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P. O. Box 726
London, KY 40743
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Wood Creek Water District, Wastewater Division

June 17, 2005

Beth O'Donnell, Executive Director
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602-0615

REC-115
JUL 17 2005
PUBLIC SERVICE
COMMISSION

RE: Case No. 2005-00185


Dear Ms O'Donnell:

Enclosed herewith is an original and 8 copies of information in the above numbered case.

If you have any questions or need additional information, please advise.

Your help and consideration in this matter is greatly appreciated.

Sincerely,



Paul Napier
Division Superintendent

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Dedicated to Service!!!

RECEIVED

JUN 18 2 25 05

PUBLIC SERVICE
COMMISSION

CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

ITEM 1. Provide all internal memoranda, correspondence, electronic mail messages and other written communications in which the proposed connection fee is discussed.

REPLY

This is to inform the Commission, there is no written physical evidence of the calculations made in determining the proposed connection fee.

See Item 2: Engineer's Opinion of Probable Cost

Witness: Paul Napier
Wood Creek Water District
Wastewater Division

CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

ITEM 2 Provide all engineering studies or reports that Wood Creek prepared or
 commissioned in which the proposed connection fee is discussed.

REPLY: Opinion of Probable Cost Attached:

Witness: Wm Kenneth Wilson, PE, PLS
 P. O. Box 1169
 London, KY 40743-1169
 Phone (606) 862-7612

Wm Kenneth Wilson, PE, PLS

Engineer • Surveyor

P.O. Box 1169
London, Kentucky 40743-1169
Telephone (606) 862-7612

June 17, 2005

OPINION OF PROBABLE COST

Highway 25 North 2004 Sewer Project
Installation Only, Materials Provided by Grant

Service Pumps and Appurtenances (per customer)

<u>ITEM NO.</u>	<u>ITEM</u>	<u>UNITS</u>	<u>QUANTITY</u>	<u>UNIT PRICE</u>	<u>ITEM PRICE</u>
1	Labor (2 men)	man-hours	16.00	\$ 19.00	\$304.00
2	Backhoe	hours	8.00	\$ 20.00	160.00
3	Pickup Truck	hours	8.00	\$ 7.50	60.00
				TOTAL	\$ 524.00

Pipe and Appurtenances (average 500 feet per day)

<u>ITEM NO.</u>	<u>ITEM</u>	<u>UNITS</u>	<u>QUANTITY</u>	<u>UNIT PRICE</u>	<u>ITEM PRICE</u>
1	Labor (4 men)	man-hours	32.00	\$ 19.00	\$608.00
2	Backhoe	hours	8.00	\$ 20.00	160.00
3	Pickup Truck	hours	8.00	\$ 7.50	60.00
				TOTAL	\$ 828.00

continued next page

OPINION OF PROBABLE COST
Highway 25 North 2004 Sewer Project
Installation Only, Materials by Grant
June 17, 2005
Page 2 Of 2

\$ 828.00 / 500 feet = \$ 1.66 per foot

Total pipe for this project = 137,996 feet

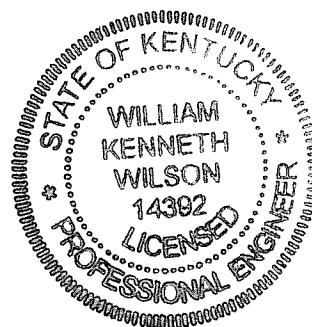
137,996 feet X \$ 1.66 per foot = \$ 229,073.36 Total Cost for Pipe
and Incidentals

\$ 229,073.36 / 513 customers = \$ 446.54 per customer

COST PER CUSTOMER

Service Pump Stations and Appurtenances	= \$ 524.00
Pipe and Incidentals and Appurtenances	= \$ 446.54
Contingency	= \$ <u>29.46</u>
TOTAL COST PER CUSTOMER	= \$ 1,000.00

William Kenneth Wilson
6/17/05



CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

ITEM 3 Show and explain the calculations upon which the proposed connections fee is based. State all assumptions that are used in the calculation of the proposed fee and provide all bids, invoices or other cost estimations which were used to calculate the proposed connection fee.

