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June 9, 2004

Elizabeth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

RECEIVED

JUN 9 2004

Re: Case ~~2002-00184~~

PUBLIC SERVICE  
COMMISSION

Dear Ms. O'Donnell:

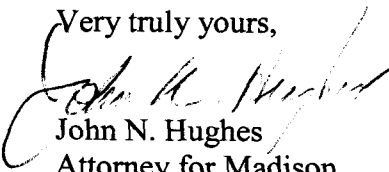
2004-00237

Pursuant to the Commission's Order of August 14, 2002, the Madison County Utility District requests authority to modify the construction project approved in this case. The District was able to obtain a ten percent increase in funding from the Division of Water, increasing the total project cost to \$3,300,000. There is also an additional KIA grant of \$100,000. There will be no effect on rates as a result of this additional funding.

Attached are the Plans and Specifications of the additional extension; DOW approval letter of the plans; DOW approval letter of the additional funding; KIA letter for additional grant funding; bid tabulations and the bid of the low bidder; and letter of recommendation of bids. For convenience, a copy of the Commission's August 14 order is included.

If there are any questions about this matter, please contact me.

Very truly yours,

  
John N. Hughes  
Attorney for Madison  
County Utility District

Attachments

Cc: Attorney General





ERNIE FLETCHER  
GOVERNOR

**ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

14 REILLY ROAD

FRANKFORT, KENTUCKY 40601-1190

www.kentucky.gov

LAJUANA S. WILCHER  
SECRETARY

March 22, 2004

Ms. Wanda Pennington  
Madison County Utilities District  
P.O. Box 670  
Richmond, Kentucky 40476

RE: DW # 0760441-04-002L  
AI(s): 34010 and 34008  
SRF # 1534 and old 106  
Water Line Extension  
Contract #3 Alternates Water Line  
Madison Co, Kentucky

Dear Ms. Pennington:

We have received the plans and specification for the above referenced project. The plans include the construction of 22,100 feet of 4-inch and 28,550 feet of 6-inch of PVC water line. This is to advise that plans and specifications for the above referenced subject are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the enclosed waterline extension construction permit and the following KIA DWSRF loan process requirements:

1. We are enclosing one (1) set of approved plans and specifications. An identical set should be made available at the project site at all times. If modifications are made to these plans and specifications prior to bidding, then four (4) complete sets of revised plans and specifications shall be submitted to the Division of Water for approval. Our notice of construction approval will be issued at a later date by separate correspondence.
2. You are hereby approved to advertise for bids on the construction for this project. In addition to other notices, you shall advertise the bid between seven (7) and twenty-one (21) days prior to the Bid Opening date in the Lexington Herald-Leader. Please provide the bid opening date to Buddy Griffin, Project Administration Section. He can be reached at (502) 564-2225, extension 556.



3. A set of AS-BID plans and specifications (with the APPROVAL conditions addressed) and a copy of the Advertisement shall be submitted to the Division of Water when the project is advertised.
4. The following four (4) items shall be submitted to Mr. Buddy Griffin of the Project Administration Section within seven (7) days of the bid opening in order to initiate the process leading to the issuance of a binding loan commitment:
  - (a) Certified bid tabulation (2 copies).
  - (b) Tentative Bid Award Resolution (2 copies)
  - (c) Revised project budget (2 copies)
  - (d) Revised projected Request for Payment Schedule (1 copy).

These items will be reviewed as part of the Authority to Award process while DOW and KIA complete the binding loan commitment review.

6. Please be advised that the construction contract is subject to the Equal Employment opportunity requirements contained in Executive Order 11246. Equal Employment opportunity affirmative action by the prime contractor and all subcontractors is mandated throughout the duration of the contract. Documentation of efforts to comply with Executive Order 11246, Equal Employment Opportunity shall be submitted to the Division of Water in accordance with the EPA Special Notice #2 to Bidders within twenty-one (21) days of the bid opening.
7. Documentation of compliance with the MBE/WBE Fair Share Policy shall be submitted to Rafaell Santamaria, USEPA, Region IV, Sam Nunn Atlanta Federal Center, 61 Forsyth Street, Atlanta, GA 30303, (404) 562-8312, and to the Division of Water within twenty-one days of the bid opening since the KIA loan is subject to 40 CFR 31.36(e).

Approval of the contractor is to be received from the Division of Water prior to the award of the contract.

8. The Project and Review Cost Summary is to be completed after bids have been received and submitted along with supporting documents including a detailed cost breakdown showing the units, unit cost, and value of the eligible work. The complete bid package, which comprises the unexecuted contract, shall be submitted to the Division of Water within twenty-one (21) days after the bid opening.
9. Upon approval of the documents, the Division of Water will authorize you to award the construction contract, and arrange for a pre-construction conference. Division of Water staff shall be present at this pre-construction conference.

You are cautioned that the advertisement and award of this contract will be subject to the laws and regulations that govern the federally assisted Drinking Water State Revolving Fund (DWSRF) Program and to the conditions of your KIA loan agreement.

Since the requirements of Administrative Regulations 401 KAR 4:050, Section 2 are met with regard to subfluvial pipe crossings, a floodplain construction permit will not be required pursuant to KRS 151.250 for this aspect of the project. Please note the reference to subfluvial pipe line crossings in the enclosed copy of the regulations.

If this water line project will cross a stream or wetland, the attached Water Quality Certification will apply. Please read this certification and make this a part of any contract to install the water lines. If you have any questions please contact John Dovak of the Water Quality Branch at 502/564-2225, extension 485.

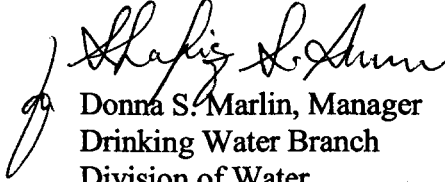
When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above requirements. Such certification shall be signed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

DW # 0760441-04-002  
Water Line Extension  
Contract#3 Alternates Water Line  
March 18, 2004  
Page 4 of 4

Unless construction of this project is begun within one year from the date of this approval, the approval shall expire. If you have any questions concerning this project, please contact Rita Arguello at 502/564-2225, extension 482.

Sincerely,

  
Donna S. Marlin, Manager  
Drinking Water Branch  
Division of Water

DSM: RA

Enclosures

C: CMW, Inc.  
Madison County Health Department  
Division of Plumbing  
Water Quality Branch  
Water Resources Branch  
Frankfort Regional Office  
Buddy Griffin  
Drinking Water Files

**Distribution-Major Construction**  
 Madison Co Utility - Waco Water Works  
 Subject Item Inventory

Activity ID No.: APE20040002

**Subject Item Inventory:**

| ID        | Designation           | Description  |
|-----------|-----------------------|--|
| AIOO34010 |                       |  |
| PORT2     | Water Line Extension. | 22,100 ft of 4-inch and 28,550 feet of 6-inch of PVC water line extension. |

**Subject Item Groups:**

| ID    | Description  | Components   |
|-------|--|--|
| GACT2 | 22,100 ft of 4-inch and 28,550 ft of 6-inch of PVC water line extension. | PORT2 22,100 ft of 4-inch and 28,550 feet of 6-inch of PVC water line extension. |

**KEY**

|                  |                         |
|------------------|-------------------------|
| ACTV = Activity  | AIOO = Agency Interest  |
| AREA = Area      | COMB = Combustion       |
| EQPT = Equipment | MNPT = Monitoring Point |
| PERS = Personnel | PORT = Transport        |
| STOR = Storage   | STRC = Structure        |
| TRMT = Treatment |                         |

**Distribution-Major Construction**  
Madison Co Utility - Waco Water Works  
Facility Requirements

Activity ID No.: APE20040002

**GACT2 (Contract #3 Alternates WL) 22,100 ft of 4-inch and 28,550 ft of 6-inch of PVC water line extension.:**

**Monitoring Requirements:**

| Condition No. | Parameter | Condition  |
|---------------|-----------|--|
| M-1           | Coliform  | The presence or absence of total Coliform monitored by sampling and analysis as needed shall be determined for the new or relocated water line(s). Take samples at connection points to existing lines, at 1 mile intervals, and at dead ends without omitting any branch of the new or relocated water line. Sample bottles shall be clearly identified as "special" construction tests. [401 KAR 8:100 Section 1(7), 401 KAR 8:150 Section 4, Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination. |

**Submittal/Action Requirements:**

**Coliform:**

| Condition No. | Condition   |
|---------------|---|
| S-1           | Coliform<br>For new construction projects, the distribution system, using the most expedient method, shall submit Coliform test results to the Cabinet. Due immediately following disinfection and flushing. [401 KAR 8:150 Section 4(2)] |

| Condition No. | Condition   |
|---------------|---|
| S-2           | For proposed changes to the approved plan, submit information: Due prior to any modification to the Cabinet for approval. Changes to the approved plan shall not be implemented without the prior written approval of the Cabinet. [401 KAR 8:100 Section 1(8)] |



