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October 11, 2006

RECEIVED

OCT 11 2006

PUBLIC SERVICE
COMMISSION

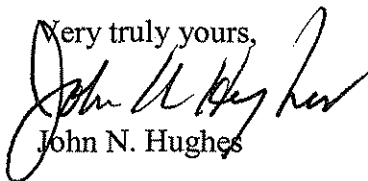
Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Case No. 2005-00400

Dear Beth:

In response to the commission's letter of September 7, 2006, and order of October 10, 2006, Northern Kentucky Water District provides the final approval letter from the Division of Water and the Drinking Water State Revolving Fund for the proposed \$4,000,000 loan from KIA.

If you have any other questions, please contact me.

Very truly yours,

John N. Hughes

Attorney for Northern Kentucky
Water District

Attachments

Cc: Attorney General



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ATA

ERNIE FLETCHER
GOVERNOR

ENVIRONMENTAL AND PUBLIC PROTECTION CABINET

LAJUANA S. WILCHER
SECRETARY

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

14 REILLY ROAD

FRANKFORT, KENTUCKY 40601

www.kentucky.gov

RECEIVED

October 9, 2006

OCT 11 2006

PUBLIC SERVICE
COMMISSION

C. Ronald Lovan, P. E.
President/CEO
Northern KY Water District
700 Alexander Pike
Fort Thomas, KY 41075-

Re: DWSRF 77940
Northern KY Water Service--2485
Activity ID: FGL20060005

Dear Mr. Lovan:

The Project Review and Cost Summary which you submitted for your Clean Water State Revolving Fund project has been reviewed and is approved for selection of the lowest acceptable bidder:

Contract Number: 1
Contractor's Name: Building Crafts, Inc.
Amount of Contract: \$5,899,484
KIA Portion: \$4,000,000

The documentation for MBE/WBE participation will be approved under a separate letter.

You may award contracts and issue work orders to begin construction. Upon your issuance of a Notice to Proceed, please send one copy to the Division of Water. Our approval of contracts is not required prior to issuance of a work order. The executed contract documents shall contain the contractor's payment and construction schedules.

Payments cannot be processed until the loan agreement has been executed by all parties. All payments must be requested by you and supported by adequate documentation of costs and labor compliance.

You are reminded that this project is subject to the requirements of Executive Order 11246 which prohibits discrimination based on race, color, religion, sex, or national origin and requires contractors and subcontractors on federally assisted construction projects to take affirmative action to employ women and minorities and to ensure that discrimination does not occur. The Office of Federal Contract Compliance, U.S. Department of Labor, published additional Regulations, 41 CFR 60-4, in the April 7, 1978, Federal Register, Vol. 43, No. 68, to further implement Title VI of the Civil Rights Act of 1964, as amended, and Executive Order 11246, as amended. As recipient, you are to ensure that contracts under this loan are administered so as to be in compliance with these requirements.



All change orders must have the approval of this office. If another contract in which participation is desired will be let, a revised Project Review and Cost Summary must be submitted.

Your construction of this project is a step forward in protecting our valuable water resources. Do not hesitate to contact Cathy Arnett, at (502) 564-2225, extension 420.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald T. Price". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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

RTP:JP:CA

C: Kentucky Infrastructure Authority
Quest Engineers Inc.



AKWD

ERNIE FLETCHER
GOVERNOR

ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
14 REILLY ROAD
FRANKFORT, KENTUCKY 40601
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LAJUANA S. WILCHER
SECRETARY

October 9, 2006

C. Ronald Lovan, P. E.
President/CEO
Northern KY Water District
700 Alexander Pike
Fort Thomas, KY 41075-

RE: DWSRF 77940
Northern KY Water Service--2485
Activity ID: FGL20060005
MBE/WBE Approval

Dear Mr. Lovan:

This office has reviewed the Minority Business Enterprise/Women-owned Business Enterprise (MBE/WBE) documentation submitted by the tentative low bidder, Building Crafts, Inc. The KIA portion of the contract is \$ 4,000,000.

The Division of Water hereby approves the following WBE firms identified by the contractor for use on this project:

<u>WBE Firm</u>	<u>Contract Amount</u>
Christine Frankenstein Security Fence Group 4260 Dan Avenue Cincinnati, OH 45223	\$34,240
Bobby Jean Black Samson Steel corporation 1414 Galbraith Road Frankfort, KY 40601	\$23,282

The contractor's monthly pay estimates shall include a separate sheet that lists the MBE/WBE firms that have completed work during that period. A copy of the invoices from those firms shall also be attached. See attached example.

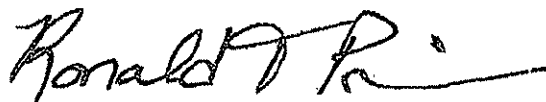
Deviations from the approved firms or amounts must be reported to DOW immediately. If deviations occur, the prime contractor must continue to demonstrate positive efforts by soliciting participation of other qualified MBE/WBE firms as substitutes.

DOW approval is required before construction contracts can be executed. This approval does not constitute the final authorization to proceed. Please do not execute any construction contracts until DOW has approved "The Project Review and Cost Summary".



If you have questions, please contact Cathy Arnett at (502) 564-2225, extension 420

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald T. Price". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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

RTP:JP

Attachment

C: Quest Engineers Inc

EXAMPLE ONLY
MBE/WBE UTILIZATION

Contract No./Name: _____

Project Name: _____ Project No.: _____
Time Period: _____

MBE ___ WBE ___ Contractor Name: _____

Total dollar amount of subcontract: (not to exceed)	\$ _____
Total dollar amount for this time period:	\$ _____
Total dollar amount of billings to date:	\$ _____
Cumulative Payments made to date:	\$ _____

Total dollar amount of subcontract (material):	\$ _____
Total dollar amount for this time period:	\$ _____
Total dollar amount of billings to date:	\$ _____
Cumulative Payments made to date:	\$ _____

Total dollar amount of subcontract (labor):	\$ _____
Total dollar amount for this time period:	\$ _____
Total dollar amount of billings to date:	\$ _____
Cumulative Payments made to date:	\$ _____

Signed: _____
Name and Title: _____

Attach invoices