REPLY

With the Engineer's Opinion of Probable Cost

Assumptions that were used:

In the event, a number of residents don't connect this will also lower installation cost. The cost of installation of the individual grinder, electrical connections and lateral line to the dwelling will be eliminated which is approx. 50 percent of the total cost.

Witness: Paul Napier
Wood Creek Water District
Wastewater Division

CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

ITEM 4 Provide a copy of the minutes of each meeting of the Wood Creek Board of Commissioners in which the proposed connection fee was discussed or otherwise considered.

Reply: The connection fee of the North US Highway 25 Project was not discussed per say, in an open board meeting. This being the 4th project in which we have had or have proposed a reduced connection charge in order to provide service at the lowest possible cost to the customers, the Board, individually, concurred with the calculations.

Witness: Paul Napier
Wood Creek Water District
Wastewater Division

CASE NO. 2005-00185
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NORTH US HIGHWAY 25 PROJECT

ITEM 5 Describe the services, aside from access to the sewer collection and treatment system, that a customer receives in return for payment of the connection fee.

REPLY: Discount of \$1,500.00 from Standard Connect Fee.

When the connection fee is paid the customer will have installed at the dwelling, a grinder station, lateral line from grinder station to the sewer collection main and a control panel with audible and visible alarms and electrical connection to dwelling. Customer must have a plumbing permit from the local plumbing inspector. Customer must also disconnect from the septic tank and connect to the grinder station. Wood Creek personnel shall inspect all connection to the grinder station.

After construction is complete the connect fee returns to the Standard Fee of \$2,500.00. Laurel County Fiscal Court passed a mandatory connection ordinance (Ordinance No. 221.11) which states; "Section 5. A (ii) Said connection shall be made in a timely manner so as not to interrupt the schedule of construction or within (3) months from the date such sewer line is installed and placed in operation, whichever is more appropriate.

However **Section 6: Public Sewer Connection Waiver**, does provide for a waiver for up to 5 years, if a person can document they have a permitted, functioning septic tank, wetlands, aerator system or other system approved by the County Health Dept. or permitted by the Division of Water.

Copy of Ordinance No. 221.11 attached:

Witness: Paul Napier
Wood Creek Water District
Wastewater Division

2021.11.11

ORDINANCE NO. 221.11

An Ordinance relating to and providing for orderly waste water collection and treatment planning for Laurel County by requiring residences and business' to connect to and use approved on-site waste water systems or when reasonably available a public sewer system.

WHEREAS, the Laurel County Fiscal Court has deemed it advisable and necessary in order to protect the public health and promote the general welfare of the people of Laurel County, that all sources of flowable sewage be connected to an approved, appropriately functioning, on-site sewer system if available; and

WHEREAS, Laurel County has unsewered areas located outside the City of London that would benefit from sewer service, and some of these unsewered areas contain numerous households with malfunctioning septic systems; and

WHEREAS, Laurel County is poised to grow and prosper with the development of economic opportunities including recreation and tourist activities, and this development would be best served by public sewer facilities to help protect water quality and to provide a healthier environment for the residents of the County, and this Ordinance is designed to serve those purposes; and

WHEREAS, the Laurel County Fiscal Court, through its utility partners is interested in extending collection sewers into the unserved areas of the County to serve existing and new residential and commercial customers; and

WHEREAS, the Laurel County Fiscal Court must make legal provision requiring use of such sewers when reasonably available to allow the County to obtain grants and loans for such projects; and

WHEREAS, the Laurel County Fiscal Court has jurisdiction over these matters in the County, and in the best interest of all County citizens, is interested in having all households and commercial establishments located within reasonable proximity to a public sewer, connect to such sewer when it becomes available, according to the following provisions.

