/13/04																														
12	Install Embedded Piping	3 days	Fri 6/27/04	Tue 6/31/04																														
13	Surge, Sludge, Aeration and Clarifier Pad	7 days	Wed 6/1/04	Thu 6/9/04																														
14	Micro Filters, Disinfection Tank, and Eff. Flow Meter Pads	3 days	Fri 6/10/04	Tue 6/14/04																														
15	Disinfection and Dechlorination Pads	2 days	Wed 6/15/04	Thu 6/16/04																														
16	Aeration Steps	10 days	Fri 6/17/04	Thu 6/30/04																														
17	Retaining Wall	4 days	Fri 10/1/04	Wed 10/6/04																														
18	Belt Press, Sludge Truck Pad, and Blowers	5 days	Thu 10/7/04	Wed 10/13/04																														
19	Equipment Delivery and Installation	22 days	Tue 9/21/04	Wed 10/20/04																														
20	Set the Surge, Sludge, Aeration, Clarifier, Dis. and Flow Mon. Tank	8 days	Tue 9/21/04	Thu 9/30/04																														
21	Install Remainder of Equipment	14 days	Fri 10/1/04	Wed 10/20/04																														
22	Tank Welding	6 days	Mon 9/27/04	Mon 10/4/04																														
23	Yard Piping	38 days	Tue 9/28/04	Tue 11/16/04																														
24	Drain Line Mud Valves	1 day	Tue 9/28/04	Tue 9/28/04																														
25	Belt Press Drain Line	0.5 days	Wed 9/29/04	Wed 9/29/04																														
26	Micro Filter Drain Lines	1 day	Thu 10/21/04	Thu 10/21/04																														
27	Influent Force main	3 days	Fri 10/22/04	Tue 10/26/04																														
28	Drain to Lab. Building	0.5 days	Wed 10/27/04	Wed 10/27/04																														
29	Chemical Feed Lines	2 days	Wed 10/27/04	Fri 10/29/04																														
30	Water Lines	3 days	Fri 10/29/04	Wed 11/3/04																														
31	Gravity Effluent Line Between Clarifier and Micro Filters	1 day	Wed 11/3/04	Fri 11/5/04																														
32	Gravity Effluent Line Between Filters and Dis. Tank	1 day	Fri 11/5/04	Mon 11/8/04																														
33	Airlines	3 days	Mon 11/8/04	Thu 11/11/04																														
34	Sludge Removal Lines	0.5 days	Thu 11/11/04	Thu 11/11/04																														
35	Piping Connection Between Sludge, Surge, Aeration and Clarifiers	3 days	Fri 11/12/04	Tue 11/16/04																														
36	Electrical	42 days	Mon 9/27/04	Tue 11/23/04																														
37	Final Grading	2 days	Wed 11/3/04	Fri 11/5/04																														
38	Asphalt	3 days	Fri 11/5/04	Wed 11/10/04																														
39	Fence	5 days	Wed 11/10/04	Wed 11/17/04																														
40	Start-up	5 days	Wed 11/24/04	Tue 11/30/04																														

External Tasks
 External Milestone
 Progress
 Milestone
 Summary
 Project Summary
 Deadline

Note: Durations are in work days, project assumes a five day work week.

Tab 18 Lines

OUTLAY SCHEDULE

Project No. Contract 2 - Wayland to Punkin Center Sanitary Sewer System

Applicant K. Carrender Construction Company, Inc.

Contract Identification Wayland Sanitary Sewer Project

Owner Southern Water & Sewer District

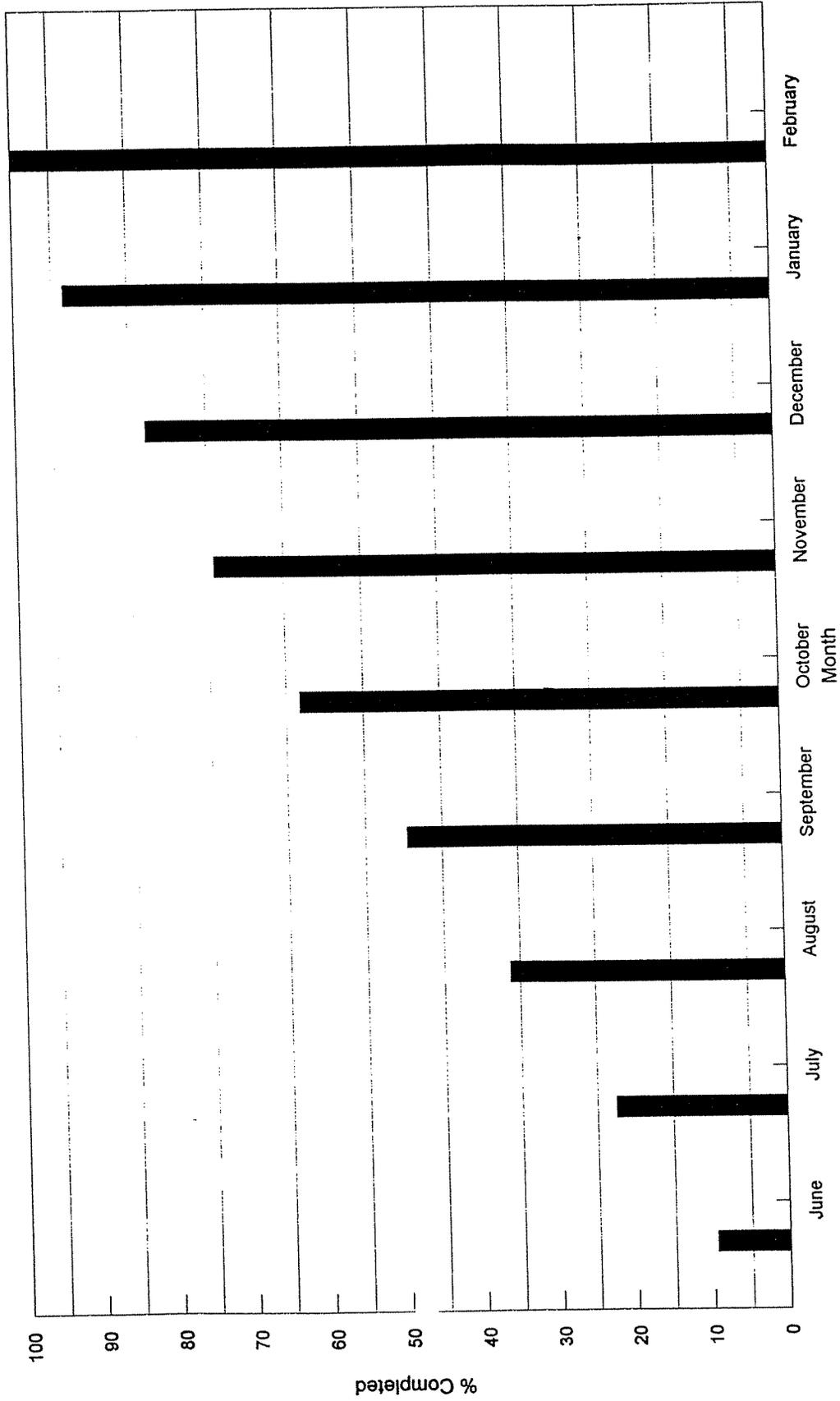
Engineer Summit Engineering, Inc.

OUTLAY SCHEDULE

June 1, 2004 thru June 30,2004	\$ <u>152,271.52</u>
July 1, 2004 thru July 31, 2004	\$ <u>205,042.03</u>
August 1, 2004 thru August 31, 2004	\$ <u>219,347.29</u>
September 1, 2004 thru September 30, 2004	\$ <u>210,605.19</u>
October 1, 2004 thru October 31, 2004	\$ <u>217,598.87</u>
November 1, 2004 thru November 30, 2004	\$ <u>176,749.41</u>
December 1, 2004 thru December 31, 2004	\$ <u>136,694.69</u>
January 1, 2005 thru January 31, 2005	\$ <u>166,735.73</u>
February 1, 2005 thru February 25, 2005	\$ <u>104,428.37</u>

Wayland Sanitary Sewer Project

Contract 2 - Wayland to Punkin Center



■ % Completed

Tab 21 WWTP

FACILITIES CONSTRUCTION PERMIT

HENRY C. LIST
SECRETARY



PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601
November 21, 2003

Mr. Robert Meyer, Superintendent
Southern Water & Sewer District
PO Box 610
McDowell, KY 41647

Re: Wayland WWTP
Floyd County, Kentucky
Project ID: 03-0364
Wayland WWTP -- 35761
Activity ID: APE20030001

Dear Mr. Meyer:

In accordance with KRS Chapter 224.10-100 (19), the Natural Resources and Environmental Protection Cabinet approves the Construction Permit Application for Wastewater Treatment Plant dated March 28, 2003.

If we can be of any further assistance or should you wish to discuss this correspondence, please do not hesitate to contact Bennie McWain, P.E. at 502/564-2225, extension 559.

Sincerely,

A handwritten signature in black ink that reads "Bill Gatewood".

William B. Gatewood, P.E., Manager
Facilities Construction Branch
Division of Water

WBG/MDT

c: Hazard Field Office
Floyd County Health Department
Summit Engineering, Inc.
Donna Sullivan, Plumbing

Attachment



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Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

TRMT1 (Wayland) Wayland WWTP:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Ammonia Nitrogen, Total (as N)	Influent: Ammonia Nitrogen, Total (as N) <= 40 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-2	Ammonia Nitrogen, Total (as N)	Influent: Ammonia Nitrogen, Total (as N) <= 33 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-3	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) <= 4 mg/L. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: May - October. Statistical basis: Monthly average (AV).
L-4	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) <= 10 mg/L. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: November - April. Statistical basis: Monthly average (AV).
L-5	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) <= 3.34 lbs/day. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: May - October. Statistical basis: Monthly average (AV).
L-6	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) <= 8.35 lbs/day. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: May - October. Statistical basis: Monthly average (AV).
L-7	BOD, 5-Day (20 Deg. C)	Influent: BOD, 5-Day (20 Deg. C) <= 240 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-8	BOD, 5-Day (20 Deg. C)	Influent: BOD, 5-Day (20 Deg. C) <= 200 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-9	BOD, Carbonaceous 05 Day, 20C	Effluent: BOD, Carbonaceous 05 Day, 20C <= 10 mg/L. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).

Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Limitation Requirements:

Condition No.	Parameter	Condition
L-10	BOD, Carbonaceous 05 Day, 20C	Effluent: BOD, Carbonaceous 05 Day, 20C <= 8.35 lbs/day. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-11	Flow, In Conduit Or Thru Treatment Plant	The design capacity of the WWTP is based on the following: Flow, In Conduit Or Thru Treatment Plant <= 0.1 MGD (MA). [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Daily average.
L-12	Oxygen, Dissolved	Effluent: Oxygen, Dissolved >= 7 mg/l. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-13	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Influent: Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) <= 5 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-14	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Influent: Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) <= 4 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-15	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Effluent: Monitor Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) <= 1 mg/L. [401 KAR 5:031 Section 1] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-16	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Effluent: Monitor Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) <= 1 lbs/day. [401 KAR 5:031 Section 1] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-17	Solids, Total Suspended	Influent: Solids, Total Suspended <= 240 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-18	Solids, Total Suspended	Influent: Solids, Total Suspended <= 200 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).

Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Limitation Requirements:

Condition No.	Parameter	Condition
L-19	Solids, Total Suspended	Effluent: Solids, Total Suspended \leq 30 mg/L. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-20	Solids, Total Suspended	Effluent: Solids, Total Suspended \leq 25 lbs/day. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).

Submittal/Action Requirements:

Condition No.	Condition
S-1	When the construction of the system is completed, the permittee shall submit written certification: Due within 30 days after completion of construction to the Division of Water that the facilities have been constructed and tested in accordance with the approved plans and specifications and the above approval conditions. Such certification shall be signed by a registered professional engineer. Failure to certify may result in penalty assessment and/or future approvals being withheld. [401 KAR 5:005 Section 24(2)]

Narrative Requirements:

Condition No.	Condition
T-1	The permit is issued to the applicant and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 24(3)]
T-2	Construction is limited to the following: New 0.1 MGD Extended Aeration Wastewater Treatment Plant, KPDES No. KY0105228 Foyd County, Kentucky. [401 KAR 5:005 Section 1]

Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-3	There shall be no deviations from the plans and specifications submitted with the application or the conditions specified unless authorized in writing by the cabinet. [401 KAR 5:005 Section 24(4)(b)1]
T-4	The issuance of a permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [401 KAR 5:005 Section 24(6)]
T-5	All rights of inspection by representatives of the Division of Water are reserved. [401 KAR 5:005 Section 24(4)(a)]
T-6	This wastewater treatment plant has been designed to meet a reliability category grade 3. [401 KAR 5:005 Section 13]
T-7	A water supply with suitable backflow preventer shall be provided to facilitate cleaning and maintenance of the wastewater treatment plant. [401 KAR 5:005 Section 10(6)]
T-8	Fencing and/or other adequate protection shall be provided around the wastewater treatment plant. [401 KAR 5:005 Section 10(7)]
T-9	An all-weather access road shall be provided to the wastewater treatment plant. [401 KAR 5:005 Section 10(8)]
T-10	Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Division of Water and other state, federal, and local agencies. [401 KAR 5:005 Section 24(4)(c)3]
T-11	The effluent from this treatment system is to be discharged at the 26.1 mile point of Right Fork Beaver Creek (segment no. 01022). [401 KAR 5:005 Section 1(2)]
T-12	A permit to construct a facility shall be effective upon issuance unless otherwise conditioned. Construction shall be completed within twelve (12) months unless additional time is requested. If construction is not commenced within the twelve (12) months following a permit's issuance, a new permit shall be obtained before construction may begin. The cabinet may allow a single twelve (12) month extension to begin construction if site conditions have not changed. [401 KAR 5:005 Section 24(1)]
T-13	The Construction Permit is effective on November 21, 2003 and expires on November 21, 2004. [401 KAR 5:005 Section 24(1)]

RURAL DEVELOPMENT APPROVAL



Rural Development
A mission area of the
United States Department of Agriculture

771 Corporate Drive, Suite 200
Lexington, KY 40503-5477
859/224-7300 Fax 859/224-7340
TTY 859/224-7422

Rural Business --
Cooperative
Service

December 17, 2003

Rural Housing
Service

Rural Utilities
Service

SUBJECT: City of Wayland
Sanitary Sewer Project Contracts 1 and 2
Plan and Specifications approval

TO: Rural Development Manager
Morehead, Kentucky

Plans and Specifications for the above mentioned project are approved subject to compliance with all federal, state and local requirements.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.


KENNETH SLONE
State Director
Rural Development

cc: Summit Engineering, Inc.
Lexington, Kentucky

PLUMBING PERMIT



COMMONWEALTH OF KENTUCKY
DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

DIVISION OF PLUMBING

101 Sea Hero Road, Ste. 100
Frankfort, Kentucky 40601-5405
TEL. (502) 573-0397
FAX (502) 573-1058
December 5, 2003

Paul E. Patton
Governor

Dennis J. Langford
Commissioner

RECEIVED
Dennis J. Faust
Director

FLOYD COUNTY HEALTH DEPT
144 N FRONT AVE
PRESTONSBURG KY 41653

DEC 11 2003
SUMMIT ENGR. INC.
LEXINGTON, KY

LP 72555
111429-000-0
OP 8

RE: Wayland WWTP, Glow Hollow @ Beaver Road, Floyd County, Kentucky

Dear Sir:

This is to advise you that plans covering the above captioned project are approved for the plumbing system only by the Division of Plumbing as of this date as to revised riser diagram.

It should be understood that this approval is limited to the proposed plumbing installation only.

Inspections must be requested before any part of this plumbing is covered under the floor or concealed in the walls. A final inspection and air test must be requested after all plumbing fixtures have been set. If a private sewage disposal system or water system is used they also must be inspected.

We are returning two sets of plans to you with one set for your file. One set of the approved plumbing plans shall be on the construction site for the plumbing inspectors review and comments.

This approval is valid only if construction is begun within one year from this date.

Very truly yours,

Timothy J. Faust

Timothy J. Faust
Director

TJF/dgs

cc: Porter, Plb. Insp.
Summit Engineering Inc. (Plans)



DRINKING WATER PERMIT

HENRY C. LIST
SECRETARY



PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601
April 21, 2003

Southern Water and Sewer District
PO Box 610
McDowell, Kentucky 41647

RE: DW # 0360026-03-003
Water Line Extension
Contract 1 & 2 (WWTP)
Floyd County, Kentucky

Dear Sirs:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 1,377 feet of 3-inch HDPE waterline. This is to advise that plans and specifications covering the above referenced subject are APPROVED with respect to sanitary features of design as of this date with the following stipulations:

1. Upon completion of construction, disinfection shall be strictly in accordance with the procedure designated in the State Regulations, which reads as follows:

"A water distribution system, including storage distribution tanks, repaired portions of existing systems or all extensions to existing systems, shall be thoroughly disinfected before being placed into service. A water distribution system shall disinfect with chlorine or chlorine compounds, in amounts as to produce a concentration of at least fifty (50) ppm and a residual of at least twenty-five (25) ppm at the end of twenty-four (24) hours and the disinfection shall be followed by a thorough flushing."



Contract 1 & 2
0360026-03-003
April 21, 2003
Page two

New or repaired water distribution lines shall not be placed into service until bacteriological samples taken at the points specified in 401 KAR 8:150 Section 4 (2) are examined and are shown to be negative following disinfection.

2. If PVC piping is used, it must be NSF approved and manufactured in accordance with ASTM standards.
3. A minimum pressure of 30 psi must be available on the discharge side of all meters. All water mains, including those not designed to provide fire protection, shall be sized after a hydraulic analysis based on flow demands and pressure requirements. The system shall be designed to maintain a minimum pressure of 20 psi (140 kPa) at ground level at all points in the distribution system.
4. Water mains shall be laid at least 10 feet horizontally from any existing or proposed sewer. A sewer is defined as any conduit conveying fluids other than potable water. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 - foot separation, this office may allow deviation on a case-by-case basis, if supported by data from the design engineer. Such deviation may allow installation of the water main closer to a sewer, provided that the water main is laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water main is at least 18 inches above the top of the sewer. This deviation will not be allowed for force mains.

Water mains crossing sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sewer. This shall be the case where the water main is either above or below the sewer. At crossings, one full length of the water pipe shall be located so both joints will be as far from the sewer as possible. Special structural support for the water and sewer pipes may be required.

Contract 1 & 2
0360026-03-003
April 21, 2003
Page three

5. At high points in water mains where air can accumulate provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur.
6. If the existing water main material being tapped is asbestos concrete, then during the process of tapping the asbestos concrete water main, the contractor shall conform to OSHA regulations governing the handling of hazardous waste. Pieces of asbestos concrete resulting from the tap shall be double bagged, placed in a rigid container and disposed of in an approved landfill.
7. Water lines within a 200 foot radius of oil or gasoline lines, underground storage tanks or pumping stations shall be constructed of ductile iron pipe. Pipe joint materials which are resistant to permeation of the petroleum products shall be used within the 200 foot radius.
8. All dead end lines must be provided with a properly sized blow-off assembly, flush hydrant or fire hydrant for flushing purposes. Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. Fire hydrants shall not be installed on lines less than six inches in diameter or served by other lines less than six inches in diameter. No flushing device shall be directly connected to any sewer.
9. The proposed waterline will be installed in close proximity to the proposed wastewater treatment plant and its appurtenances. Appropriate cross connection control shall be installed to protect the water system from any sources of non-potable water.
10. Chlorinated water resulting from disinfection of treatment facilities and new, repaired, or extended distribution systems shall be disposed in a manner which will not violate 401 KAR 5:031.

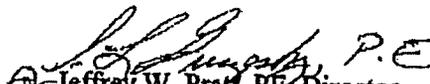
Contract 1 & 2
0360026-03-003
April 21, 2003
Page four

11. When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above stipulations. Such certification shall be signed by a licensed professional engineer.

This approval has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Unless construction of this project is begun within one year from the date of approval, the approval shall expire. If you have any questions concerning this project, please contact Bob Arnett, PE, at (502) 564-2225, extension 578.

Sincerely,


Jeffrey W. Pratt, PE, Director
Division of Water

JWP:RNA:ma

Enclosures

C: Summit Engineering, Inc.
Floyd County Health Department
Public Service Commission
Hazard Regional Office
Drinking Water Files

KPDES PERMIT



Committed to the future of rural communities.

771 Corporate Drive, Suite 200, Lexington, KY 40503-5477
Telephone 859/224-7300; Fax 859/224-7340; TTY 859/224-7422

April 20, 2004

RECEIVED

APR 21 2004

SUBJECT: Southern Water and Sewer District
PRIDE- Wayland Sewer Project
Contract Award Concurrence

**SUMMIT ENGR, INC.
LEXINGTON, KY**

TO: Area Director
Morehead, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject Contract 1 to the low bidder, AST Environmental, Inc., in the amount of \$1,172,817 and Contract 2 to the low bidder, K. Carrender Construction, Inc., in the amount of \$1,589,473.10.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.

Julie Anderson
KENNETH SLONE
State Director
Rural Development

✓ cc: Summit Engineering, Inc.
Lexington, Kentucky



Committed to the future of rural communities.