**Distribution-Major Construction**  
Madison Co Utility - Waco Water Works  
Facility Requirements

Activity ID No.: APE20040002

**Submittal/Action Requirements:**

Condition  
No. Condition

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S-3 The person who presented the plans shall submit the professional engineer's certification: Due when construction is complete to the Division of Water. The certification shall be signed by a registered professional engineer and state that the water project has been constructed and tested in accordance with the approved plans, specifications, and requirements. [401 KAR 8:100 Section 1(8)]

**Narrative Requirements:**

**Additional Limitations:**

Condition  
No. Condition

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T-1 Additional Limitations:  
Chlorinated water resulting from disinfection of project components shall be disposed in a manner which will not violate 401 KAR 5:031. [401 KAR 8:020 Section 2(20)]

Condition  
No. Condition

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T-2 This project has been permitted under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this permit 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. [401 KAR 8:100 Section 1(7)]

T-3 Unless construction of this project is begun within 1 year from the issuance date of this permit, the permit shall expire. If requested prior to the permit expiration, an official extension from the Division of Water may be granted. If this permit expires, the original plans and specifications may be resubmitted for a new comprehensive review. If you have any questions concerning this project, please contact the Drinking Water Branch at 502/564-3410. [401 KAR 8:100 Section 1(9)]

T-4 During construction, a set of approved plans and specification shall be available at the job site at all times. All work shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 1(7)(a)]

**Distribution-Major Construction**  
Madison Co Utility - Waco Water Works  
Facility Requirements

Activity ID No.: APE20040002

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**PORT2 (Water Line Extension,) 22,100 ft of 4-inch and 28,550 feet of 6-inch of PVC water line extension.:**

**Limitation Requirements:**

| Condition No. | Parameter | Condition  |
|---------------|-----------|--|
| L-1           | Depth     | A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a Depth $\geq 6$ in below the bottom of the pipe. [Recommended Standards for Water Works 8.5.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable. |
| L-2           | Depth     | All water lines shall be covered to a Depth $\geq 30$ in to prevent freezing. [Recommended Standards for Water Works 8.5.3, 401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.  |
| L-3           | Diameter  | All water lines shall have Diameter $\geq 3$ in. [Recommended Standards for Water Works 8.1.4] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.   |
| L-4           | Diameter  | Water lines with Diameter $< 6$ in shall not have fire hydrants. [Recommended Standards for Water Works 8.1.5] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.   |
| L-5           | Diameter  | All new and existing water lines serving fire hydrants or where fire protection is provided shall have Diameter $\geq 6$ in. [Recommended Standards for Water Works 8.1.2] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.   |
| L-6           | Distance  | Water lines shall have a sufficient quantity of valves so that inconvenience and sanitary hazards will be minimized during repairs. A valve spacing Distance $\leq 800$ ft should be utilized in non-commercial districts. Commercial districts should utilize a valve spacing Distance $< \text{or} = 500$ ft. [Recommended Standards for Water Works 8.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.                             |
| L-7           | Distance  | Hydrant drains shall not be connected to sanitary sewers or storm drains and shall be located a Distance $> 10$ ft from sanitary sewers and storm drains. [Recommended Standards for Water Works 8.3.4] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.   |

**Distribution-Major Construction**  
Madison Co Utility - Waco Water Works  
Facility Requirements

Activity ID No.: APE20040002

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**Limitation Requirements:**

| Condition No. | Parameter | Condition   |
|---------------|-----------|---|
| L-8           | Distance  | <p>Except when not practical, water lines shall be laid a horizontal Distance <math>\geq</math> 10 ft from any existing or proposed sewer. The distance shall be measured edge to edge.</p> <p>In cases where it is not practical to maintain a 10 foot separation, water lines may be installed closer to a sewer provided that the water lines shall be 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 line is at least 18 inches above the top of the sewer. [Recommended Standards for Water Works 8.6.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.</p> |
| L-9           | Distance  | <p>When water lines and sewers cross,</p> <ol style="list-style-type: none"><li>1) water lines shall be laid such that the bottom of the water line is a vertical Distance <math>\geq</math> 18 in above the top of the sewer line,</li><li>2) 1 full length of the water pipe shall be located so that both joints of the water pipe will be as far from the sewer as possible, and</li><li>3) special structural support for the water and sewer pipes may be required. [Recommended Standards for Water Works 8.6.3] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.</li></ol>  |
| L-10          | Distance  | <p>The open end of an air relief pipe from automatic valves shall be extended a Distance <math>\geq</math> 1.0 ft above grade and provided with a screened, downward-facing elbow. The pipe from a manually operated valve shall be extended to the top of the pit. Use of manual air relief valves is recommended wherever possible. [Recommended Standards for Water Works 8.4.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.</p>  |
| L-11          | Pressure  | <p>Pipes shall not be installed unless all points of the distribution system remain designed for ground level Pressure <math>\geq</math> 20 psi under all conditions of flow. [Recommended Standards for Water Works 8.1.1] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.</p>   |
| L-12          | Pressure  | <p>Pressure <math>\geq</math> 30 psi must be available on the discharge side of all meters. The hydraulic performance of the existing small diameter water line as well as Doyleville areas served by the existing small diameter waterline shall be monitored. Appropriate corrective action shall be taken if the level of service is inadequate or declining, or the pressure to any customer falls below 30 psig. [401 KAR 8:100 Section 4(2)] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.</p>  |

**Distribution-Major Construction**  
 Madison Co Utility - Waco Water Works  
 Facility Requirements

Activity ID No.: APE20040002

**Limitation Requirements:**

| Condition No. | Parameter | Condition |
|---------------|-----------|-----------|
|---------------|-----------|-----------|

|      |                       |   |
|------|-----------------------|---|
| L-13 | Residual Disinfection | <p>New or relocated water lines shall be thoroughly disinfected (in accordance with AWWA Standard C651) upon completion of construction and before being placed into service. To disinfect the new or relocated lines use chlorine or chlorine compounds in such amounts as to produce an initial disinfectant concentration of at least 50 ppm and a Residual Disinfection <math>\geq</math> 25 ppm at the end of 24 hours. Follow the line disinfection with thorough flushing and place the lines into service if, and only if, Coliform monitoring applicable to the line does not show the presence of Coliform.</p> <p>If Coliform is detected, repeat flushing of the line and Coliform monitoring. If Coliform is still detected, repeat disinfection and flushing as if the line has never been disinfected. Continue the described process until monitoring does not show the presence of Coliform. [401 KAR 8:150 Section 4(1), Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.</p> |
|------|-----------------------|---|

|      |          |  |
|------|----------|--|
| L-14 | Velocity | <p>Except in underserved areas, each fire or flush hydrant shall be sized so that Velocity <math>\geq</math> 2.5 ft/sec can be achieved in the water main served by the hydrant during flushing.</p> <p>Based on the hydraulic analysis/data submitted, the areas served by the following extension(s) are considered to be underserved:</p> <ul style="list-style-type: none"> <li>a) Cain Springs Road</li> <li>b) Peacock Road</li> <li>c) Ford Road (Phelps Road)</li> </ul> <p>This designation indicates that without improvements to the existing infrastructure, future extensions may not be able to provide the required minimum pressure of 30 psi on the discharge side of customers' meters. Without improvements to the infrastructure, future extensions may be denied. [Recommended Standards for Water Works 8.1.6.b, 401 KAR 8:100 Section 1(7)]</p> |
|------|----------|--|

**Monitoring Requirements:**

| Condition No. | Parameter | Condition |
|---------------|-----------|-----------|
|---------------|-----------|-----------|

|     |       |  |
|-----|-------|--|
| M-1 | leaks | <p>The presence or absence of leaks monitored by physical testing as needed shall be determined in all types of installed pipe. Pressure testing and leakage testing shall be in accordance with the latest edition of AWWA Standard C600. [Recommended Standards for Water Works 8.5.5] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.</p> |
|-----|-------|--|