NOW THEREFORE, be it ordained by the County of Laurel, Commonwealth of Kentucky:

SECTION 1: PURPOSE

The purpose of this ordinance is to protect and promote the health and general welfare of the people of Laurel County by requiring proper disposal of residential and commercial waste water and when reasonably available, hookup to and use of public sewer systems.

SECTION 2: SCOPE

This ordinance shall apply to the operation of all wastewater facilities serving areas within Laurel County. To the extent that an ordinance of a recognized city regulates the use of the waste water facilities within the corporate boundaries of that city, then that ordinance shall prevail and be applicable to the service of any waste water system within that city. In no instance shall the existence of this Ordinance be used as a tool through which to negotiate or mandate the annexation of areas into the corporate limits of any city regardless of whether the wastewater facility serving county areas is owned by, operated by or located within a city.

SECTION 3: PROHIBITED FACILITIES

A. From the effective date of this Ordinance, it shall be unlawful for any person owning any occupied building within the County to construct, install, use or maintain any straight pipe, privy, cesspool, sinkhole, or other receptacle for the purpose of discharging from or receiving sewage on such premises.

B. The construction, installation, use, or maintenance of any such straight pipe, privy, cesspool, sinkhole, or other receptacle for receiving sewage on premises within the County shall be deemed and is hereby declared to be a public nuisance, is unlawful, and an owner of such facility shall be subject to the penalties set out herein.

SECTION 4: WHERE PUBLIC SEWER IS NOT AVAILABLE

A. From the effective date of this Ordinance, where a public sewer system is not available, the property owner shall be responsible to connect or have connected any and all newly constructed and/or substantially renovated, occupied buildings to an onsite wastewater disposal system. The type, capacity, location and layout of any and/or all onsite sewer systems shall comply with the provisions of the Laurel County Health Department and/or other applicable local and state regulations, including KRS 211.350 relating to certification of an approved on-site sewer system and KRS 224 regarding the permit requirements of the Kentucky Pollutant Discharge Elimination Systems.

B. The property owner shall operate and maintain the onsite sewer disposal system in a sanitary manner at all times. Discharge of septic tank effluent or effluent of any other approved sewage disposal system to any open drain, ditch, stream, or well penetrating water-bearing formations shall be prohibited.

C. No statement contained in the ordinance shall be construed to interfere with any other requirements that may be imposed by applicable local or state laws or regulations.

SECTION 5: WHERE PUBLIC SEWER IS AVAILABLE

A. Improved Premises currently accessible to a public sewer system:

i. All persons owning property within the County, upon which there is any existing, occupied building, which property is accessible to a public sewer system shall, at their own expense, make a sewer service connection to the public sewer system, in accordance with the provisions of this Ordinance.

ii. Said connection shall be made in a timely manner so as not to interrupt the schedule of construction or within three (3) months from the date such sewer line is installed and placed in operation, whichever is more appropriate.

iii. Premises are deemed accessible to a public sewer if the System's sewer line is located within reasonable proximity of the property boundary. Reasonable proximity will generally be defined as a public sewer line located within 100 feet of the property line, however, in all cases an alternate determination may be made by the General Manager, or his designated representative of the wastewater facility after consultation with the Laurel County Health Department, on a case-by-case basis taking into consideration engineering feasibility and cost.

iv. The property owner's sewer line material and manner of connection must comply with the regulations governing same as the System may establish by ordinance.

v. Failure to connect to a public sewer system under the conditions outlined above is hereby declared to be unlawful and to constitute a nuisance.

