

July 20, 2005

RECEIVED

JUL 22 2005

PUBLIC SERVICE
COMMISSION

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

RE: Southeast Daviess County Water District
Philpot Pump Station
PSC Case No. 2004-00495
KIA No. WX21059008
SAI no. KY20031008-1512

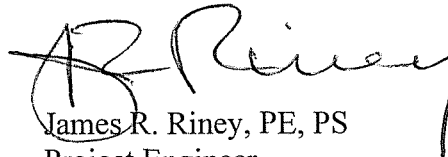
Dear Ms. O'Donnell;

Enclosed is a "*Revised Expenses and Income Summary*" per request of PSC team leader, Mr. James Rice, PE. Said summary is submitted as a supplement to the original application packet dated 9 December 2004 and otherwise details the *Option 'B'* performance within the overall project income and expense items. *Option 'B'* was included in the 25 March 2005 post-bid analysis and recommendations previously submitted to your office.

Also attached, for the record, is a copy of the 20 April 2005 memo requested by PSC case attorney, Mr. Dale Wright, specifying and confirming selection of *Option 'B'* as the amendment to the proposed surcharge rate.

Contact our office if you have questions.

Sincerely,



James R. Riney, PE, PS
Project Engineer
(jrriney@bellsouth.net)

Copy: Bill Higdon, District Manager
James Rice, PE
Dale Wright

SOUTHEAST DAVIESS COUNTY WATER DISTRICT

Philpot Pump Station Replacement,
Trunk Lines & Creek Crossing Replacement

PSC Case No. 2004-00495
KIA No. WX21059008
SAI No. KY20031008-1512

REVISED EXPENSES AND INCOME SUMMARY

Projected Expenses:			
Original Project Cost Allowance		\$445,050	
Actual Bid Overrun		<u>72,190</u>	
		\$517,240	
Interest Costs		<u>\$ 8,551</u>	\$525,791
Projected Revenues:			
KIA/CDF Grant		\$250,000	
Surcharge Fund:			
(\$531,000,000 gal/yr)(\$0.258/1,000 gal)(2 yrs)		\$273,996	
Estimated Accrued Interest on Surcharge Escrow		\$ 1,500	
Water District Funds		<u>\$ 295</u>	\$525,791

MEMO

(Forwarded VIA U.S. Mail & Fax)

TO: Mr. Dale Wright
KY Public Service Commission
P.O. Box 615
Frankfort, KY 40602

FROM: James R. Riney, PE, PS
Project Engineer



DATE: 20 April 2005

RE: Southeast Daviess County Water District
Philpot Pump Station, Trunk Line and Creek Crossing
PSC Case No. 2004-495
KIA No. 21059008
SAI No. KY20031008-1512

Dear Mr. Wright;

The Southeast Daviess County Water District Board of Directors voted to accept the Engineer's recommendation, awarding the above referenced construction project to the low bidder – subject to approval by the Public Service Commission (copies of 11 April 2005 minutes attached).

Additionally, the District Board of Directors unanimously voted to generate the additional funding (higher than anticipated bid results) by amending the proposed surcharge rate to \$0.26 per 1,000 gallons of water per month. This motion is also included in the above captioned meeting minutes. The District hereby amends the surcharge rate request and asks PSC approval accordingly.

Copy: Bill Higdon, SEDCWD
John Covington, KIA

HRC

PLLC

SURVEYING & ENGINEERING
LAND DEVELOPMENT CONSULTANTS

416 West Third Street • P.O. Box 535 • Owensboro, KY 42302

171
4592
1701
00 370
JUL 20 05
42301
PUBLIC SERVICE
COMMISSION

RECEIVED

Beth O'Donnell, Exec. Dir.
KY Public Service Commission
P.O. Box 615
Frankfort, KY 40602

JUL 22 2005
PUBLIC SERVICE
COMMISSION

40602+0615-15 8007