**Distribution-Major Construction**  
 Madison Co Utility - Waco Water Works  
 Facility Requirements

Activity ID No.: APE20040002

**Narrative Requirements:**

**Additional Limitations:**

| Condition No. | Condition  |
|---------------|--|
| T-1           | <p><b>Additional Limitations:</b><br/>                     Water line installation shall be in accordance with AWWA standards or manufacturer recommendations. [Recommended Standards for Water Works 8.5.1]</p>   |
| T-2           | <p><b>Additional Limitations:</b><br/>                     Pipes, fittings, valves and fire hydrants shall conform to the latest standards issued by the AWWA or NSF (if such standards exist). PVC and PE piping used must be certified to ANSI/NSF Standard 61. [Recommended Standards for Water Works 8.0.1]</p>  |
| T-3           | <p><b>Additional Limitations:</b><br/>                     At high points in water lines, 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 manhole or chamber flooding may occur. [Recommended Standards for Water Works 8.4.1]</p>   |
| T-4           | <p><b>Additional Limitations:</b><br/>                     All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.5.4]</p>  |
| T-5           | <p><b>Additional Limitations:</b><br/>                     A flush hydrant shall be required at the end of each dead end line that is less than 6 inches in diameter. [Recommended Standards for Water Works 8.1.6]</p>  |
| T-6           | <p><b>Additional Limitations:</b><br/>                     For each fire or flush hydrant, auxiliary valves shall be installed in the hydrant lead pipe. [Recommended Standards for Water Works 8.3.3]</p>   |
| T-7           | <p><b>Additional Limitations:</b><br/>                     No flushing device, blow-off, or air relief valve shall be directly connected to any sewer. Chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances shall not be directly connected to any storm drain or sanitary sewer. Such chambers, pits or manholes shall be drained to absorptions pits underground or to the surface of the ground where they are not subject to flooding by surface water. [Recommended Standards for Water Works 8.1.6, Recommended Standards for Water Works 8.4.3]</p> |
| T-8           | <p><b>Additional Limitations:</b><br/>                     If water lines are installed or replaced in areas of organic contamination or in areas within 200 ft of underground or petroleum storage tanks, ductile iron or other nonpermeable materials shall be used in all portions of the water line installation or replacement. [401 KAR 8:100 Section 1(5)(d)6, Recommended Standards for Water Works 8.0.2]</p>   |
| T-9           | <p><b>Additional Limitations:</b><br/>                     No water pipe shall pass through or come in contact with any part of a sewer manhole. [Recommended Standards for Water Works 8.6.6]</p>   |

**Distribution-Major Construction**  
 Madison Co Utility - Waco Water Works  
 Facility Requirements

Activity ID No.: APE20040002

**Narrative Requirements:**

**Additional Limitations:**

| Condition No. | Condition   |
|---------------|---|
| T-10          | <p><b>Additional Limitations:</b><br/>                     If a fire sprinkler system is to be installed, a double check detector assembly approved for backflow prevention shall be utilized. The double check detector assembly of the system shall be accessible for testing. [401 KAR 8:100 Section 1(7)]</p>               |
| T-11          | <p><b>Additional Limitations:</b><br/>                     If water lines cross a stream or wetland, the provisions in the attached Water Quality Certification shall apply. If you have any questions please contact John Dovak of the Water Quality Branch at (502) 564-2225, extension 485. [401 KAR 8:100 Section 1(7)]</p> |

**Subfluvial Pipe Crossings:**

| Condition No. | Condition   |
|---------------|---|
| T-12          | <p><b>Subfluvial Pipe Crossings:</b><br/>                     For subfluvial pipe crossings, a floodplain construction permit will not be required pursuant to KRS 151.250 if the following requirements of 401 KAR 4:050 Section 2 are met.</p> <ol style="list-style-type: none"> <li>1) No material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc. during construction of pipe crossings.</li> <li>2) Crossing trenches shall be backfilled as closely as possible to the original contour.</li> <li>3) All excess material resulting from construction displacement in a crossing trench shall be disposed of outside the flood plain.</li> <li>4) For erodible channels, there shall be at least 30 inches of backfill on top of all pipe or conduit points in the crossing.</li> <li>5) For nonerodible channels, pipes or conduits in the crossing shall be encased on all sides by at least 6 inches of concrete with all pipe or conduit points in the crossing at least 6 inches below the original contour of the channel. [401 KAR 8:100 Section 1(7)]</li> </ol> |
| T-13          | <p><b>Subfluvial Pipe Crossings:</b><br/>                     For subfluvial pipe crossings greater than 15 feet in width,</p> <ol style="list-style-type: none"> <li>1) the pipe shall be of special construction, having flexible, restrained, or welded watertight joints, and</li> <li>2) valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair.</li> </ol> <p>Valves shall</p> <ol style="list-style-type: none"> <li>a) be easily accessible,</li> <li>b) not be subject to flooding, and</li> <li>c) if closest to the supply source, be in a manhole with permanent taps made on each side of the valve to allow insertion of a small meter to determine leakage and for sampling purposes. [Recommended Standards for Water Works 8.7.2]</li> </ol>   |

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET  
Department for Environmental Protection  
Division of Water

**401 KAR 4:050. Construction exemptions.**

**RELATES TO:** KRS 151.110, 151.250, 151.310

**STATUTORY AUTHORITY:** KRS 151.230, 151.250

**NECESSITY AND FUNCTION:** In the course of regulating construction in or along streams pursuant to KRS 151.250, the Natural Resources and Environmental Protection Cabinet frequently encounters actions or proposed actions which are of such nature or location as to have little potential for damage or such that any damage which would occur is limited in extent to the immediate vicinity of the action. This regulation exempts construction of this type from the provisions of KRS 151.250.

**Section 1.** A construction permit pursuant to KRS 151.250 shall not be required for construction in or along a stream whose watershed is less than one (1) square mile, except for the construction of dams as defined by KRS 151.100 or other water impounding structures or for any construction that does or may endanger life or cause severe damage to residential or commercial property.

**Section 2.** A construction permit pursuant to KRS 151.250 shall not be required for a subfluvial utility or pipeline crossing provided that the construction of the crossing meets the following criteria:

(1) During the construction of the crossing, no material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc., unless prior approval has been obtained from the cabinet.

(2) The trench shall be backfilled as closely as possible to the original contour. All excess material from construction of the trench shall be disposed of outside of the flood plain unless the applicant has received prior approval from the cabinet to fill within the flood plain.

(3) For subfluvial crossings of erodible channels, there shall be at least thirty (30) inches clear to the top of the pipe or conduit at all points.

(4) For subfluvial crossings of nonerodible channels, there shall be at least six (6) inches of clear cover above the top of the pipe or conduit at all points, and the pipe or conduit shall be encased on all sides by at least six (6) inches of concrete.

(5) The weight of a pipe and its contents during normal operating conditions at all points must exceed that of an equal volume of water, or the applicant must provide the division with sufficient information to show that the pipe and joints have sufficient strength. (7 Ky.R. 365; eff. 11-6-80.)



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

**General Certification--Nationwide Permit #12**  
**Utility Line Backfill and Bedding**

This General Certification is issued March 17, 2002, in conformity with the requirements of Section 401 of the Clean Water Act of 1977, as amended (33USC 1314), as well as Kentucky Statute KRS 224.16-070.

The Commonwealth of Kentucky hereby certifies under Section 401 of the Clean Water Act (CWA) that it has reasonable assurances that applicable water quality standards under Kentucky Administrative Regulations Title 401, Chapter 5, established pursuant to Sections 301, 302, 304, 306 and 307 of the CWA, will not be violated for the activity covered under 33 CFR Part 330 Appendix A (B) (12), namely utility line backfill and bedding provided that the following conditions are met:

1. This general Water Quality Certification is limited to the crossing of streams by utility lines. The length of a single utility stream crossing shall not exceed twice the width of the stream. This document does not authorize the installation of utility lines in a linear manner within the stream channel or below the top of the stream bank.
2. The provisions of 401 KAR 5:005 Section 8 are hereby incorporated into this General Water Quality Certification. Namely, "Sewer lines shall be located at least 50 feet away from a stream which appears as a blue line on a USGS 7 ½ minute topographic map except where the sewer alignment crosses the stream. The distance shall be measured from the top of the stream bank. The cabinet may allow construction within the 50' buffer if adequate methods are used to prevent soil from entering the stream.

Gravity sewer lines and force mains that cross streams shall be constructed by methods that maintain normal stream flow and allow for a dry excavation. Water pumped from the excavation shall be contained and allowed to settle prior to re-entering the stream. Excavation equipment and vehicles shall operate outside of the flowing portion of the stream. Spoil material from the sewer line excavation shall not be allowed to enter the flowing portion of the stream." The provisions of this condition shall apply to all types of utility line stream crossings.

3. Removal of riparian vegetation in the utility line right-of-way shall be limited to that necessary for equipment access. Effective erosion and sedimentation control measures must be employed at all times during the project to prevent degradation of waters of the Commonwealth. Site regarding and reseeded will be accomplished within 14 days after disturbance.





- 4. Utility line construction projects through jurisdictional wetlands shall not result in conversion of the area to non-wetland status.**
- 5. This General Certification shall not apply to those waters of the Commonwealth identified as Outstanding State Resource Waters, Exceptional Waters or Cold Water Aquatic Habitat Waters, as designated by the Division of Water. An individual Water Quality Certification will be required for projects in these waters.**

**Non-compliance with the conditions of this general certification or violation of Kentucky state water quality standards may result in civil penalties.**

**This general certification will expire on March 19, 2007, or sooner if the COE makes significant changes to this nationwide permit.**

---



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

May 14, 2004

Ms. Sandy Williams  
Kentucky Infrastructure Authority  
375 Versailles Road  
Frankfort, Kentucky 40601

Re: DWSRF #106  
Madison Co Utilities - Kingston-Terrill--34008  
Activity ID: FGL20040004  
Fund F

Dear Ms. Williams:

Enclosed is the revised budget for the above-referenced project. This represents a 10% percent increase due to additional line extensions, which will revise the loan amount to \$3,300,000. This increase does not require board approval. The Division of Water recommends approval of this request.