771 Corporate Drive, Suite 200, Lexington, KY 40503-5477
Telephone 859/224-7300; Fax 859/224-7340; TTY 859/224-7422

April 20, 2004

SUBJECT: Southern Water and Sewer District
PRIDE- Wayland Sewer Project
Resident Inspector Approval

TO: Area Director
Morehead, Kentucky

Tommy Thomas and Casey Breeding are approved as resident inspectors for the subject project.

for 
KENNETH SLONE
State Director
Rural Development

cc: Summit Engineering, Inc.
Lexington, Kentucky

ERNIE FLETCHER
GOVERNOR



LAJUANA S. WILCHER
SECRETARY

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT, KY 40601
April 9, 2004

RECEIVED

APR 9 1 2004

SUMMIT ENGR, INC.
LEXINGTON, KY

Honorable Tom Murphy
Mayor, City of Wayland
PO Box 171
Wayland, KY 41666

Re: L72901
Wayland WWTP--35761
Activity ID: FGL20030005
User Charge System/Resolution

Dear Mayor Murphy:

The draft user charge system/resolution (UCS/R) submitted to this office have been reviewed and are approved. Based on the approved OM&R budget, annual replacement cost is \$4,800. This amount should be added to the replacement account each December until the balance reaches \$48,000 then maintained for the life of the system (PL 92-500 Section 204(b)).

This review and approval satisfies EPA requirements concerning that portion of the user charge levied for the purpose of covering operation and maintenance (including replacement) costs of the wastewater treatment works.

The review of the user charges for that portion levied for the purpose of debt retirement was performed by the Kentucky Infrastructure Authority and is not included in this approval.

A copy of the enacted UCS/R must be submitted to this office prior to execution of the assistance agreement.

Should you have any questions or need any assistance, please contact Jennifer Peters at (502) 564-2225, extension 540.

Sincerely,

A handwritten signature in cursive script that reads "Kelli B. Rice".

Ronald T. Price, Manager
Resource Planning & Program Support Branch
Division of Water

RTP: JRP:jrp

C: Kentucky Infrastructure Authority
Summit Engineering Inc
Bob Meyer, Southern Water & Sewer District



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COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR
DEPARTMENT FOR LOCAL GOVERNMENT
1024 CAPITAL CENTER DRIVE, SUITE 340
FRANKFORT, KENTUCKY 40601-8204
(502) 573-2382

ERNIE FLETCHER
GOVERNOR

DARRELL D. BROCK, JR.
COMMISSIONER

April 20, 2004

The Honorable Thomas Murphy
Mayor, City of Wayland
Post Office Box 171
Wayland, Kentucky 41666-0171

RE: Wayland Sewer Project
03-059

Dear Mayor Murphy:

On behalf of Governor Ernie Fletcher, the staff of the Department for Local Government and I wish to congratulate you on your selection as a recipient of Community Development Block Grant funds. Preliminary approval has been given to your CDBG project shown above in the amount of \$1,000,000. This approval is based on your acceptance of the conditions outlined below:

1. Applicant will enter into a grant agreement with the Commonwealth.
2. The project must be completed by May 1, 2006.

Please provide the department with your written acceptance of these conditions on or before April 30, 2004. A grant agreement will then be prepared between your community and the Commonwealth. Once the grant agreement has been drafted, the department staff will contact you to schedule a grant agreement meeting.

Please note, at this time you may not incur any costs to be reimbursed with project funds, except for certain costs relating to engineering and planning, until you have entered into a grant agreement with the Commonwealth and then received Environmental Clearance.

TDD (800) 247-2510
TOLL FREE (800) 248-8606

AN EQUAL OPPORTUNITY EMPLOYER M/F/D

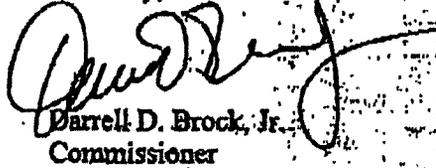
FAX: (502) 573-2959
WEB SITE: <http://www.dlg.ky.gov>



The Honorable Thomas Murphy
April 20, 2004
Page 2

Send this documentation to Myralee Smith-Cowley, Director, Division of Community Development, Department for Local Government, 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky 40601. Please contact Susan Metts at 502/573-2382, ext. 275, if you have questions concerning this commitment letter.

Sincerely,



Darrell D. Brock, Jr.
Commissioner

c: Sandy Runyon, Big Sandy ADD

ERNIE FLETCHER
GOVERNOR



LAJUANA S. WILCHER
SECRETARY

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT, KY 40601

April 14, 2004

Honorable Tom Murphy
Mayor, City of Wayland
P.O. Box 171
Wayland, Kentucky 41666-0171

Re: XP98
Detailed Performance Standards
City of Wayland
Floyd County, Kentucky
Project ID 03-0364
Activity ID APE 20030001
AI ID 35761

Dear Mayor Murphy:

The Detailed Performance Standards (DPS) submitted to this office have been reviewed and are approved.

When the project is 50 percent complete, these standards may be revised to include the information from the updated plan of operation and the updated design summary. However, all revisions to these standards are subject to approval through formal amendments and need to be consistent with KPDES requirements.

Once the project initiates operation a written notification from the grantee identifying this initiation of operation date must be sent to this office. An interim report at the end of the initial six months of operation and a final report one year after the initiation of operation date are also requirements of the loan agreement. These reports document the project compliance with the DPS. A certification that the project meets these DPS must be submitted to this office after the first full year of operation. This certification must be dated exactly one year after the initiation of operation date.



Mayor Murphy
Page 2
April 14, 2004

If you have any questions, please contact Bennie McWain, P.E. at (502) 564-2225, extension 559.

Sincerely,

A handwritten signature in black ink that reads "William L. Chlebowy". The signature is written in a cursive style with a large, prominent "W" and "L".

William L. Chlebowy, P.E., Acting Manager
Facilities Construction Branch
Division of Water

WLC: BRM

c: ✓ Summit Engineering, Inc.
Hazard Regional Office

ERNIE FLETCHER
GOVERNOR



LAJUANA S. WILCHER
SECRETARY

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT, KY 40601
April 14, 2004

RECEIVED

APR 28 2004

SUMMIT ENGR, INC.
LEXINGTON, KY

Honorable Tom Murphy
Mayor, City of Wayland
P.O. Box 171
Wayland, Kentucky 41666-0171

Re: XP_____ & L72901
Preliminary Plan of Operation
City of Wayland
Floyd County, Kentucky
Project ID 03-0364
Activity ID FGL 20030008
AI ID 35761

Dear Mayor Murphy:

The Division of Water approves the Preliminary Plan of Operation prepared for the City of Wayland.

Please note that the Final Plan of Operation must be submitted to and approved by the Division of Water prior to the 50% payment being made.

If you have any questions regarding this, please contact Bennie McWain, P.E. Project Engineer, at (502) 564-2225, extension 559.

Sincerely,

A handwritten signature in black ink that reads "William L. Chlebowy".

William L. Chlebowy, P.E., Acting Manager
Facilities Construction Branch
Division of Water

WLC: BRM

C: ✓ Summit Engineering, Inc.
Hazard Regional Office



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Tab 21 Lines

FACILITIES CONSTRUCTION PERMIT

HENRY C. LIST
SECRETARY



PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 RELLY RD
FRANKFORT KY 40601

November 25, 2003

RECEIVED

DEC 04 2003

**SUMMIT ENGR, INC.
LEXINGTON, KY**

Mr. Robert Meyer, Superintendent
Southern Water & Sewer District
PO Box 610
McDowell, KY 41647

Re: Wayland SLE
Floyd County, Kentucky
Project ID: 03-0364
Wayland WWTP -- 35761
Activity ID: APE20030001

Dear Mr. Meyer:

In accordance with KRS Chapter 224.10-100 (19), the Natural Resources and Environmental Protection Cabinet approves the Construction Permit Application for Wayland Sewer Project Contract 2 dated March 28, 2003.

This project is being funded in part with an EPA STAG grant. We are not authorizing you to advertise for bids at this time. That authorization will be issued under a separate letter after we receive clear site certificate, the detailed performance standards, and the EPA grant is approved. This construction approval is being issued at this time to allow you to apply for a Community Development Block Grant (CDBG).

If we can be of any further assistance or should you wish to discuss this correspondence, please do not hesitate to contact Michael Tipton at 502/564-2225, extension 519.

Sincerely,

A handwritten signature in cursive script that reads "Bill Gatewood".

William B. Gatewood, P.E., Manager
Facilities Construction Branch
Division of Water

WBG/BRM

c: Hazard Regional Office
Floyd County Health Department
Summit Engineering, Inc.
Donna Sullivan, Plumbing
Attachment



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Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

PORT1 (Wayland) Wayland SLE:

Submittal/Action Requirements:

Condition No.	Condition
S-1	When this system is completed, the applicant shall submit written certification: Due within 30 days after completion of construction to the Division of Water that the facilities have been constructed and tested in accordance with the approved plans and specifications and the above approval conditions. Such certification shall be signed by a registered professional engineer. Failure to certify may result in penalty assessment and/or future approvals being withheld. [401 KAR 5:005 Section 24(2)]

Narrative Requirements:

Condition No.	Condition
T-1	The plans and specifications submitted for the project are approved by the Natural Resources and Environmental Protection Cabinet as to sanitary features, subject to the requirements contained within the permit. [401 KAR 5:005 Section 24(4)(a)]
T-2	Authority to construct these sewers is hereby granted. This approval is issued under the provisions of KRS Chapter 224.10-100 (19) regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any permits or licenses required by this Cabinet and other state, federal, and local agencies. [401 KAR 5:005 Section 24(4)(a)]
T-3	The plans include approximately 11,851 linear feet of 8 inch sanitary sewers, 2 duplex lift stations with Meyers 4RHX200M2-43, 20HP pumps of 167 gpm with 113 feet TDH, 2 duplex lift stations with Meyers 4RHX150M2-43, 15 HP pumps of 167 gpm with 92 feet TDH, approximately 20,903 linear feet of 6 inch force main pipe, 47 residential simplex lift stations, 380 linear feet of 3 inch force main pipe, and 540 linear feet of 2 inch force main pipe. The flow from these lines is to be treated at the City of Wayland Wastewater Treatment Plant, KPDES Permit No. KY015228, Floyd County, Kentucky. [401 KAR 5:005 Section 24(4)(a)]
T-4	The types of sanitary sewer pipe shall be limited to the following: DIP, PE, and PVC. [401 KAR 5:005 Section 1(2)]

Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-5	PVC pipe material and joints shall conform to ASTM D-3034, latest revision. [Ten States (WW) 33.81]
T-6	PVC pressure pipe material and joints shall conform to ASTM D-2241, or latest revision. [Ten States (WW) 33.81]
T-7	Flexible thermoplastic sewer pipe installation for gravity sewers shall conform to ASTM D2321, latest revision. [Ten States (WW) 33.81]
T-8	Flexible thermoplastic sewer pipe installation for pressure sewers shall conform to ASTM D-2774, latest revision. [Ten States (WW) 33.81]
T-9	Ductile iron pipe used for gravity sewers shall conform to ASTM A-746-82, or latest revision. [Ten States (WW) 33.81]
T-10	Ductile iron pipe used for pressure sewers shall conform to AWWA C-150-76 and AWWA C-151-76 or latest revision. [Ten States (WW) 33.81]
T-11	Fittings for ductile iron pipe shall conform to AWWA C-110-77, or latest revision. [Ten States (WW) 33.81]
T-12	Pipe joints used for ductile iron pipe shall conform to AWWA C-111-80, or latest revision. [Ten States (WW) 33.81]
T-13	Ductile iron pipe installation shall conform to AWWA C-600-82, or latest revision. [Ten States (WW) 33.81]
T-14	Gravity sewer lines and force mains shall have a minimum of thirty (30) inches of cover or provide comparable protection. [401 KAR 5:005 Section 8(9)]
T-15	All sewers shall be low pressure air tested. A deflection test shall be performed on all gravity sanitary sewers using flexible pipe. The test shall be performed after the final backfill has been in place for at least thirty days. No pipe shall exceed a deflection of five percent. If the deflection test is to be run using a rigid ball or mandrel, it shall have a diameter equal to 95% of the inside diameter of the pipe. The test shall be performed without mechanical pulling devices. Each new manhole shall be tested for watertightness. [401 KAR 5:005 Section 8(6)(a)]
T-16	If gravity sewer lines and force mains are to be constructed in fill areas, the fill areas shall be compacted to ninety-five (95) percent density as determined by the Standard Proctor Density test or to a minimum of ninety (90) percent density as determined by the Modified Proctor Density test prior to the installation of the sewer lines. [401 KAR 5:005 Section 8(10)]

Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-17	Sewers crossing water mains shall be laid to provide a vertical distance of 18 inches between the outside of the water main and the outside of the sewer. This shall be the case where the water main is either above or below the sewer. The crossing shall be arranged so that the sewer joints are equidistant and as far as possible from the water main joints. Where a water main crosses under a sewer, adequate structural support shall be provided for the sewer to prevent damage to the water main. [Ten States (WW) 38.32]
T-18	Sewers shall be laid at least 10 feet horizontally from any existing or proposed water main. The distance shall be measured from edge to edge. [Ten States (WW) 38.31]
T-19	The entrance of groundwater into, or loss of waste from, a new gravity sewer line shall be limited to 200 gpd per inch of diameter per mile of the gravity sewer line. This limitation includes manholes, gravity sewer lines, and appurtenances. [401 KAR 5:005 Section 8(5)]
T-20	Air release valves shall be installed at high points in the force main. [401 KAR 5:005 Section 8(19)]
T-21	The minimum slope for a six (6) inch line shall be 0.6 percent. The recommended slope for this line is 1.0 percent. [Ten States (WW) 33.4]
T-22	Since the requirements of administrative regulations 401 KAR 4:050, Section 2 have not been addressed, a floodplain construction permit will be required pursuant to KRS 151:250. [401 KAR 4:050 Section 2]
T-23	An audible and visible alarm shall be provided at the wastewater pump station. [Ten States (WW) 45]
T-24	Adequate thrust blocks shall be provided at all significant bends in the sewer force main in order to prevent movement. [Ten States (WW) 48.4]
T-25	The integrity of a new force main shall be verified by leakage tests. The applicant shall describe the proposed testing methods and leakage limits in the specifications submitted with the permit application. [401 KAR 5:005 Section 8(6)(b)]
T-26	If the sewer line project will cross a stream or wetland, the attached Water Quality Certification will apply. Please read and make a part of any contract to install this sewer line. Direct any questions to the Water Quality Branch, 401 Certification Section at 502-564-2225, extension 485. [KRS 224.16-050]
T-27	The permit is issued to the applicant and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 24(3)]

Wastewater Treatment Plant Construction

Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-28	There shall be no deviations from the plans and specifications submitted with the application or the conditions specified unless authorized in writing by the cabinet. [401 KAR 5:005 Section 24(4)(b)1]
T-29	The issuance of a permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [401 KAR 5:005 Section 24(6)]
T-30	A permit to construct a facility shall be effective upon issuance unless otherwise conditioned. Construction shall be completed within twelve (12) months unless additional time is requested. If construction is not commenced within the twelve (12) months following a permit's issuance, a new permit shall be obtained before construction may begin. The cabinet may allow a single twelve (12) month extension to begin construction if site conditions have not changed. [401 KAR 5:005 Section 24(1)]
T-31	The Construction Permit is effective on November 25, 2003 and expires on November 25, 2004 for Contract 2, the Collection System. [401 KAR 5:005 Section 24(1)]

Wastewater Treatment Plant Construction

Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

TRMT1 (Wayland) Wayland WWTP:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Ammonia Nitrogen, Total (as N)	Influent: Ammonia Nitrogen, Total (as N) \leq 40 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-2	Ammonia Nitrogen, Total (as N)	Influent: Ammonia Nitrogen, Total (as N) \leq 33 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-3	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) \leq 4 mg/L. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: May - October. Statistical basis: Monthly average (AV).
L-4	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) \leq 10 mg/L. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: November - April. Statistical basis: Monthly average (AV).
L-5	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) \leq 3.34 lbs/day. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: May - October. Statistical basis: Monthly average (AV).
L-6	Ammonia Nitrogen, Total (as N)	Effluent: Ammonia Nitrogen, Total (as N) \leq 8.35 lbs/day. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: May - October. Statistical basis: Monthly average (AV).
L-7	BOD, 5-Day (20 Deg. C)	Influent: BOD, 5-Day (20 Deg. C) \leq 240 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-8	BOD, 5-Day (20 Deg. C)	Influent: BOD, 5-Day (20 Deg. C) \leq 200 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-9	BOD, Carbonaceous 05 Day, 20C	Effluent: BOD, Carbonaceous 05 Day, 20C \leq 10 mg/L. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).

Wastewater Treatment Plant Construction

Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Limitation Requirements:

Condition No.	Parameter	Condition
L-10	BOD, Carbonaceous 05 Day, 20C	Effluent: BOD, Carbonaceous 05 Day, 20C \leq 8.35 lbs/day. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-11	Flow, In Conduit Or Thru Treatment Plant	The design capacity of the WWTP is based on the following: Flow, In Conduit Or Thru Treatment Plant \leq 0.1 MGD (MLA). [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Daily average.
L-12	Oxygen, Dissolved	Effluent: Oxygen, Dissolved \geq 7 mg/l. [401 KAR 5:031 Section 4] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-13	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Influent: Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) \leq 5 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-14	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Influent: Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) \leq 4 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-15	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Effluent: Monitor Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) \leq 1 mg/L. [401 KAR 5:031 Section 1] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-16	Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White)	Effluent: Monitor Phosphorus; Phosphorus (as P), Total; Phosphorus (Yellow Or White) \leq 1 lbs/day. [401 KAR 5:031 Section 1] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-17	Solids, Total Suspended	Influent: Solids, Total Suspended \leq 240 mg/L. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-18	Solids, Total Suspended	Influent: Solids, Total Suspended \leq 200 lbs/day. [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).

Wastewater Treatment Plant Construction
 Wayland WWTP
 Facility Requirements

Activity ID No.: APE20030001

Limitation Requirements:

Condition No.	Parameter	Condition
L-19	Solids, Total Suspended	Effluent: Solids, Total Suspended \leq 30 mg/l. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).
L-20	Solids, Total Suspended	Effluent: Solids, Total Suspended \leq 25 lbs/day. [401 KAR 5:045 Section 3] This requirement is applicable during the following months: All Year. Statistical basis: Monthly average (AV).

Submittal/Action Requirements:

Condition No.	Condition
S-1	When the construction of the system is completed, the permittee shall submit written certification: Due within 30 days after completion of construction to the Division of Water that the facilities have been constructed and tested in accordance with the approved plans and specifications and the above approval conditions. Such certification shall be signed by a registered professional engineer. Failure to certify may result in penalty assessment and/or future approvals being withheld. [401 KAR 5:005 Section 24(2)]

Narrative Requirements:

Condition No.	Condition
T-1	The permit is issued to the applicant and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 24(3)]

Wastewater Treatment Plant Construction
Wayland WWTP
Facility Requirements

Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-2	Construction is limited to the following: New 0.1 MGD Extended Aeration Wastewater Treatment Plant, KPDES No. KY0105228 Foyd County, Kentucky. [401 KAR 5:005 Section 1]
T-3	There shall be no deviations from the plans and specifications submitted with the application or the conditions specified unless authorized in writing by the cabinet. [401 KAR 5:005 Section 24(4)(b)1]
T-4	The issuance of a permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [401 KAR 5:005 Section 24(6)]
T-5	All rights of inspection by representatives of the Division of Water are reserved. [401 KAR 5:005 Section 24(4)(a)]
T-6	This wastewater treatment plant has been designed to meet a reliability category grade 3. [401 KAR 5:005 Section 13]
T-7	A water supply with suitable backflow preventer shall be provided to facilitate cleaning and maintenance of the wastewater treatment plant. [401 KAR 5:005 Section 10(6)]
T-8	Fencing and/or other adequate protection shall be provided around the wastewater treatment plant. [401 KAR 5:005 Section 10(7)]
T-9	An all-weather access road shall be provided to the wastewater treatment plant. [401 KAR 5:005 Section 10(8)]
T-10	Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Division of Water and other state, federal, and local agencies. [401 KAR 5:005 Section 24(4)(c)3]
T-11	The effluent from this treatment system is to be discharged at the 26.1 mile point of Right Fork Beaver Creek (segment no. 01022). [401 KAR 5:005 Section 1(2)]
T-12	A permit to construct a facility shall be effective upon issuance unless otherwise conditioned. Construction shall be completed within twelve (12) months unless additional time is requested. If construction is not commenced within the twelve (12) months following a permit's issuance, a new permit shall be obtained before construction may begin. The cabinet may allow a single twelve (12) month extension to begin construction if site conditions have not changed. [401 KAR 5:005 Section 24(1)]
T-13	The Construction Permit is effective on November 21, 2003 and expires on November 21, 2004 for Contract 1, the Wastewater Treatment Plant. [401 KAR 5:005 Section 24(1)]

RURAL DEVELOPMENT APPROVAL



Rural Development
A mission area of the
United States Department of Agriculture

771 Corporate Drive, Suite 200
Lexington, KY 40503-5477
859/224-7300 Fax 859/224-7340
TTY 859/224-7422

Rural Business –
Cooperative
Service

December 17, 2003

Rural Housing
Service

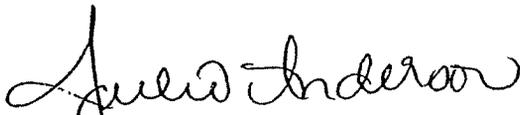
Rural Utilities
Service

SUBJECT: City of Wayland
Sanitary Sewer Project Contracts 1 and 2
Plan and Specifications approval

TO: Rural Development Manager
Morehead, Kentucky

Plans and Specifications for the above mentioned project are approved subject to compliance with all federal, state and local requirements.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.