B. Improved Premises which subsequently become accessible to a public sewer system:

i. All persons owning any occupied building within the County upon premises which in the future become accessible to a public sewer system shall, at their own expense, make a sewer service connection to the public sewer system, in accordance with the provisions of this Ordinance and according to regulations and procedures as the System may establish by ordinance.

ii. Said connection shall be made within three (3) months from the date such sewer line is installed and placed in operation.

iii. Premises are deemed accessible to a public sewer if the System's sewer line is located within reasonable proximity of the property boundary. Reasonable proximity will generally be defined as a public sewer line located within 100 feet of the property line, however, in all cases an alternate determination may be made by the designated representative of the System after consultation with the County Health Department, in a case-by-case basis taking into consideration feasibility and cost.

iv. Failure to connect to a public sewer system under the condition outlined above is hereby declared to be unlawful and to constitute a nuisance.

C. New construction on properties accessible to a public sewer system:

i. All persons owning any premises within the County that are accessible to a public sewer system, and upon which an occupied building is subsequently erected shall, at their own expense, make a sewer service connection to the public sewer system, in accordance with the provisions of this Ordinance.

ii. Said connection shall be made at the time the building is erected. All sewer service connections to the public sewer system shall be made in accordance with the requirements and established procedures of said System.

iii. Premises are deemed accessible to a public sewer if the System's sewer line is located within reasonable proximity of the property boundary. Reasonable proximity will generally be defined as a public sewer line located within 100 feet of the property line, however, in all cases an alternate determination may be made by the designated representative of the System after consultation with the County Health Department, in a case-by-case basis taking into consideration feasibility and cost.

iv. Failure to connect to a public sewer system under the conditions outlined above is hereby declared to be unlawful and to constitute a nuisance.

D. Permanency of connection:

i. Once a property is served by a specific public sewer system and connection is made to said system the owner may not remove, disconnect, or otherwise interrupt the flow of sewage to that system for the purpose of constructing or installing an alternative onsite treatment system or connecting to another sewer system unless so directed by the System and County Health Department or the Division of Water, Kentucky Cabinet for Natural Resources and Environmental Protection.

SECTION 6: PUBLIC SEWER CONNECTION WAIVER

Any persons owning property within the County upon which there is any existing, occupied building, which is accessible to a public sewer system, or any persons owning any occupied building within the County upon premises which at a future date becomes accessible to a public sewer system can apply for a waiver of service if said person can document s/he has a permitted, functioning septic tank, wetlands, aerator system, or other system approved by the County Health Department or permitted by the Division of Water. Said person must provide documentation from the health department that their operating system is permitted and functioning. If such documentation is provided, said persons will receive a one-time waiver to serve the site(s) in question until the on-site system fails and the permit for same is revoked. Once the operating system fails and the

permit is revoked, said person must comply in full with the provisions of this Ordinance and no other waiver will be provided. However, regardless of failure or condition, the waiver will expire five (5) years from the date of notice of sewer service availability. Thereafter, connection must be accomplished within ~~twelve (12)~~ months of notice from the System.

SECTION 7: EXCLUSION OF STORM WATER RUNOFF

- A.** The discharge of storm water runoff or other surface water into a public sewer system is hereby prohibited.
- B.** All persons proposing to connect to the public sewer system shall provide adequate means for excluding storm water runoff such as from roof drains or foundation drains, or other surface waters from being discharged into the sewer system.
- C.** No person once connected to a public sewer shall subsequently connect any roof drain or foundation drain thereto or permit any such drains to remain connected thereto, nor shall he permit, allow or cause to enter into any public sewer any other surface water from any other source.

SECTION 8: PENALTIES

Any person, firm, or corporation violating any of the provisions of this ordinance, or failing or refusing to comply with same shall be fined not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00) for each offense. Each day such person, firm or corporation fails or refuses to comply with the specific directions of this ordinance, shall constitute a separate offense.

SECTION 9: NON-INTERFERENCE WITH FUTURE REGULATIONS

No statement contained in this Ordinance shall be construed to interfere with any other requirements that may be imposed by applicable local or state laws or regulations. If any court of competent jurisdiction shall rule any clause, provision or section of this Ordinance void or unenforceable, the remainder of this Ordinance shall be enacted and shall be in force and effect notwithstanding.