If you have any questions, please contact Buddy Griffin, Project Administrator, at (502) 564-2225, extension 635.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald T. Price".

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

RTP:bg

Enclosure

C: Mr. Faris Maupin  
CMW, Inc.







**Kentucky Infrastructure Authority**  
375 Versailles Road  
Frankfort, Kentucky 40601-3646  
Telephone (502) 573-0260 Telefax (502) 573-0157

September 8, 2003

Mr. Kerry Odle  
Project Administrator for WX21151014  
CMW Engineering  
101 West Main Street  
Richmond, Kentucky 40475

Re: Tobacco Development Fund (TDF) Grant Award  
WX21151014, Madison County, in the Amount of \$100,000.00  
Madison County Fiscal Court - Flint Road Water Line Upgrade

Dear Mr. Odle:

As the designated Project Administrator for your Project, you will be working closely with the Kentucky Infrastructure Authority (the Authority) to assure that all grant documentation is completed in a timely manner.

Attached is the Grant Assistance Agreement (the Agreement), which details all requirements for securing funds for the Project. Use the document in the format presented. In the Agreement, opportunity is afforded to secure up to 50% of planning and design fees prior to project bidding, if needed. As soon as the Agreement is fully executed and all requirements have been met, 85% of the grant will be advanced to the Grantee. The final 15% of funds will be released after the project has been completed and the Authority has returned a fully executed Certificate of Completion (Exhibit 9) to the Grantee.

We look forward to working with you in the coming months to provide for the timely implementation of your project. A short training session regarding the program will be scheduled in the near future.

Your contact with the Authority throughout this process will be Ms. Suzanne Johnson-Anderson. Please do not hesitate to contact Ms. Anderson by phone at (502)573-0260 or email at [Suzanne.Anderson@mail.state.ky.us](mailto:Suzanne.Anderson@mail.state.ky.us) for any assistance.

Sincerely,

Roger Recktenwald

Attachments

c: Judge Kent Clark, Madison County Fiscal Court  
Water Service Coordinator, Bluegrass ADD  
Ms. Suzanne Johnson-Anderson, Kentucky Infrastructure Authority







**BID**

**CONTRACT #3  
ALTERNATES WATER LINE IMPROVEMENTS AND EXTENSIONS  
MADISON COUNTY UTILITIES DISTRICT**

Proposal of Staton's Const. Co Inc (hereinafter called "BIDDER"), a corporation organized and existing under the laws of the State of Ky doing business as A Corporation \*.

To the Madison County Utilities District (hereinafter called "OWNER").

In compliance with your Advertisement for Bids, BIDDER hereby proposes to perform all WORK for the construction of Water Line Improvements and Extension in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below.

By submission of this BID, the BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication, or agreement as to any matter relating to this BID with any other BIDDER or with any competitor.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in the NOTICE TO PROCEED and to fully complete the project within 135 consecutive calendar days for base bid and 20 consecutive calendar days for additive alternate. BIDDER further agrees to pay as liquidated damages, the sum of \$300 for each consecutive calendar day thereafter as hereinafter provided in Section 15 of the General Conditions.

\* Insert "a corporation", "a partnership", or "an individual" as applicable.



BIDDER acknowledges receipt of the following ADDENDUM:

No. 1 Dated 3-19-04 No. \_\_\_\_\_ Dated \_\_\_\_\_  
 No. \_\_\_\_\_ Dated \_\_\_\_\_ No. \_\_\_\_\_ Dated \_\_\_\_\_

BIDDER agrees to perform all the work described in the CONTRACT DOCUMENTS for the following unit prices:

- NOTE: (1) BIDS shall include sales tax and all other applicable taxes and fees.  
 (2) Breakdown of work is for general information. Any work shown on Drawings and/or specified but not listed below shall be included in total base bid. Cost of items of work not specifically described below may be added to related bid item(s) at bidder's discretion.

**BID SCHEDULE**

Part I. Base Bid

Section A: Greens Crossing

| ITEM NO. | DESCRIPTION                                    | ESTIMATED QUANTITY | UNIT | UNIT PRICE  | TOTAL AMOUNT |
|----------|--|--------------------|------|-------------|--------------|
| 1.       | 6" PVC Water Main Class 200                    | 5,380              | LF   | \$ 6.85     | \$ 36,853.00 |
| 2.       | 2" PVC Water Main Class 200                    | 780                | LF   | \$ 5.00     | \$ 3,900.00  |
| 3.       | 6" Connection to Existing Water Line (Dry Tap) | 1                  | EA   | \$ 1,000.00 | \$ 1,000.00  |
| 4.       | 6" Connection to Existing Water Line (Wet Tap) | 1                  | EA   | \$ 1,200.00 | \$ 1,200.00  |
| 5.       | 6" MJ Gate Valve Complete with Box and Cover   | 4                  | EA   | \$ 425.00   | \$ 1,700.00  |
| 6.       | 2" MJ Gate Valve Complete with Box and Cover   | 2                  | EA   | \$ 370.00   | \$ 740.00    |
| 7.       | Air Relief Valve Complete with Box and Cover   | 1                  | EA   | \$ 380.00   | \$ 380.00    |

| ITEM NO. | DESCRIPTION                                   | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|----------|---|--------------------|------|------------|--------------|
| 8.       | Fire Hydrant Complete with Gate Valve         | 4                  | EA   | \$ 2000.00 | \$ 8000.00   |
| 9.       | Blow-off                                      | 2                  | EA   | \$ 850.00  | \$ 1700.00   |
| 10.      | Jack and Bore with 10" Steel Encasement Pipe  | 80                 | LF   | \$ 65.00   | \$ 5200.00   |
| 11.      | Jack and Bore with 4" PVC Encasement Pipe     | 50                 | LF   | \$ 50.00   | \$ 2500.00   |
| 12.      | PVC Encasement for 4" Water Main              | 20                 | LF   | \$ 30.00   | \$ 600.00    |
| 13.      | Additional Concrete Encasement                | 5                  | CY   | \$ 100.00  | \$ 500.00    |
| 14.      | Extra Crushed Stone Bedding                   | 20                 | TONS | \$ 20.00   | \$ 400.00    |
| 15.      | 3/4" PE Service Line                          | 600                | LF   | \$ 1.85    | \$ 1110.00   |
| 16.      | 1" PE Service Line                            | 2,020              | LF   | \$ 2.00    | \$ 4040.00   |
| 17.      | 2" PVC Encasement Bore                        | 250                | LF   | \$ 30.00   | \$ 7500.00   |
| 18.      | Open Cut with 2" PVC Encasement Pipe          | 205                | LF   | \$ 20.00   | \$ 4100.00   |
| 19.      | 5/8" x 3/4" Meter Unit without Individual PRV | 36                 | EA   | \$ 340.00  | \$ 12240.00  |
| 20.      | Reconnect Ex Meter                            | 1                  | EA   | \$ 350.00  | \$ 350.00    |

Subtotal Section A: (Greens Crossing)

\$ 94,013.00  
(USE FIGURES)

Section B: Peacock Road

| ITEM NO. | DESCRIPTION                                    | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|----------|--|--------------------|------|------------|--------------|
| 1.       | 6" PVC Water Main Class 250                    | 4,840              | LF   | \$ 7.00    | \$ 33880.00  |
| 2.       | 6" Connection to Existing Water Main (Dry Tap) | 1                  | EA   | \$ 1200.00 | \$ 1200.00   |
| 3.       | 6" MJ Gate Valve Complete with Box and Cover   | 1                  | EA   | \$ 425.00  | \$ 425.00    |

| ITEM NO. | DESCRIPTION                                  | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|----------|--|--------------------|------|------------|--------------|
| 4.       | 4" MJ Gate Valve Complete with Box and Cover | 2                  | EA   | \$ 380.00  | \$ 760.00    |
| 5.       | Blow-off                                     | 2                  | EA   | \$ 850.00  | \$ 1,700.00  |
| 6.       | Jack and Bore with 10" Steel Encasement Pipe | 30                 | LF   | \$ 65.00   | \$ 1,950.00  |
| 7.       | Additional Concrete Encasement               | 2                  | CY   | \$ 100.00  | \$ 200.00    |
| 8.       | Extra Crushed Stone Bedding                  | 10                 | TONS | \$ 20.00   | \$ 200.00    |
| 9.       | 3/4" PE Service Line                         | 80                 | LF   | \$ 1.85    | \$ 148.00    |
| 10.      | 5/8" x 3/4" Meter Unit with Individual PRV   | 4                  | EA   | \$ 400.00  | \$ 1,600.00  |