KENNETH SLONE
State Director
Rural Development

cc: Summit Engineering, Inc.
Lexington, Kentucky

STREAM CONSTRUCTION PERMIT



COMMONWEALTH OF KENTUCKY
 NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
 DEPARTMENT FOR ENVIRONMENTAL PROTECTION
 DIVISION OF WATER
 FRANKFORT, KENTUCKY 40601



STREAM CONSTRUCTION PERMIT
For Construction In Or Along A Stream

Issued to: Southern Water & Sewer Dist
 Address: PO Box 610
 McDowell, KY 41647

Expires if work is not begun by
 December 10, 2004

Permit No. 13748

In accordance with KRS 151.250 and KRS 151.260, the Natural Resources and Environmental Protection Cabinet approves the application dated April 3, 2003 for construction of gravity sewers, force mains & wastewater pump stations in and along Right Fork Beaver Creek at about stream mile 18.6 to 20.3, with coordinates 37.452778, -82.816944, in Floyd County.

There shall be no deviation from the plans and specifications submitted and hereby approved unless the proposed change shall first have been submitted to and approved in writing by the Cabinet. This approval is subject to the attached limitations.

This permit is nontransferable and is not valid unless actual construction of this authorized work is begun prior to the expiration date noted above. Any violation of the Water Resources Act of 1966 as amended is subject to penalties as set forth in KRS 151.990.

If you have any questions regarding this permit, please call Mr. Abbas Pourghasemi at (502) 564-3410.

Issued December 10, 2003.

By:

Art Clay
 Art Clay, P.E., Manager
 Water Resources Branch

AC/AP/kl

pc: Hazard Regional Office
 Lon May - Floyd County
 Kevin Howard, P.E. - Summit Engineering, Inc.
 File

RECEIVED

DEC 10 2003

SUMMIT ENGR, INC.
 LEXINGTON, KY

Stream Construction Permit
 Southern Water & Sewer District
 Facility Requirements
 Permit Number:13748
 Activity ID No.: APE20030001

PORT1 (SANITARY SEWER SYSTEM) Construction of gravity sewers, force mains & wastewater pump stations:

Submittal/Action Requirements:

Condition No.	Condition
S-1	Kevin Howard, P.E. must submit final construction report: Due within 90 days after completion of construction Kevin Howard, P.E. must certify in writing that the project has been completed in accordance with the approved plans and specifications. A Final Construction Report Form is enclosed. [401 KAR 4:060 Section 3(2)]

Narrative Requirements:

Condition No.	Condition
T-1	This permit is issued from the standpoint of stream obstruction only and does not constitute certification of any other aspect of the proposed construction. The applicant is liable for any damage resulting from the construction, operation, or maintenance of this project. This permit has been issued under the provisions of KRS Chapter 151.250 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet and other state, federal and local agencies. [KRS 151.250]
T-2	A copy of this permit must be available at the construction site. [KRS 151.250]
T-3	Any work performed by or for Southern Water & Sewer District that does not fully conform to the submitted application or drawings and the limitations set forth in this permit, is subject to partial or total removal and enforcement actions pursuant to KRS 151.280 as directed by the Kentucky Department for Environmental Protection. [KRS 151.280]
T-4	Any design changes or amendments to the approved plans must be submitted to the Division of Water and approved in writing prior to implementation. [KRS 151.250]

Stream Construction Permit
 Southern Water & Sewer District
 Facility Requirements
 Permit Number: 13748
 Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-5	Since Floyd County participates in the National Flood Insurance Program, a local floodplain permit must be obtained prior to beginning of construction. Upon completion of construction Southern Water & Sewer District must contact the local permitting agency for final approval of the construction for compliance with the requirements of the local floodplain ordinance. [401 KAR 4:060 Section 1(16)]
T-6	At no point below the base flood elevation of 709.5 feet MSL (at Punkin Center Lift Station) and 711.5 feet MSL (at Estill Hill & Estill Bottom Lift Stations) shall the use of construction materials or the permanent storage of materials subject to flood damage be allowed. [401 KAR 4:060]
T-7	The foundation walls, if any, must be vented below the base flood elevation to allow the free flow of floodwater in and out. Total vent area must equal or exceed one square inch of opening to one square foot of floor space with the location of vents placed with bottom of vent no greater than one foot above adjacent finished grade. [401 KAR 4:060]
T-8	The permittee must obtain a Water Quality Certification through the Division of Water, Water Quality Branch before beginning construction. Contact John Dovak at (502) 564-3410, extension 485. [KRS 224.16-050 & Clean Water Act Section 401]
T-9	Any electrical components should be elevated above the base flood elevation of 709.5 feet MSL (at Punkin Center Lift Station) and 711.5 feet MSL (at Estill Hill & Estill Bottom Lift Stations) or provided with ground fault breakers. [KRS 151.250]
T-10	It is the intent of this permit that no fill be placed within the limits of the designated floodway. The floodway limits are determined by the Federal Insurance Administration of the Federal Emergency Management Agency (FEMA), and shown on the Flood Boundary and Floodway Map included in the Flood Insurance Study for Floyd County panel # 210068 0080B dated 9-5-1984. Copies of the Flood Insurance Study are on file with Floyd County the Division of Water, and the Federal Insurance Administration in Atlanta, Georgia. [401 KAR 4:060 Section 4(1)]
T-11	Fill slopes shall be no steeper than 2:1 (horizontal: vertical). Steeper slopes shall require a stability analysis. [401 KAR 4:060 Section 3(1)]
T-12	To avoid secondary adverse impacts, all materials used shall be stable and inert, free from pollutants and floatable objects, and shall meet all appropriate engineering standards. (Inert here means materials that are not chemically reactive and that will not rot or decompose, such as soil, rock, broken concrete or similar materials.) [401 KAR 4:060 Section 7]
T-13	All debris and excess material shall be removed for disposal outside of the base floodplain. [401 KAR 4:060]

Stream Construction Permit
Southern Water & Sewer District
Facility Requirements
Permit Number:13748
Activity ID No.: APE20030001

Narrative Requirements:

Condition No.	Condition
T-14	The entry of mobile equipment into the stream channel shall be limited as much as reasonably possible to minimize degradation of the waters of the Commonwealth. [401 KAR 4:060]
T-15	Construction other than as authorized by this permit shall require written approval from the Division of Water. [401 KAR 4:060]

DRINKING WATER PERMIT

P. 2/5
Files

HENRY C. LIST
SECRETARY



PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601

April 21, 2003

Southern Water and Sewer District
PO Box 610
McDowell, Kentucky 41647

RE: DW # 0360026-03-003
Water Line Extension
Contract 1 & 2 (WWTP)
Floyd County, Kentucky

Dear Sirs:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 1,377 feet of 3-inch HDPE waterline. This is to advise that plans and specifications covering the above referenced subject are APPROVED with respect to sanitary features of design as of this date with the following stipulations:

1. Upon completion of construction, disinfection shall be strictly in accordance with the procedure designated in the State Regulations, which reads as follows:

"A water distribution system, including storage distribution tanks, repaired portions of existing systems or all extensions to existing systems, shall be thoroughly disinfected before being placed into service. A water distribution system shall disinfect with chlorine or chlorine compounds, in amounts as to produce a concentration of at least fifty (50) ppm and a residual of at least twenty-five (25) ppm at the end of twenty-four (24) hours and the disinfection shall be followed by a thorough flushing."



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Contract 1 & 2
0360026-03-003
April 21, 2003
Page two

New or repaired water distribution lines shall not be placed into service until bacteriological samples taken at the points specified in 401 KAR 8:150 Section 4 (2) are examined and are shown to be negative following disinfection.

2. If PVC piping is used, it must be NSF approved and manufactured in accordance with ASTM standards.
3. A minimum pressure of 30 psi must be available on the discharge side of all meters. All water mains, including those not designed to provide fire protection, shall be sized after a hydraulic analysis based on flow demands and pressure requirements. The system shall be designed to maintain a minimum pressure of 20 psi (140 kPa) at ground level at all points in the distribution system.
4. Water mains shall be laid at least 10 feet horizontally from any existing or proposed sewer. A sewer is defined as any conduit conveying fluids other than potable water. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 - foot separation, this office may allow deviation on a case-by-case basis, if supported by data from the design engineer. Such deviation may allow installation of the water main closer to a sewer, provided that the water main is laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water main is at least 18 inches above the top of the sewer. This deviation will not be allowed for force mains.

Water mains crossing sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sewer. This shall be the case where the water main is either above or below the sewer. At crossings, one full length of the water pipe shall be located so both joints will be as far from the sewer as possible. Special structural support for the water and sewer pipes may be required.

Contract 1 & 2
0360026-03-003
April 21, 2003
Page three

5. At high points in water mains where air can accumulate provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur.
6. If the existing water main material being tapped is asbestos concrete, then during the process of tapping the asbestos concrete water main, the contractor shall conform to OSHA regulations governing the handling of hazardous waste. Pieces of asbestos concrete resulting from the tap shall be double bagged, placed in a rigid container and disposed of in an approved landfill.
7. Water lines within a 200 foot radius of oil or gasoline lines, underground storage tanks or pumping stations shall be constructed of ductile iron pipe. Pipe joint materials which are resistant to permeation of the petroleum products shall be used within the 200 foot radius.
8. All dead end lines must be provided with a properly sized blow-off assembly, flush hydrant or fire hydrant for flushing purposes. Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. Fire hydrants shall not be installed on lines less than six inches in diameter or served by other lines less than six inches in diameter. No flushing device shall be directly connected to any sewer.
9. The proposed waterline will be installed in close proximity to the proposed wastewater treatment plant and its appurtenances. Appropriate cross connection control shall be installed to protect the water system from any sources of non-potable water.
10. Chlorinated water resulting from disinfection of treatment facilities and new, repaired, or extended distribution systems shall be disposed in a manner which will not violate 401 KAR 5:031.

Contract 1 & 2
0360026-03-003
April 21, 2003
Page four

- 11. When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above stipulations. Such certification shall be signed by a licensed professional engineer.

This approval has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Unless construction of this project is begun within one year from the date of approval, the approval shall expire. If you have any questions concerning this project, please contact Bob Arnett, PE, at (502) 564-2225, extension 578.

Sincerely,


 Jeffrey W. Pratt, PE, Director
 Division of Water

JWP: RNA: rna

Enclosures

C: Summit Engineering, Inc.
 Floyd County Health Department
 Public Service Commission
 Hazard Regional Office
 Drinking Water Files

ERNIE FLETCHER
GOVERNOR



LAJUANA S. WILCHER
SECRETARY

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT, KY 40601
April 9, 2004

RECEIVED

APR 21 2004

SUMMIT ENGR, INC.
LEXINGTON, KY

Honorable Tom Murphy
Mayor, City of Wayland
PO Box 171
Wayland, KY 41666

Re: L72901
Wayland WWTP--35761
Activity ID: FGL20030005
User Charge System/Resolution

Dear Mayor Murphy:

The draft user charge system/resolution (UCS/R) submitted to this office have been reviewed and are approved. Based on the approved OM&R budget, annual replacement cost is \$4,800. This amount should be added to the replacement account each December until the balance reaches \$48,000 then maintained for the life of the system (PL 92-500 Section 204(b)).

This review and approval satisfies EPA requirements concerning that portion of the user charge levied for the purpose of covering operation and maintenance (including replacement) costs of the wastewater treatment works.

The review of the user charges for that portion levied for the purpose of debt retirement was performed by the Kentucky Infrastructure Authority and is not included in this approval.