SECTION 10: AUTHORIZATION TO FILE

Following the adoption of this Ordinance, the County Judge/Executive is hereby authorized and directed to file a certified copy of this Ordinance with the County Clerk of Laurel County.

SECTION 11: NON-CONFLICT WITH OTHER REGULATIONS

All ordinances, resolutions and orders and parts thereof, and particularly any ordinances heretofore adopted that are in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 12: SEWER SYSTEM'S POLICY AND PROCEDURES

The Laurel Fiscal Court working in conjunction with the Systems shall adopt Sewer Policy and Procedures documents, consistent with all applicable laws and regulations including those of the Laurel County Health Department and the Kentucky Division of Water, setting forth all procedures to be followed in implementing this Ordinance. Said documents shall be reviewed periodically and updated by the Court as circumstances may require.

SECTION 13: AGREEMENTS

It is understood that the Laurel County Fiscal Court, the City of London, the City of Corbin, the Laurel County Health Department and the Utility Systems serving the county may adopt whatever mutual agreements and ordinances that may be necessary to implement this Ordinance.

SECTION 14: EFFECTIVE DATE

This ordinance shall become effective immediately upon its adoption, approval and publication as provided by law.

First Reading: April 24, 2003

Public Advertisement: April 9, 2003

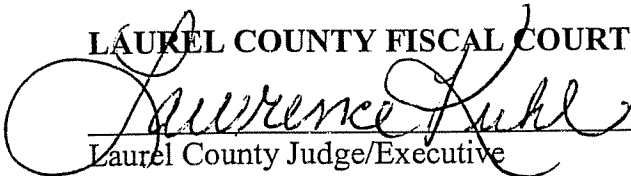
Amendment: _____

Public Advertisement: _____

Second Reading
And Adoption: May 22, 2003

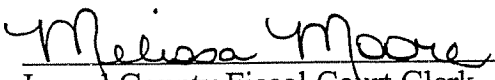
Public Advertisement: June 13, 2003

LAUREL COUNTY FISCAL COURT



Laurel County Judge/Executive

ATTEST:



Laurel County Fiscal Court Clerk

CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

• ITEM 6 Identify the activity for which the cost the proposed connection fee is intended to recover.

REPLY: Installation of approx. 138,000 L.F. of Collection Main in various sizes from 8 inch thru 1.5 inch and appurtenances.

Witness: Paul Napier
Wood Creek Water District
Wastewater Division

CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

ITEM 7 State whether Wood Creek proposes to assess a reduced connection fee to customers who connect to the new sewage collection line prior to completion of the proposed project.

REPLY: Any/all connections paid for, in the Project Area, before construction is complete will be at the reduced fee. In order to receive the reduced connection fee, customer(s) must have paid said fee and obtained a sewer connection permit from the local Health/Plumbing Dept. prior to completion of the Project. Local Health/Plumbing Dept. requires a permit before connection is made. All reduced connections paid for must be installed on project.

Witness: Paul Napier
Wood Creek Water District
Wastewater Division

CASE NO. 2005-00185
WOOD CREEK WATER DISTRICT, WASTEWATER DIVISION
NORTH US HIGHWAY 25 PROJECT

ITEM 8 State whether Wood Creek has received all required approvals for the proposed sewer collection main from state regulatory agencies.

REPLY: No, we haven't received any approvals at this time, the engineer is corresponding with the Division of Water and hoping to receive approval soon, but as of June 16, 2005, we have not received any.

Wood Creek would like to have Public Service Commission approval of the connection fee in order to advise potential customers of the cost to connect to the sewer system. Any advance notice will help the lower income customer to be able to save and/or apply for grants, etc. to help with the connection cost.

Witness: Paul Napier
Wood Creek Water District
Wastewater Division