Subtotal Section B: Peacock Road

\$ 42,063.00

(USE FIGURES)

Section C: Ford Road

| ITEM NO. | DESCRIPTION                                   | ESTIMATED QUANTITY | UNIT | UNIT PRICE   | TOTAL AMOUNT |
|----------|---|--------------------|------|--------------|--------------|
| 1.       | 4" PVC Water Main Class 250                   | 4,560              | LF   | \$ 6.00      | \$ 27,360.00 |
| 2.       | 4" MJ Gate Valve, Complete with Box and Cover | 1                  | EA   | \$ 380.00    | \$ 380.00    |
| 3.       | 4" Creek Crossing Valve with Bypass Meter     | 1                  | EA   | \$ 500.00    | \$ 500.00    |
| 4.       | Blow-off                                      | 1                  | EA   | \$ 850.00    | \$ 850.00    |
| 5.       | Creek Crossing                                | 39                 | LF   | \$ 50.00     | \$ 1,950.00  |
| 6.       | 3" Pressure Reducing Valve Station            | 1                  | EA   | \$ 15,000.00 | \$ 15,000.00 |
| 7.       | Additional Concrete Encasement                | 2                  | CY   | \$ 100.00    | \$ 200.00    |
| 8.       | Extra Crushed Stone Bedding                   | 20                 | TONS | \$ 20.00     | \$ 400.00    |
| 9.       | 5/8" x 3/4" Meter Unit with Individual PRV    | 5                  | EA   | \$ 400.00    | \$ 2,000.00  |
| 10.      | 3/4" PE Service Line                          | 50                 | LF   | \$ 1.85      | \$ 92.50     |

| ITEM NO. | DESCRIPTION            | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|----------|------------------------|--------------------|------|------------|--------------|
| 11.      | 1" PE Service Line     | 350                | LF   | \$ 2.00    | \$ 700.00    |
| 12.      | 2" PVC Encasement Pipe | 80                 | LF   | \$ 20.00   | \$ 1,600.00  |

Subtotal Section C: Ford Road

\$ 51,032.50  
 (USE FIGURES)

Section D: Doylesville Road

| ITEM NO. | DESCRIPTION                                    | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|----------|--|--------------------|------|------------|--------------|
| 1.       | 4" PVC Water Main Class 250                    | 10,790             | LF   | \$ 6.00    | \$ 64,740.00 |
| 2.       | Connection to Existing 4" Water Line (Dry Tap) | 1                  | EA   | \$ 850.00  | \$ 850.00    |
| 3.       | 4" MJ Gate Valve Complete with Box and Cover   | 3                  | EA   | \$ 380.00  | \$ 1,140.00  |
| 4.       | 4" Creek Crossing Valve with Bypass Meter      | 2                  | EA   | \$ 500.00  | \$ 1,000.00  |
| 5.       | Air Relief Valve Complete with Box and Cover   | 1                  | EA   | \$ 380.00  | \$ 380.00    |
| 6.       | Blow-off Valve                                 | 2                  | EA   | \$ 850.00  | \$ 1,700.00  |
| 7.       | Creek Crossing for 4" Water Main               | 130                | LF   | \$ 50.00   | \$ 6,500.00  |
| 8.       | PVC Encasement for 4" Water Main               | 13                 | LF   | \$ 25.00   | \$ 325.00    |
| 9.       | Additional Concrete                            | 4                  | CY   | \$ 100.00  | \$ 400.00    |
| 10.      | Extra Crushed Stone Bedding                    | 20                 | TONS | \$ 20.00   | \$ 400.00    |
| 11.      | 3/4" PE Service Line                           | 120                | LF   | \$ 1.85    | \$ 222.00    |
| 12.      | 5/8" x 3/4" Meter Unit with Individual PRV     | 5                  | EA   | \$ 400.00  | \$ 2,000.00  |

Subtotal Section D: Doylesville Road

\$ 79,657.00  
 (USE FIGURES)

Section E: Cain Springs Road

| ITEM NO. | DESCRIPTION  | ESTIMATED QUANTITY | UNIT | UNIT PRICE              | TOTAL AMOUNT             |
|----------|--|--------------------|------|-------------------------|--------------------------|
| 1.       | 6" PVC Water Main<br>Class 250                     | 2,620              | LF   | \$ 7.50                 | \$ 19,650. <sup>00</sup> |
| 2.       | 6" PVC Water Main<br>C-900 Class 200               | 4,380              | LF   | \$ 7.25                 | \$ 31,755. <sup>00</sup> |
| 3.       | Connection to Existing 4"<br>Water Line (Dry Tap)  | 2                  | EA   | \$ 1,000. <sup>00</sup> | \$ 2,000. <sup>00</sup>  |
| 4.       | 6" MJ Gate Valve<br>Complete with Box and<br>Cover | 5                  | EA   | \$ 425. <sup>00</sup>   | \$ 2,125. <sup>00</sup>  |
| 5.       | 6" Creek Crossing Valve<br>with Bypass Meter       | 1                  | EA   | \$ 500. <sup>00</sup>   | \$ 500. <sup>00</sup>    |
| 6.       | Air Relief Valve Complete<br>with Box and Cover    | 1                  | EA   | \$ 360. <sup>00</sup>   | \$ 360. <sup>00</sup>    |
| 7.       | Blow-off Valve                                     | 2                  | EA   | \$ 850. <sup>00</sup>   | \$ 1,700. <sup>00</sup>  |
| 8.       | Jack and Bore with 10"<br>Steel Encasement Pipe    | 100                | LF   | \$ 65. <sup>00</sup>    | \$ 6,500. <sup>00</sup>  |
| 9.       | Creek Crossing for 6"<br>Water Main                | 143                | LF   | \$ 65. <sup>00</sup>    | \$ 9,295. <sup>00</sup>  |
| 10.      | Additional Concrete<br>Encasement                  | 4                  | CY   | \$ 100. <sup>00</sup>   | \$ 400. <sup>00</sup>    |
| 11.      | Extra Crushed Stone<br>Bedding                     | 20                 | TONS | \$ 20. <sup>00</sup>    | \$ 400. <sup>00</sup>    |
| 12.      | ¾" PE Service Line                                 | 50                 | LF   | \$ 1.85                 | \$ 92. <sup>50</sup>     |
| 13.      | 1" PE Service Line                                 | 40                 | LF   | \$ 2.00                 | \$ 80. <sup>00</sup>     |
| 14.      | 2" PVC Encasement Bore                             | 25                 | LF   | \$ 30.00                | \$ 750. <sup>00</sup>    |
| 15.      | 5/8" x ¾" Meter Unit with<br>Individual PRV        | 4                  | EA   | \$ 400. <sup>00</sup>   | \$ 1,600. <sup>00</sup>  |

Subtotal Section E: Cain Springs Road

\$ 77,207.<sup>50</sup>  
 (USE FIGURES)

Section F: Sand Ridge Road

| ITEM NO. | DESCRIPTION  | ESTIMATED QUANTITY | UNIT | UNIT PRICE  | TOTAL AMOUNT |
|----------|--|--------------------|------|-------------|--------------|
| 1.       | 4" PVC Water Main<br>Class 200                     | 7,040              | LF   | \$ 5.50     | \$ 38,720.00 |
| 2.       | Connection to Existing<br>Water Line (Wet Tap)     | 1                  | EA   | \$ 1,200.00 | \$ 1,200.00  |
| 3.       | 4" MJ Gate Valve<br>Complete with Box and<br>Cover | 2                  | EA   | \$ 380.00   | \$ 760.00    |
| 4.       | Air Relief Valve Complete<br>with Box and Cover    | 1                  | EA   | \$ 380.00   | \$ 380.00    |
| 5.       | Blow-off Valve                                     | 2                  | EA   | \$ 850.00   | \$ 1,700.00  |
| 6.       | Jack and Bore with 8"<br>Steel Encasement          | 75                 | LF   | \$ 60.00    | \$ 4,500.00  |
| 7.       | Additional Concrete<br>Encasement                  | 2                  | CY   | \$ 100.00   | \$ 200.00    |
| 8.       | Extra Crushed Stone<br>Bedding                     | 20                 | TONS | \$ 20.00    | \$ 400.00    |
| 9.       | 5/8" x 3/4" Meter Unit<br>without Individual PRV   | 5                  | EA   | \$ 400.00   | \$ 2,000.00  |
| 10.      | 3/4" PE Service Line                               | 100                | LF   | \$ 1.85     | \$ 185.00    |
| 11.      | 1" PE Service Line                                 | 100                | LF   | \$ 2.00     | \$ 200.00    |
| 12.      | 2" PVC Encasement Bore                             | 60                 | LF   | \$ 20.00    | \$ 1,200.00  |