A copy of the enacted UCS/R must be submitted to this office prior to execution of the assistance agreement.

Should you have any questions or need any assistance, please contact Jennifer Peters at (502) 564-2225, extension 540.

Sincerely,

A handwritten signature in cursive script that reads "Kelli B. Rice".

Ronald T. Price, Manager
Resource Planning & Program Support Branch
Division of Water

RTP: JRP:jrp

C: Kentucky Infrastructure Authority
Summit Engineering Inc
Bob Meyer, Southern Water & Sewer District



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Committed to the future of rural communities.

771 Corporate Drive, Suite 200, Lexington, KY 40503-5477
Telephone 859/224-7300; Fax 859/224-7340; TTY 859/224-7422

April 20, 2004

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APR 21 2004

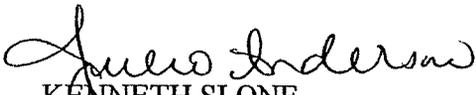
SUBJECT: Southern Water and Sewer District
PRIDE- Wayland Sewer Project
Contract Award Concurrence

**SUMMIT ENGR, INC.
LEXINGTON, KY**

TO: Area Director
Morehead, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject Contract 1 to the low bidder, AST Environmental, Inc., in the amount of \$1,172,817 and Contract 2 to the low bidder, K. Carrender Construction, Inc., in the amount of \$1,589,473.10.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.

for 
KENNETH SLONE
State Director
Rural Development

✓ cc: Summit Engineering, Inc.
Lexington, Kentucky



Committed to the future of rural communities.

771 Corporate Drive, Suite 200, Lexington, KY 40503-5477
Telephone 859/224-7300; Fax 859/224-7340; TTY 859/224-7422

April 20, 2004

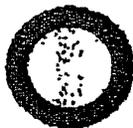
SUBJECT: Southern Water and Sewer District
PRIDE- Wayland Sewer Project
Resident Inspector Approval

TO: Area Director
Morehead, Kentucky

Tommy Thomas and Casey Breeding are approved as resident inspectors for the subject project.

for 
KENNETH SLONE
State Director
Rural Development

cc: Summit Engineering, Inc.
Lexington, Kentucky



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR
DEPARTMENT FOR LOCAL GOVERNMENT
1024 CAPITAL CENTER DRIVE, SUITE 340
FRANKFORT, KENTUCKY 40601-8204
(502) 573-2382

ERNIE FLETCHER
GOVERNOR

DARRELL D. BROCK, JR.
COMMISSIONER

April 20, 2004

The Honorable Thomas Murphy
Mayor, City of Wayland
Post Office Box 171
Wayland, Kentucky 41666-0171

RE: Wayland Sewer Project
03-059

Dear Mayor Murphy:

On behalf of Governor Ernie Fletcher, the staff of the Department for Local Government and I wish to congratulate you on your selection as a recipient of Community Development Block Grant funds. Preliminary approval has been given to your CDBG project shown above in the amount of \$1,000,000. This approval is based on your acceptance of the conditions outlined below:

1. Applicant will enter into a grant agreement with the Commonwealth.
2. The project must be completed by May 1, 2006.

Please provide the department with your written acceptance of these conditions on or before April 30, 2004. A grant agreement will then be prepared between your community and the Commonwealth. Once the grant agreement has been drafted, the department staff will contact you to schedule a grant agreement meeting.

Please note, at this time you may not incur any costs to be reimbursed with project funds, except for certain costs relating to engineering and planning, until you have entered into a grant agreement with the Commonwealth and then received Environmental Clearance.

TDD (800) 247-2510
TOLL FREE (800) 348-5808

AN EQUAL OPPORTUNITY EMPLOYER M/F/D

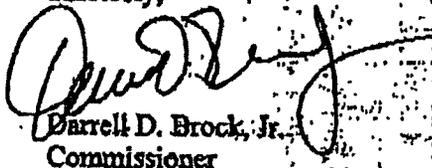
FAX: (502) 573-2359
WEB SITE: <http://www.dlg.ky.gov>



The Honorable Thomas Murphy
April 20, 2004
Page 2

Send this documentation to Myralee Smith-Cowley, Director, Division of Community Development, Department for Local Government, 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky 40601. Please contact Susan Metts at 502/573-2382, ext. 275, if you have questions concerning this commitment letter.

Sincerely,



Darrell D. Brock, Jr.
Commissioner

c: Sandy Runyon, Big Sandy ADD

ERNIE FLETCHER
GOVERNOR



LAJUANA S. WILCHER
SECRETARY

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT, KY 40601

April 14, 2004

Honorable Tom Murphy
Mayor, City of Wayland
P.O. Box 171
Wayland, Kentucky 41666-0171

Re: XP98
Detailed Performance Standards
City of Wayland
Floyd County, Kentucky
Project ID 03-0364
Activity ID APE 20030001
AI ID 35761

Dear Mayor Murphy:

The Detailed Performance Standards (DPS) submitted to this office have been reviewed and are approved.

When the project is 50 percent complete, these standards may be revised to include the information from the updated plan of operation and the updated design summary. However, all revisions to these standards are subject to approval through formal amendments and need to be consistent with KPDES requirements.

Once the project initiates operation a written notification from the grantee identifying this initiation of operation date must be sent to this office. An interim report at the end of the initial six months of operation and a final report one year after the initiation of operation date are also requirements of the loan agreement. These reports document the project compliance with the DPS. A certification that the project meets these DPS must be submitted to this office after the first full year of operation. This certification must be dated exactly one year after the initiation of operation date.



Mayor Murphy
Page 2
April 14, 2004

If you have any questions, please contact Bennie McWain, P.E. at (502) 564-2225, extension 559.

Sincerely,

A handwritten signature in black ink that reads "William L. Chlebowy". The signature is written in a cursive style with a large, prominent "W" and "L".

William L. Chlebowy, P.E., Acting Manager
Facilities Construction Branch
Division of Water

WLC: BRM

c: ✓ Summit Engineering, Inc.
Hazard Regional Office

ERNIE FLETCHER
GOVERNOR



LAJUANA S. WILCHER
SECRETARY

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT, KY 40601

April 14, 2004

RECEIVED

APR 28 2004

SUMMIT ENGR, INC.
LEXINGTON, KY

Honorable Tom Murphy
Mayor, City of Wayland
P.O. Box 171
Wayland, Kentucky 41666-0171

Re: XP_____ & L72901
Preliminary Plan of Operation
City of Wayland
Floyd County, Kentucky
Project ID 03-0364
Activity ID FGL 20030008
AI ID 35761

Dear Mayor Murphy:

The Division of Water approves the Preliminary Plan of Operation prepared for the City of Wayland.

Please note that the Final Plan of Operation must be submitted to and approved by the Division of Water prior to the 50% payment being made.

If you have any questions regarding this, please contact Bennie McWain, P.E. Project Engineer, at (502) 564-2225, extension 559.

Sincerely,

A handwritten signature in black ink that reads "William L. Chlebowy".

William L. Chlebowy, P.E., Acting Manager
Facilities Construction Branch
Division of Water

WLC: BRM

C: ✓ Summit Engineering, Inc.
Hazard Regional Office



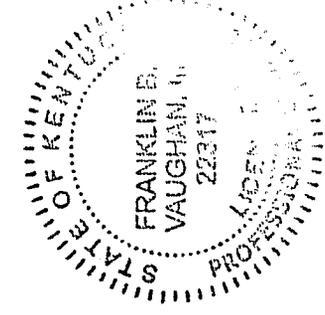
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EXHIBIT 5

CERTIFIED BID TABULATIONS

EXHIBIT 'A'
 BID TABULATION
 WAYLAND SANITARY SEWER PROJECT
 CONTRACT 1- WASTEWATER TREATMENT PLANT
 BID OPENING 2/27/04

	AST Environmental, Inc.	Free Contracting, Inc.	Goggans Construction Co.	Howard Engineering & Construction	Patriot Construction
Lump Sum Price	\$ 1,172,817.00	\$ 1,398,131.43	\$ 1,660,000.00	\$ 1,232,500.00	\$ 1,594,300.00
Alternate 1- Deduct MicroComm Telemetry.	\$ 11,937.00	\$ 15,287.00	\$ 16,000.00	\$ 65,000.00	\$ 18,000.00
Alternate 2- Deduct Independent Surge, Sludge and Aeration. Provide common wall construction to save steel.	\$ -	\$ 13,500.00	\$ -	\$ -	\$ -
Alternate 3- Deduct Portable Ventilator and Gas Detection Equipment as required by specification section 15580.	\$ 2,530.00	\$ 2,500.00	\$ 4,500.00	\$ 2,000.00	\$ 2,500.00



This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project; that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.

[Handwritten Signature]