Subtotal Section F: Sand Ridge Road

\$ 51,445.00  
 (SEE FIGURES)

Section G: Flint Road

| ITEM NO. | DESCRIPTION                                       | ESTIMATED QUANTITY | UNIT | UNIT PRICE  | TOTAL AMOUNT |
|----------|---|--------------------|------|-------------|--------------|
| 1.       | 6" PVC Water Main<br>Class 200                    | 7,980              | LF   | \$ 7.25     | \$ 57,855.00 |
| 2.       | 4" PVC Water Main<br>Class 200                    | 120                | LF   | \$ 5.25     | \$ 630.00    |
| 3.       | Connection to Existing 6"<br>Water Line (Wet Tap) | 1                  | EA   | \$ 1,200.00 | \$ 1,200.00  |

| ITEM NO. | DESCRIPTION                                    | ESTIMATED QUANTITY | UNIT | UNIT PRICE            | TOTAL AMOUNT            |
|----------|--|--------------------|------|-----------------------|-------------------------|
| 4.       | Connection to Existing 4" Water Line (Dry Tap) | 3                  | EA   | \$ 1000 <sup>00</sup> | \$ 3,000 <sup>00</sup>  |
| 5.       | 6" MJ Gate Valve Complete with Box and Cover   | 7                  | EA   | \$ 425 <sup>00</sup>  | \$ 2975 <sup>00</sup>   |
| 6.       | 4" MJ Gate Valve Complete with Box and Cover   | 3                  | EA   | \$ 380 <sup>00</sup>  | \$ 1140 <sup>00</sup>   |
| 7.       | Air Relief Valve Complete with Box and Cover   | 1                  | EA   | \$ 380 <sup>00</sup>  | \$ 380 <sup>00</sup>    |
| 8.       | Fire Hydrant, Complete with Gate Valve         | 5                  | EA   | \$ 1800 <sup>00</sup> | \$ 9,000 <sup>00</sup>  |
| 9.       | Jack and Bore with 10" Steel Encasement Pipe   | 105                | LF   | \$ 65 <sup>00</sup>   | \$ 6,825 <sup>00</sup>  |
| 10.      | Jack and Bore with 8" Steel Encasement Pipe    | 70                 | LF   | \$ 60 <sup>00</sup>   | \$ 4,200 <sup>00</sup>  |
| 11.      | Freebore for 6" Water Main                     | 150                | LF   | \$ 40 <sup>00</sup>   | \$ 6,000 <sup>00</sup>  |
| 12.      | Reconnection of Existing Meter                 | 70                 | EA   | \$ 350 <sup>00</sup>  | \$ 24,500 <sup>00</sup> |
| 13.      | 3/4" PE Service Line                           | 710                | LF   | \$ 1.85               | \$ 1,313.50             |
| 14.      | 1" PE Service Line                             | 2,460              | LF   | \$ 2.00               | \$ 4,920.00             |
| 15.      | 2" PVC Encasement Bore                         | 985                | LF   | \$ 20.00              | \$ 19,700.00            |
| 16.      | Additional Concrete Encasement                 | 3                  | CY   | \$ 100 <sup>00</sup>  | \$ 300 <sup>00</sup>    |
| 17.      | Extra Crushed Stone Bedding                    | 30                 | TONS | \$ 20.00              | \$ 600 <sup>00</sup>    |

Subtotal Section G: Flint Road

\$ 144,538<sup>50</sup>  
(USE FIGURES)

TOTAL PART (BASE BID) (A,B,C,D,E, F & G)

\$ 539,956<sup>50</sup>

Six Hundred thirty-nine thousand Nine Hundred P-fty-six  
(USE WORDS)  
dollars & P-fty cents

Part II: Alternate Bid – Peacock Road

| ITEM NO. | DESCRIPTION  | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|----------|--|--------------------|------|------------|--------------|
| 1.       | 6" PVC Water Main<br>Class 250                     | 4,110              | LF   | \$ 7.50    | \$ 30,825.00 |
| 2.       | Connection to Existing 4"<br>Water Line            | 1                  | EA   | \$ 1200.00 | \$ 1200.00   |
| 3.       | 6" MJ Gate Valve<br>Complete with Box and<br>Cover | 1                  | EA   | \$ 425.00  | \$ 425.00    |
| 4.       | 4" MJ Gate Valve<br>Complete with Box and<br>Cover | 2                  | EA   | \$ 380.00  | \$ 760.00    |
| 5.       | Blow-off Valve                                     | 2                  | EA   | \$ 850.00  | \$ 1,700.00  |
| 6.       | Jack and Bore with 10"<br>Steel Encasement Pipe    | 45                 | LF   | \$ 65.00   | \$ 2925.00   |
| 7.       | Additional Concrete<br>Encasement                  | 2                  | CY   | \$ 100.00  | \$ 200.00    |
| 8.       | Extra Crushed Stone<br>Bedding                     | 20                 | TONS | \$ 20.00   | \$ 400.00    |
| 9.       | 5/8" x 3/4" Meter Unit with<br>Individual PRV      | 3                  | EA   | \$ 400.00  | \$ 1200.00   |
| 10.      | 3/4" PE Service Line                               | 40                 | LF   | \$ 1.85    | \$ 74.00     |
| 11.      | 1" PE Service Line                                 | 40                 | LF   | \$ 2.00    | \$ 80.00     |
| 12.      | 2" PVC Encasement Bore                             | 25                 | LF   | \$ 20.00   | \$ 500.00    |

Subtotal Part II: Alternate Bid – Peacock Road

\$ 40,289.00  
 (USE FIGURES)

Forty thousand two hundred eighty nine dollars & zero cents  
 (USE WORDS)

TOTAL AMOUNTS SHALL BE SHOWN IN BOTH WORDS AND FIGURES. IN CASE OF DISCREPANCIES, THE AMOUNT AS WRITTEN IN WORDS SHALL GOVERN.

The above price shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with the General Conditions.



Award of the Contract will be based on the lowest and best Total Bid for Part I: Base Bid.

The Bidder agrees that the Owner reserves the right to delete the whole or any part of the project from the Contract.

The Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of one hundred twenty (120) calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, Bidder will execute the formal contract attached within ten (10) days and deliver a surety bond or bonds as required by Article 22 of the General Conditions.

Respectfully submitted:

STATON'S CONST. CO.  
(Name of Contracting Firm)

BY: Alexis Staton

TITLE: President

ADDRESS: 284 Manes Ferry Rd  
Sat Lick Ky 40371

DATE: 3-23-04

1166604  
License No. (if applicable)

Seal (If Bid by Corporation)

Attest: \_\_\_\_\_

END BID FORM

FUND F

PART III - BUDGET

If other funding sources are proposed to be used with Fund F, 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).

| <u>Cost Category</u> | <u>Cost</u> | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|----------------------|-------------|--------------------------|-------------------|
| Advertisements       | \$ 1,200    |                          |                   |
| Legal Fees           | \$ 2,000    |                          |                   |
| Other _____          | \$ _____    |                          |                   |
| _____                | \$ _____    |                          |                   |
| _____                | \$ _____    |                          |                   |
|                      |             |                          | \$ _____          |

2. LAND ACQUISITION

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

| <u>Cost Category</u>       | <u>Cost</u> | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|----------------------------|-------------|--------------------------|-------------------|
| <u>Filing Fees</u>         | \$ 200      |                          |                   |
| <u>Obtaining Easements</u> | \$ 7,500    |                          |                   |
| _____                      | \$ _____    |                          |                   |
| _____                      | \$ _____    |                          |                   |
| _____                      | \$ _____    |                          |                   |
|                            |             |                          | \$ 7,700          |

3. RELOCATION EXPENSES

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

| <u>Cost Category</u> | <u>Cost</u> | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|----------------------|-------------|--------------------------|-------------------|
| _____                | \$ _____    |                          |                   |
| _____                | \$ _____    |                          |                   |
| _____                | \$ _____    |                          |                   |
|                      |             |                          | \$ _____          |

4. **ENGINEERING**

| <u>Planning</u>                               | <u>Cost</u>      | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|---|------------------|--------------------------|-------------------|
| Water Audit                                   | \$ _____         | _____                    |                   |
| Water Supply Plan Amendment                   | \$ _____         | _____                    |                   |
| Loan Application                              | \$ _____         | _____                    |                   |
| Water Use Ordinance                           | \$ _____         | _____                    |                   |
| User Charge System                            | \$ _____         | _____                    |                   |
| Environmental Review                          | \$ <u>5,000</u>  | _____                    |                   |
| Other _____                                   | \$ _____         | _____                    | \$ <u>5,000</u>   |
| <br>  |                  |                          |                   |
| <u>Design</u>                                 |                  |                          |                   |
| Preliminary Engineering Design Report         | \$ _____         | _____                    |                   |
| Plans/Specifications                          | \$ <u>44,466</u> | _____                    |                   |
| Preliminary Plan of Operation                 | \$ _____         | _____                    |                   |
| Value Engineering (if applicable)             | \$ _____         | _____                    | \$ <u>44,466</u>  |
| <br>  |                  |                          |                   |
| <u>Construction Services</u>                  |                  |                          |                   |
| Securing/Evaluating Bids                      | \$ <u>2,964</u>  | _____                    |                   |
| Change Orders                                 | \$ _____         | _____                    |                   |
| General Engineering Reviews                   | \$ <u>11,858</u> | _____                    |                   |
| On-site Inspections                           | \$ _____         | _____                    |                   |
| Provide As-Built Drawings                     | \$ _____         | _____                    | \$ <u>14,822</u>  |
| <u>Resident Inspection</u>                    | \$ <u>45,253</u> | _____                    | \$ <u>45,253</u>  |
| <br>  |                  |                          |                   |
| <u>Other Engineering Services</u>             |                  |                          |                   |
| Final Plan of Operation                       | \$ _____         | _____                    |                   |
| O & M Manual                                  | \$ _____         | _____                    |                   |
| Start-up Services                             | \$ _____         | _____                    |                   |
| Other _____                                   | \$ _____         | _____                    | \$ _____          |
| <br>  |                  |                          |                   |
| <u>Additional Engineering Services</u>        |                  |                          |                   |
| Negotiation of Service due to change in Scope | \$ _____         | _____                    |                   |
| Service as expert witness                     | \$ _____         | _____                    |                   |
| Other _____                                   | \$ _____         | _____                    | \$ _____          |
| <b>TOTAL ENGINEERING COSTS</b>                |                  |                          | \$ <u>109,541</u> |

**5. CONSTRUCTION COSTS ESTIMATE**

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

Pre-Bid Engineer's Estimate       Actual Bid Prices

| <u>Cost Category</u>            | <u>Cost</u> | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|---------------------------------|-------------|--------------------------|-------------------|
| <u>Contract #3</u>              | \$ _____    | _____                    | \$ <u>580,245</u> |
| _____                           | \$ _____    | _____                    | \$ _____          |
| _____                           | \$ _____    | _____                    | \$ _____          |
| _____                           | \$ _____    | _____                    | \$ _____          |
| _____                           | \$ _____    | _____                    | \$ _____          |
| _____                           | \$ _____    | _____                    | \$ _____          |
| _____                           | \$ _____    | _____                    | \$ _____          |
| <b>TOTAL CONSTRUCTION COSTS</b> |             |                          | \$ <u>580,245</u> |

**SPACE LEFT BLANK**

**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.

| <u>Cost Category</u> | <u>Cost</u> | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|----------------------|-------------|--------------------------|-------------------|
| _____                | \$ _____    | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
|                      |             |                          | \$ _____          |

**7. MISCELLANEOUS**

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

| <u>Cost Category</u> | <u>Cost</u> | <u>Funding Source(s)</u> | <u>Total Cost</u> |
|----------------------|-------------|--------------------------|-------------------|
| Biological Studies   | \$ 2,645    | _____                    |                   |
| Water Sample Test    | \$ 200      | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
| _____                | \$ _____    | _____                    |                   |
|                      |             |                          | \$ 2,845          |

**8. CONTINGENCIES**

Enter estimated contingency costs. This amount should be only calculated at 5% of total construction contracts.

| <u>Funding Source(s)</u> | <u>Total Cost</u> |
|--------------------------|-------------------|
| MCUD                     | \$ 29,469         |

**9. TOTAL PROJECT COSTS**

| <u>Funding Source(s)</u>   | <u>Total Cost</u> |
|--|-------------------|
| DWSRF - \$220,000, \$113,000 - Tap-on Fees & MCUD, KIA - \$100,000 | \$ 733,000        |
| Additional DWSRF Loan - \$300,000                                  |                   |

**PROCEED TO PAGE 22 - PROJECT COST SUMMARY**

Project Title Contract #3 - Alternate Water Lines Date Prepared April 1, 2004  
Madison County Utilities District

**FUND F**  
**Part III - Budget Information**  
**Project Cost Summary**

| COST CLASSIFICATION                        | LOCAL FUNDS | KIA GRANT  | GRANT | DWSRF 10% Additional LOAN | FUND F DWSRF LOAN | TOTAL PROJECT COSTS |
|--|-------------|------------|-------|---------------------------|-------------------|---------------------|
| 1. Administrative and Legal Expense        | \$ 2,000    | \$         | \$    | \$                        | \$ 1,200          | \$ 3,200            |
| 2. Land Acquisition                        |             |            |       |                           | 7,700             | 7,700               |
| 3. Relocation Expenses                     |             |            |       |                           |                   |                     |
| 4. Engineering                             |             | 33,302     |       | 29,585                    | 46,654            | 109,541             |
| 5. Construction                            | 81,331      | 66,698     |       | 270,415                   | 161,801           | 580,245             |
| 6. Equipment                               |             |            |       |                           |                   |                     |
| 7. Miscellaneous                           | 200         |            |       |                           |                   |                     |
| 8. Contingencies                           | 29,469      |            |       |                           | 2,645             | 2,845               |
| 9. Total Project Costs Each Funding Source | \$ 113,000  | \$ 100,000 | \$    | \$ 300,000                | \$ 220,000        | \$ 733,000          |

For funding sources other than DWSRF, please identify the grant/loan and indicate the award, or application date of such:  
 Local Funds - Tap-on fees and contribution by MCUD, KIA Grant - \$100,000 for Flint Road, DWSRF Additional 10% - requested

Identify Source of Local Funds:

Tap-on Fees \_\_\_\_\_ Revised \_\_\_\_\_  
 Contribution by MCUD \_\_\_\_\_ Revised \_\_\_\_\_  
 \_\_\_\_\_ Revised \_\_\_\_\_



CMW INC.

March 25, 2004

Mr. Ronnie Ginter  
Madison County Utilities District  
P. O. Box 670  
Richmond, KY 40476 0670

Re: Bid Recommendation  
Contract #3: Water Line Alternates

Dear Ronnie:

I have reviewed all bids submitted on this project and found a couple of minor errors but none on the two low bidders. The low bidder was Staton's Construction Co., Inc. with a base bid of \$539,956.50 and alternate bid of \$40,289.00.

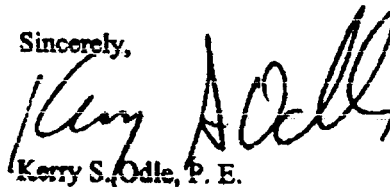
I have never worked on a project with Staton's Construction Co., Inc. but I received a list of references and a list of their last four projects. I had phone calls made to the engineer, owner and funding agencies on these four project. The consensus that I received was that they were an average contractor. With good inspector being needed to ensure timely cleanup I only received one negative comment from an engineer, but the owner and the funding agency were satisfied with the work.

I recommend that the contractor be awarded to Staton's Contracting Co., Inc. for a total bid amount of \$580,245.50. Attached is a budget showing the funding sources for this project.

The total project cost of the Flint Road project is \$185,000 as shown on the attached budget while a grant of \$100,000 was received for this project. A decision needs to be made if we need to cut back on the amount of construction or if the district wants to fund the remainder. The advantage of replacing this line to the district is that it will remove some of the ductile iron pipe which has been a maintenance problem from the system. The grant was from last year's legislative session to provide fire hydrants for Flint Road which entailed replacing the existing 4 inch ductile iron with 6" PVC, reconnecting meters to the new water line, valves and fire hydrants.

If you have any questions, I will be available to answer at today's meeting.

Sincerely,



Kerry S. Odle, P. E.