WAYLANI
 URY SEWER PROJECT
 CONTRACT NO. 2
 WAYLAND TO PUNKIN CENTERS SANITARY SEWER PROJECT
 BID OPENING 2/27/04

ITEM NUMBER	ITEM DESCRIPTION	UNIT	QUANTITY	Field Excavating		K. Corroder Contractor		Kinder Contractor		Mountain Enterprises	
				UNIT COST	AMOUNT	UNIT COST	AMOUNT	UNIT COST	AMOUNT	UNIT COST	AMOUNT
1a	Guarantee										
1b	Mobilization / Demobilization	LS	1	\$ 45,250.00	\$ 45,250.00	\$ 25,000.00	\$ 25,000.00	\$ 20,000.00	\$ 20,000.00	\$ 50,000.00	\$ 50,000.00
1c	Sealing and Cleanup	LS	1	\$ 1,875.00	\$ 1,875.00	\$ 2,000.00	\$ 2,000.00	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00	\$ 40,000.00
1d	Removal and Disposal of Existing Spongy Tanks (Unavoidably Encountered)	Each	5	\$ 1,875.00	\$ 9,375.00	\$ 1,000.00	\$ 5,000.00	\$ 2,000.00	\$ 10,000.00	\$ 2,200.00	\$ 11,000.00
1e	Landscaping Allowance	LS	1	\$ 1,875.00	\$ 1,875.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
1f	Special Pipe Bedding - Ordered in Writing (see Note 1.)	Ton	200	\$ 58.75	\$ 11,750.00	\$ 15.00	\$ 3,000.00	\$ 62.00	\$ 12,400.00	\$ 18.00	\$ 3,600.00
2	GRAVITY SEWERS										
a	8" Gravity Sanitary Sewer Pipe, PVC, ASTM D 3034, SDR 35	LF	9531	\$ 31.04	\$ 486,482.24	\$ 32.35	\$ 308,327.85	\$ 30.00	\$ 476,500.00	\$ 31.00	\$ 299,461.00
b	8" Gravity Sanitary Sewer Pipe, D.I., CI, 350, PJ	LF	1789	\$ 56.29	\$ 100,703.81	\$ 54.00	\$ 96,600.00	\$ 62.00	\$ 110,918.00	\$ 59.00	\$ 69,771.00
3	MANHOLES										
2a	Sanitary Sewer Manhole Type "B"	EA	60	\$ 1,712.79	\$ 102,827.40	\$ 1,300.00	\$ 78,000.00	\$ 2,020.00	\$ 121,200.00	\$ 2,200.00	\$ 132,000.00
2b	Sanitary Sewer Manhole Type "B"	EA	2	\$ 81,812.33	\$ 163,624.66	\$ 1,100.00	\$ 2,200.00	\$ 2,125.00	\$ 4,250.00	\$ 2,500.00	\$ 5,000.00
2c	Extra Vertical Height for Manhole Type "A"	VP	64	\$ 112.00	\$ 7,168.00	\$ 110.00	\$ 7,040.00	\$ 180.00	\$ 11,520.00	\$ 100.00	\$ 6,400.00
3	FORGE MAINS & RIGATED ACCESSORIES										
3a	6" SDR 17 HDPE Force Main	LF	11667	\$ 111.37	\$ 1,301,576.79	\$ 99.75	\$ 1,162,778.25	\$ 120.00	\$ 1,404,000.00	\$ 117.00	\$ 1,361,844.00
3b	6" SDR 17 HDPE Force Main - Stream Crossing (Note 4)	LF	69	\$ 306.46	\$ 21,045.74	\$ 353.00	\$ 24,257.00	\$ 486.00	\$ 33,534.00	\$ 445.00	\$ 30,502.50
3c	3" SDR 17 HDPE Force Main	LF	300	\$ 99.42	\$ 29,826.00	\$ 88.00	\$ 26,400.00	\$ 104.00	\$ 31,200.00	\$ 99.00	\$ 29,700.00
3d	2" SDR 11 HDPE Force Main	LF	1540	\$ 99.18	\$ 152,757.20	\$ 71.50	\$ 110,115.00	\$ 118.00	\$ 181,680.00	\$ 96.04	\$ 147,816.00
3e	2" SDR 11 HDPE Force Main - Stream Crossing (Note 4)	LF	32	\$ 141.41	\$ 4,525.12	\$ 121.00	\$ 3,872.00	\$ 150.00	\$ 4,800.00	\$ 140.00	\$ 4,480.00
3f	1 1/4" SDR 11 HDPE Force Main	LF	3400	\$ 53.33	\$ 181,322.00	\$ 37.50	\$ 127,750.00	\$ 51.00	\$ 173,400.00	\$ 48.00	\$ 163,200.00
3g	Check Valve Vault, Complete with all valves & plumbing, in place	LS	3	\$ 55,118.75	\$ 165,356.25	\$ 56,500.00	\$ 169,500.00	\$ 54,510.00	\$ 163,530.00	\$ 70,000.00	\$ 210,000.00
3h	Atmospheric Relief Assembly for Wastewater (Field Located)	EA	8	\$ 1,775.00	\$ 14,200.00	\$ 2,000.00	\$ 16,000.00	\$ 2,575.00	\$ 20,600.00	\$ 2,500.00	\$ 20,000.00
4	ENCASUREMENTS										
4a	Bore & Excise for 8" Gravity Sewer	LF	185	\$ 147.00	\$ 27,082.50	\$ 100.00	\$ 18,500.00	\$ 165.00	\$ 30,525.00	\$ 100.00	\$ 18,500.00
4b	Bore & Excise for 6" HDPE Pipe	LF	275	\$ 145.00	\$ 39,875.00	\$ 90.00	\$ 24,750.00	\$ 114.00	\$ 31,230.00	\$ 95.00	\$ 26,125.00
4c	Open Cut Case for 6" HDPE Pipe	LF	72	\$ 36.33	\$ 2,615.76	\$ 30.00	\$ 2,160.00	\$ 66.00	\$ 4,752.00	\$ 45.00	\$ 3,240.00
4d	Open Cut Case for 3" HDPE Pipe	LF	51	\$ 45.79	\$ 2,335.29	\$ 35.00	\$ 1,775.00	\$ 66.00	\$ 3,366.00	\$ 45.00	\$ 2,295.00
4e	Open Cut Case for 2" HDPE Pipe	LF	63	\$ 37.80	\$ 2,381.40	\$ 23.00	\$ 1,449.00	\$ 66.00	\$ 4,158.00	\$ 45.00	\$ 2,835.00
5	LATERALS										
5a	8" x 8" SDR 35 PVC Wye	Each	118	\$ 83.03	\$ 9,797.54	\$ 40.00	\$ 4,720.00	\$ 123.00	\$ 14,514.00	\$ 50.00	\$ 5,900.00
5b	4" SDR 35 PVC Tee-in to Manhole	Each	30	\$ 43.75	\$ 1,312.50	\$ 50.00	\$ 1,500.00	\$ 182.00	\$ 5,460.00	\$ 130.00	\$ 3,900.00
5c	8" x 8" x 4" Ductile Iron, Push Joint Wye	Each	44	\$ 33.00	\$ 1,452.00	\$ 30.00	\$ 1,320.00	\$ 305.00	\$ 13,420.00	\$ 52.00	\$ 2,288.00
5d	4" Gravity Service Lateral - SDR 35 PVC	LF	2140	\$ 40.70	\$ 87,098.00	\$ 22.00	\$ 47,080.00	\$ 18.00	\$ 38,520.00	\$ 15.00	\$ 32,100.00
5e	4" Gravity Service Lateral - Ductile Iron, Push Joint	LF	334	\$ 47.55	\$ 15,881.70	\$ 42.25	\$ 14,111.50	\$ 29.00	\$ 9,684.00	\$ 21.95	\$ 7,331.30
6	Water Lines										
6a	Connect to Existing 6" Water Line	LS	1	\$ 2,388.75	\$ 2,388.75	\$ 1,300.00	\$ 1,300.00	\$ 1,170.00	\$ 1,170.00	\$ 1,800.00	\$ 1,800.00
6b	4" SDR 11 HDPE Water Line	LF	1377	\$ 9.02	\$ 12,420.54	\$ 4.30	\$ 5,919.50	\$ 17.00	\$ 23,409.00	\$ 71.00	\$ 97,817.00
6c	4" Rellion Wedge Gate Valve w box & cover	EA	2	\$ 573.75	\$ 1,147.50	\$ 500.00	\$ 1,000.00	\$ 610.00	\$ 1,220.00	\$ 650.00	\$ 1,300.00
7	Blimount Pavement Replacement										
7a	Mill R1, 108' & Full Width Bituminous Pavement Replacement with Conc. Sub-Sub	LS	1	\$ 112,906.40	\$ 112,906.40	\$ 67,500.00	\$ 67,500.00	\$ 64,000.00	\$ 64,000.00	\$ 60,700.00	\$ 60,700.00
7b	Full Width Bituminous Pavement Replacement w/ Conc. Sub-Sub on County Roads	LF	5480	\$ 44.26	\$ 242,544.80	\$ 18.00	\$ 98,640.00	\$ 21.20	\$ 116,176.00	\$ 15.43	\$ 84,666.00
8	PUMP STATIONS										
8a	Punkin Center Pump Station, Complete, In Place	LS	1	\$ 84,536.25	\$ 84,536.25	\$ 83,000.00	\$ 83,000.00	\$ 87,100.00	\$ 87,100.00	\$ 90,500.00	\$ 90,500.00
8b	Enhill Bottom Pump Station, Complete, In Place	LS	1	\$ 78,091.25	\$ 78,091.25	\$ 80,000.00	\$ 80,000.00	\$ 82,000.00	\$ 82,000.00	\$ 86,500.00	\$ 86,500.00
8c	Enhill Hill Pump Station, Complete, In Place	LS	1	\$ 78,698.75	\$ 78,698.75	\$ 80,000.00	\$ 80,000.00	\$ 83,100.00	\$ 83,100.00	\$ 85,600.00	\$ 85,600.00
8d	Wayland Pump Station, Complete, In Place	LS	1	\$ 83,306.25	\$ 83,306.25	\$ 90,000.00	\$ 90,000.00	\$ 86,000.00	\$ 86,000.00	\$ 103,600.00	\$ 103,600.00
8e	Residential Grinder Pump Station, Complete, In Place (Note 5)	Each	47	\$ 2,968.75	\$ 139,531.25	\$ 3,500.00	\$ 164,500.00	\$ 2,850.00	\$ 133,950.00	\$ 4,200.00	\$ 197,400.00
8f	Spare Core Assembly for Residential Grinder Station - Suitably Sized	Each	3	\$ 1,123.00	\$ 3,369.00	\$ 1,500.00	\$ 4,500.00	\$ 910.00	\$ 2,730.00	\$ 1,125.00	\$ 3,375.00
8g	Extra Vertical Height for Residential Grinder Inlet	VP	30	\$ 208.75	\$ 6,262.50	\$ 400.00	\$ 12,000.00	\$ 240.00	\$ 7,200.00	\$ 175.00	\$ 5,250.00
8h	Pressure Sewer Lateral Assembly	EA	47	\$ 929.38	\$ 43,680.86	\$ 500.00	\$ 23,500.00	\$ 440.00	\$ 20,680.00	\$ 500.00	\$ 23,500.00
8i	Residential Power Feed - Materials, Coordination, Inspection	EA	47	\$ 126.25	\$ 5,933.75	\$ 500.00	\$ 23,500.00	\$ 500.00	\$ 23,500.00	\$ 250.00	\$ 11,750.00
TOTAL BASE BID					\$ 2,068,683.48		\$ 1,589,473.10		\$ 2,040,354.00		\$ 1,795,670.70

NOTES
 1. The method of payment varies with the individual item and is described at the close of each section of the Technical Specs.
 2. The amount bid for "Mobilization/Demobilization" includes 15% of the Total Bid.
 3. Special Pipe Bedding may only be installed on written order of ENGINEER.
 4. Include all work depicted in stream crossing plans. Complete anchors, tie zap, tie p.
 5. Contractor's attention is directed to special notes. This includes, but is not limited to, new water base or sp. Jucelux box for customers, NEMA 3R disconnect, electric conduits, etc.

This is to certify that the above recited and published information of bids received on the above referenced project, that the same were received in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the 27th day of February, 2004.

[Signature]
 PROFESSIONAL ENGINEER

**BID TABULATION
ALTERNATES
WAYLAND SANITARY SEWER PROJECT
CONTRACT NO. 2
WAYLAND TO PUNKIN CENTER SANITARY SEWER PROJECT
BID OPENING 2/27/044**

ITEM NO.	ITEM	UNIT	QUANTITY	Fields Excavating		K. Carrender Construction		Kinder Construction		Mountain Enterprises	
				UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
	NOTES										
	1. The Base Bid shall be used for the determination of the low bidder. It shall be the OWNER'S option as to accept or reject the alternates listed below for the low bid.										
	2. Contractors MUST bid ALL alternates. Bids without alternate prices will be rejected.										
	9. ADD RADIO ELEMENTS TO WASTEWATER PUMP STATIONS										
9a	Telemetry RTU - Punkin Center Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
9b	Telemetry RTU - Estill Bottom Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
9c	Telemetry RTU - Estill Hill Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
9d	Telemetry RTU - Wayland Waste Water Pump Station complete with antennae and central unit software modification	EA	1	\$35,858.75	\$35,858.75	\$18,800.00	\$18,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
	10. ADD ODOOR CONTROL TO WASTEWATER PUMP STATIONS										
10a	Odor Control - Punkin Center Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
10b	Odor Control - Estill Bottom Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
10c	Odor Control - Estill Hill Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
10d	Odor Control - Wayland Station	EA	1	\$8,375.00	\$8,375.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00

This is to certify that the above is a true and exact copy of the tabulation of bids received on the above referenced project; that the same was advertised in the manner and form prescribed by the laws of the Commonwealth of Kentucky and sealed and competitive bids were received and publicly opened and read aloud on the hour and date prescribed in the Advertisement, this 27th day of February, 2004.




**SUMMIT ENGINEERING INC.**

March 5, 2004

Mr. Robert Meyer, Superintendent
Southern Water and Sewer District
P. O. Box 610
McDowell, Kentucky 41647

Re: Wayland Sanitary Sewer Project Contract 1
Wastewater Treatment Plant

Dear Mr. Meyer:

Bids for the referenced project were opened at the offices of the Southern Water and Sewer District at 3:00 P.M. on February 27, 2004. The attendance list is attached as Exhibit 'A'.

A certified tabulation of the bids received is attached hereto as Exhibit 'B'. Five bids were received for Contract 1. AST Environmental submitted the low bid of \$1,172,817.00.

EVALUATION OF LOW BIDDER**Experience**

AST Environmental Inc. is a Ohio based corporation which indicated it had been in business for 11 years. AST Environmental, Inc. has completed projects for the US Air Force, US Dept of Energy, and multiple other entities. It is our understanding that AST Environmental, Inc. fulfilled its obligations under these prior contracts. See Exhibit 'C' for a summary of activities completed to verify AST Environmental, Inc. suitability.

Bid Bond

AST Environmental Inc. provided bid bonds drawn on the Lexon Insurance Company. This bonding company is listed on the Treasury Department's 570 list.

Bidders Questionnaire

AST Environmental Inc. signed the site and contract document certificates.

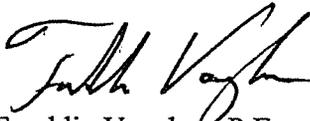
Page 2 Wayland Sanitary Sewer Project Contract 1
Letter of Recommendation
March 5, 2004

RECOMMENDATION AND RESOLUTION

Summit Engineering's research leads us to believe that award of Contract 1 to AST Environmental Inc. is in the best interests of the Project. The contract documents provide for a ninety (90) day bid hold for Contract 1. The last day to award Contract 1 is May 27, 2004. If you are in agreement with this recommendation, Exhibit 'D' is a resolution for the Boards use on this project. Our plan is to submit the Authorization to Award (ATA) package to the funding agencies on March 24, 2004. We will need to include the adopted resolution in the ATA.

Summit Engineering, Inc. appreciates the opportunity to be of assistance. If additional information is needed, I may be reached at 859-264-9860 x 307.

Sincerely,

A handwritten signature in black ink, appearing to read "Franklin Vaughan". The signature is fluid and cursive, with a large initial "F" and "V".

Franklin Vaughan, P.E.
Senior Project Engineer

Enclosures

cc: file



SUMMIT ENGINEERING, INC.

April 7, 2004

Mr. Robert Meyer, Superintendent
Southern Water and Sewer District
P. O. Box 610
McDowell, Kentucky 41647

Re: Wayland Sanitary Sewer Project Contract 2
Wayland to Punkin Center Sanitary Sewer System

Dear Mr. Meyer:

This letter revises the letter sent to your office on March 5, 2004. The second paragraph of this letter should have read;

“A certified tabulation of the bids received is attached hereto as Exhibit ‘B’. Five bids were received for Contract 2. K. Carrender Construction Co. submitted the low bid of \$1,589,473.10.”

Inadvertently the low bid was misrepresented as \$1,172,817.00. DOW's review of the ATA submittal identified this error and requested it be corrected for their approval. If you have any questions, please call me at 859-264-9860 x 307.

Sincerely,

Franklin Vaughan, P.E.
Senior Project Engineer

Enclosures

cc: B. McWain, DOW
File



March 5, 2004

Mr. Robert Meyer, Superintendent
Southern Water and Sewer District
P. O. Box 610
McDowell, Kentucky 41647

Re: Wayland Sanitary Sewer Project Contract 2
Wayland to Punkin Center Sanitary Sewer System

Dear Mr. Meyer:

Bids for the referenced project were opened at the offices of the Southern Water and Sewer District at 3:00 P.M. on February 27, 2004. The attendance list is attached as Exhibit 'A'.

A certified tabulation of the bids received is attached hereto as Exhibit 'B'. Five bids were received for Contract 2. K. Carrender Construction Co. submitted the low bid of \$1,172,817.00.

EVALUATION OF LOW BIDDER

Experience

K. Carrender Construction Co. is a Somerset, Kentucky based corporation which indicated it had been in business for 28 years. K. Carrender Construction Co. has completed projects for the City of Hindman, Beatyville, Somerset, Morehead and multiple other entities. It is our understanding that K. Carrender Construction Co. fulfilled its obligations under these prior contracts. See Exhibit 'C' for a summary of activities completed to verify K. Carrender Construction Co. suitability.

Bid Bond

K. Carrender Construction Co. provided bid bonds drawn on the First National Insurance Company of America. This bonding company is listed on the Treasury Department's 570 list.

Bidders Questionnaire

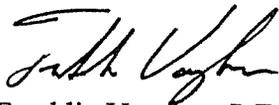
K. Carrender Construction Co. signed the site and contract document certificates.

RECOMMENDATION AND RESOLUTION

Summit Engineering's research leads us to believe that award of Contract 2 to K. Carrender Construction Co. is in the best interests of the Project. The contract documents provide for a ninety (90) day bid hold for Contract 2. The last day to award Contract 2 is May 27, 2004. If you are in agreement with this recommendation, Exhibit 'D' is a resolution for the Boards use on this project. Our plan is to submit the Authorization to Award (ATA) package to the funding agencies on March 24, 2004. We will need to include the adopted resolution in the ATA.

Summit Engineering, Inc. appreciates the opportunity to be of assistance. If additional information is needed, I may be reached at 859-264-9860 x 307.

Sincerely,



Franklin Vaughan, P.E.
Senior Project Engineer

Enclosures

cc: file



Committed to the future of rural communities.

771 Corporate Drive, Suite 200, Lexington, KY 40503-5477
Telephone 859/224-7300; Fax 859/224-7340; TTY 859/224-7422

April 20, 2004

RECEIVED

APR 21 2004

SUBJECT: Southern Water and Sewer District
PRIDE- Wayland Sewer Project
Contract Award Concurrence

SUMMIT ENGR, INC.
LEXINGTON, KY

TO: Area Director
Morehead, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject Contract 1 to the low bidder, AST Environmental, Inc., in the amount of \$1,172,817 and Contract 2 to the low bidder, K. Carrender Construction, Inc., in the amount of \$1,589,473.10.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.


KENNETH SLONE
State Director
Rural Development

✓ cc: Summit Engineering, Inc.
Lexington, Kentucky

EXHIBIT 8

CERTIFICATE OF CHAIRMAN OF SOUTHERN WATER AND SEWER DISTRICT AS TO STATEMENT REQUIRED BY SECTION 1(5) OF 807 KAR 5:069

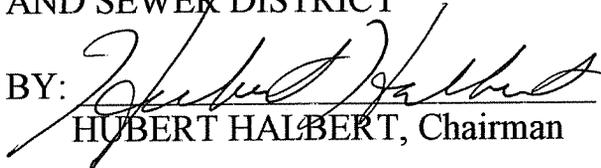
I, HUBERT HALBERT, hereby certify that I am the duly qualified and acting Chairman of the Southern Water and Sewer District of Floyd County, Kentucky, and that said District, in cooperation with Summit Engineering, Inc., Lexington, Kentucky, the Engineers for the District (the "Engineers"), is in the process of arranging for the finance and construction of additions and improvements to the sanitary sewer system of the District (the "Project").

Based on information furnished to me by said Engineers for the District, I hereby certify as follows:

1. That the proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:071, including, but not limited to: Section 5 (1); Section 7 (1) through (3); and Section 8 (1). Since this Project involves the construction of sewer facilities rather than drinking water facilities, the references in 807 KAR 5:069, Section (1)(5)(a) to various provisions of 807 KAR 5:066 are not applicable.
2. That all other state approvals or permits for the Project have already been obtained.
3. That the District's proposed sewer rates, which are set forth in its attached Application filed with the Public Service Commission of Kentucky, are contemplated to produce the total revenue requirements set out in the Engineering Reports prepared by such Engineers and filed with the Public Service Commission.
4. That it is now contemplated that construction of the Project will begin on or about November 15, 2004, and will end on or about November 15, 2005.

6th IN TESTIMONY WHEREOF, witness my signature this October
6th, 2004.

SOUTHERN WATER
AND SEWER DISTRICT

BY: 
HUBERT HALBERT, Chairman

STATE OF KENTUCKY)
) SS:
COUNTY OF FLOYD)

Subscribed and sworn to before me by HUBERT HALBERT,
Chairman of the Commission of the SOUTHERN WATER AND SEWER
DISTRICT, on this October 6th, 2004.


NOTARY PUBLIC, STATE AT LARGE

MY COMMISSION EXPIRES: 4-26-06

NOTICE OF PROPOSED SEWER RATES

SOUTHERN WATER AND SEWER DISTRICT

Notice is hereby given that, pursuant to an application filed with the Public Service Commission of Kentucky under KRS 278.023 by the Southern Water and Sewer District (the "District"), the District proposes to establish its monthly sewer rates and its sewer tap fees as follows:

<u>Usage Block</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
First 2,000 gallons of water usage	Not Applicable	\$ 23.65 Minimum Bill
All over 2,000 gallons of water usage	Not Applicable	7.93 per 1,000 gallons

Tap Fees

New Customers on gravity line	Not Applicable	\$ 400.00
New Customers on force main	Not Applicable	\$ 2,610.00

The proposed rate adjustment is required by the U. S. Department of Agriculture, Rural Development ("RD") in connection with a PRIDE Grant, which will be administered by RD, to the District in the amount of \$1,020,000 and a proposed loan from the Kentucky Infrastructure Authority ("KIA") in the amount of \$230,000.

The PRIDE Grant and the KIA loan proceeds will be used in conjunction with an EPA Grant in the amount of \$1,500,000 and a CDBG Grant in the amount of \$1,000,000 to finance a sanitary sewer system improvement project known as the Wayland Sewer Project (the "Project"). The Project consists of the construction and installation of (a) approximately 5.5 miles of gravity and force main sewer collection lines and appurtenances; (b) a 100,000 gallon per day wastewater treatment plant; (c) four (4) pump stations; and (d) a telemetry system.

**SOUTHERN WATER
AND SEWER DISTRICT
P.O. BOX 610
McDOWELL, KENTUCKY 41647**