KSO/jp

Attachment

c: CEDA, Inc. W/A  
File W/A

**CMW** inc.

ARCHITECTURE CIVIL ENGINEERING SURVEYING SITE PLANNING  
138 N. Keeneland Dr., Suite E, Richmond, KY 40475 859.823.2066 Fax 859.823.0886





Flint Road Budget

|                                |                  |
|--------------------------------|------------------|
| Construction Cost              | \$144,538        |
| Engineer                       | \$17,634         |
| Inspection                     | \$15,668         |
| Contingencies                  | <u>\$7,160</u>   |
| <b>Subtotal Project Cost =</b> | <b>\$185,000</b> |

Alternate Water Line Budget

|   |                  |
|---|------------------|
| 1. Construction Cost (Base Bid + Alternate - Flint) | \$435,707        |
| 2. Advertisements                                   | \$1,200          |
| 3. Legal  | \$2,000          |
| 4. Easement Filing Fees                             | \$200            |
| 5. Obtain Easements                                 | \$7,500          |
| 6. Environmental                                    | \$5,000          |
| 7. Engineer Design & Contract Administration        | \$41,654         |
| 8. Resident Inspection                              | \$29,585         |
| 9. Biological Study                                 | \$2,645          |
| 10. Water Sample Test                               | \$200            |
| 11. Contingencies                                   | <u>\$22,309</u>  |
| <b>Subtotal Project Cost =</b>                      | <b>\$548,000</b> |
| <b>Total Project Cost =</b>                         | <b>\$733,000</b> |

Funding

|  |                  |
|--|------------------|
| 1. DWSRF - Remaining Funds (estimated)             | \$220,000        |
| 2. KIA Loan  | \$100,000        |
| 3. DWSRF - 10% Increase                            | \$300,000        |
| 4. Tap-on Fees & Madison County Utilities District | <u>\$113,000</u> |
| <b>Total Project Cost =</b>                        | <b>\$733,000</b> |
| <b>Estimated Potential Tap-on Fees =</b>           | <b>\$38,750</b>  |

**Engineers**

**PEH Eng.**  
Lexington Ky

**William Pyle**  
(859) 225-8500

**PDR Eng.**  
Lexington Ky

**Don Willingham**  
(859) 223-8000

**MSE Eng.**  
Lexington Ky

**Ray Terry**  
(859) 223-5694  
(859) 223-2607 (fax)

**Crawford Crawford & Stewart Eng.**  
Burnside Ky

**Darcey Stewart**  
(606) 561-4475

**PEH Eng.**  
Louisville Ky

(502) 583-7028

**Tony Harover**  
(502) 583-7020

**Howard Eng.**  
Salyersville Ky

**Kerry Howard**  
(606) 884-6000

**Blake Adams Eng.**  
Stanton Ky

**Blake Adams**  
(606) 683-2722

**Gastineau & Associates**  
Nicholasville Ky

**Ron Gastineau**  
(859) 887-5796

**R. M. Johnson**  
Hindman

**Ron Johnson**  
(606) 785-5926

Water District Reference

|  |  |
|--|--|
| <b>Bath Co Water District<br/>Salt Lick Ky</b>               | <b>Kenny Barber<br/>(806) 683-6363</b>     |
| <b>City Of Frenchburg<br/>Frenchburg Ky</b>                  | <b>Eddie Bryant<br/>(606) 788 3457</b>     |
| <b>Pendleton Co Water<br/>Falmouth Ky</b>                    | <b>William Jones<br/>(859) 854-8964</b>    |
| <b>North Mercer Water<br/>Salvisa Ky</b>                     | <b>Bobble Brock<br/>(606) 865-2292</b>     |
| <b>Owingsville Water<br/>Owingsville KY</b>                  | <b>Religh Havens<br/>(806) 874-6361</b>    |
| <b>Western Pulaski Water<br/>Somerset KY</b>                 | <b>John Authur<br/>(606) 678-1569</b>      |
| <b>Lake Village Water Assoc.<br/>Burgin Ky</b>               | <b>Mike Royalty<br/>(606) 748-5642</b>     |
| <b>Stanton Water works<br/>Stanton Ky</b>                    | <b>Shirley Carbtree<br/>(806) 663-6474</b> |
| <b>Garrard Co Water Assoc.<br/>Lancaster Ky</b>              | <b>Colby Ward<br/>(859) 792-4501</b>       |
| <b>Stanford Water &amp; Sewer Commission<br/>Stanford Ky</b> | <b>Glenn Hurt<br/>(606) 365-4510</b>       |
| <b>Harrison Co Water Assoc.<br/>Cynthiana Ky</b>             | <b>Danny Northcutt<br/>(859) 234-4284</b>  |
| <b>Western Lewis / Rectorville<br/>Mayavile Ky</b>           | <b>Jim Veron<br/>(806) 564-4449</b>        |
| <b>City Of Hindman<br/>Hindman Ky</b>                        | <b>Jancie Jarrell<br/>(806) 785-5544</b>   |

Staton's Construction Co., Inc.  
Work History

| Job Name   | Approximate Date of Completion | Approximate Cost | Name of Utility & Contact Person                             | Staton's Construction Co. Contact Person                   |
|--|--------------------------------|------------------|--|--|
| Water Line Expansion Project                         | January 1, 2004                | \$ 1,430,000.00  | Northwestern Water District<br>France Brock<br>860-865-2282  | Staton's Construction Co.<br>Ron Gansbauer<br>809-887-5798 |
| Job # 2<br>Bear Fork<br>Ball Branch<br>Water Project | 24-Jul-03                      | \$ 360,000.00    | City of Hindman<br>Janice or Becky<br>809-785-8544           | R. M. Johnson<br>Ron Johnson<br>809-785-8928               |
| Job # 3<br>Shade & Nicks<br>Sewer Project            | Aug. 18, 2003                  | \$ 730,000.00    | Powell Valley<br>Water & Sewer                               | M S E<br>899-273-6804<br>Scott Taylor                      |
| Job # 4<br>Concord Water<br>Line Project             | May 20, 2002                   | \$ 1,250,000.00  | Western Lumber<br>Rectorville Water<br>& Gas<br>899-264-4488 | M S E<br>899-221-6694<br>Scott Taylor                      |



COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MADISON COUNTY )  
UTILITY DISTRICT (A) FOR AUTHORITY TO )  
FINANCE CONSTRUCTION IN THE APPROXIMATE )  
AMOUNT OF \$3,000,000; AND (B) A CERTIFICATE )  
OF CONVENIENCE AND NECESSITY FOR THE )  
CONSTRUCTION OF WATER FACILITIES AND )  
ADJUSTMENT OF RATES )

CASE NO.  
2002-00184

O R D E R

On August 9, 2002, Madison County Utility District ("MCUD") submitted an application for a Certificate of Public Convenience and Necessity to construct a waterworks improvement project at a cost of \$3,047,500 for approval of its plan of financing for this project, and for adjustments to its water service rates.

The project consists of the construction of approximately 24,794 linear feet of 12-inch, 40,505 linear feet of 8-inch, 57,962 linear feet of 6-inch, 34,801 linear feet of 4-inch water transmission mains and related appurtenances and a 500 gallon per minute pumping station to serve approximately 75 new customers. This project also includes the construction of a 500,000 gallon elevated water storage tank. Funding for the proposed projects consists of a \$3,000,000 loan from the Kentucky Infrastructure Authority and \$47,500 from internally generated funds.

MCUD has requested that Commission approval of the proposed construction and financing be granted as expeditiously as possible so that construction may begin in a timely

manner. By subsequent Order in this case, the Commission will address the rates necessary to provide the utility with an opportunity to recover its reasonable operating costs and service its debt.

After review of the evidence of the record and being otherwise sufficiently advised, the Commission finds that:

1. MCUD proposes to construct: 24,794 linear feet of 12-inch, 40,505 linear feet of 8-inch, 57,962 linear feet of 6-inch, 34,801 linear feet of 4-inch water transmission mains and related appurtenances, a 500 gallon per minute pumping station and a 500,000 gallon elevated water storage tank.
2. Plans and specifications for the proposed improvements prepared by CMW, Inc. of Richmond, Kentucky, have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.
3. Public convenience and necessity require that the construction identified in MCUD's application be performed and that a Certificate of Public Convenience and Necessity be granted.
4. The financing plan proposed by MCUD is for lawful objects within the corporate purpose of its utility operation, is necessary and appropriate for and consistent with the proper performance of the utility's service to the public and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purpose. It should, therefore, be approved.

IT IS THEREFORE ORDERED that:



1. MCUD is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as set forth in the plans and specifications of record herein.
2. MCUD shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.
3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.
4. MCUD shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.
5. MCUD shall furnish an income statement and balance sheet along with updated projection of revenues and expenses in sufficient detail to show that the rates and charges approved herein are sufficient to meet the MCUD's water operation revenue requirements within 60 days following the close of the first full year of water operations.
6. MCUD shall require construction to be inspected under the general supervision of a professional engineer with Kentucky licensure in civil or mechanical engineering, to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

7. MCUD shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

8. MCUD is authorized to issue notes to Kentucky Infrastructure Authority in an amount not to exceed \$3,000,000.

9. The proceeds from the \$3,000,000 note shall be used only for the lawful purposes specified in MCUD's application.

10. MCUD's proposed plan of financing is granted.

11. MCUD's proposed rates are hereby suspended for five months from August 14, 2002, up to and including January 13, 2003.

12. Nothing in this Order shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

13. MCUD shall notify the Commission one week prior to the actual start of construction and at the 50 percent completion point.

14. Nothing contained herein shall be construed as constituting approval of an other portion of MCUD's application.

Nothing contained herein shall be deemed a warranty of the Commonwealth Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 14<sup>th</sup> day of August, 2002.

ATTEST:

By the Commission

Deputy   
Executive Director