

**REED & JOHNSON**

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February 28, 2007

**RECEIVED**

MAR 01 2007

**PUBLIC SERVICE  
COMMISSION**

Ms. Beth A. O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

**In re: Application of East Casey County Water District**

Ms. O'Donnell:

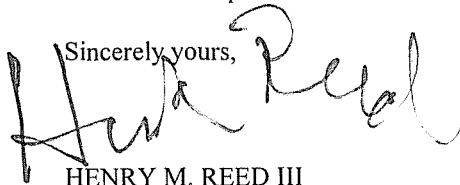
*Case No. 2007-00087*

Enclosed herewith please find ten (10) copies of the Petition of the East Casey County Water District seeking a Certificate of Public Convenience and necessity with appropriate exhibits.

Kenvirons, Inc., Frankfort, Kentucky are the Consulting Engineers employed by the District for these Projects. You are respectfully requested to direct any requests of the Commission for additional engineering information directly to Kenvirons, Inc.

If this office can supply any additional information please don't hesitate to advise me.

Sincerely yours,



HENRY M. REED III

cc: Mr. Eddie Brown, P.E.  
Kenvirons, Inc.  
452 Versailles Road  
Frankfort, Kentucky 40601.

Mr. Ricky Carman, Chairman  
East Casey Water District  
P.O. Box 56  
Liberty, Kentucky 42539

Mr. Kevin Antle  
District Loan Manager  
US Department of Agriculture,  
Rural Development  
957 Campbellsville Road  
Columbia, Kentucky 42728

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

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PUBLIC SERVICE  
COMMISSION

IN THE MATTER OF THE APPLICATION )  
OF THE EAST CASEY COUNTY WATER DISTRICT, A )  
WATER DISTRICT ORGANIZED PURSUANT TO )  
CHAPTER 74 OF THE KENTUCKY REVISED )  
STATUTES, IN CASEY COUNTY, KENTUCKY, )  
FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE )  
AND NECESSITY, AUTHORIZING AND )  
PERMITTING SAID EAST CASEY )  
COUNTY WATER DISTRICT )  
TO CONSTRUCT WATER DISTRIBUTION )  
SYSTEM IMPROVEMENTS, CONSISTING OF )  
THE CONSTRUCTION OF EXTENSIONS, )  
ADDITIONS AND IMPROVEMENTS TO THE )  
DISTRICT'S WATER SYSTEM (2) THE )  
APPROVAL OF THE PROPOSED PLAN OF )  
FINANCING SAID IMPROVEMENTS AND (3) AN )  
INCREASE IN THE RATES AND CHARGES FOR )  
WATER SERVICE PROVIDED BY EAST CASEY )  
COUNTY WATER DISTRICT. )

CASE NO. 2007-00087

PETITION

**COMMONWEALTH OF KENTUCKY**

**Before the Public Service Commission  
In the Matter of  
the Application of East Casey County Water District**

**Index to Application**

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**MAR 1 2007**

**PUBLIC SERVICE  
COMMISSION**

1. Petition of East Casey County Water District ("District") for Certificates of Public Convenience and Necessity.
2. Amending Rate Ordinance.
3. Letter of Conditions to District from United States of America, acting through the U.S. Department of Agriculture, Rural Development ("USDARD") dated March 22, 2006.
4. Certificate of Chairman of District regarding compliance with Public Service Commission requirements.
5. Letter of USDARD Concurring in the Award of Construction Contracts.
6. Affidavit of Publication - Casey County News - Legal Notice Regarding the District's Intention to File with the Public Service Commission.
7. Final Engineering Report of Kenvirons, Inc.



BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY **RECEIVED**

MAR 01 2007

**PUBLIC SERVICE  
COMMISSION**

IN THE MATTER OF THE APPLICATION )  
OF THE EAST CASEY COUNTY WATER DISTRICT, A )  
WATER DISTRICT ORGANIZED PURSUANT TO )  
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WATER SERVICE PROVIDED BY EAST CASEY )  
COUNTY WATER DISTRICT. )

CASE NO. 2007-00087

PETITION

Pursuant to KRS 278.023, this Petition of the East Casey County Water District ("District"), respectfully states:

1. That Petitioner is a Water District in Casey County, created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes, pursuant to an Order of the County Court of said County, following the requisite procedure prescribed in said Chapter 74.

2. That the Post Office address of said District is "East Casey County Water District, Jeffrey Thomas, Chairman, PO Box 56, Liberty, Kentucky 42539".

3. That the formation of the District, its present tariff of rates, and the issuance of its outstanding long term indebtedness have been previously approved by Orders of the Public Service Commission of Kentucky ("PSC").

4. That the District seeks a Certificate of Public Convenience and Necessity approving the construction of extensions, additions and improvements to the District's Water System, consisting of approximately 320,000 L.F. of 3 and 4-inch PVC water lines to serve approximately 250 new customers ("Construction Project").

5. That subject to the approval of the Commission, the District proposes to finance the construction of the improvements identified above pursuant to the terms of a certain Letter of Conditions dated March 22, 2006, from the United States Department of Agriculture, Rural Development ("USDARD") to the District, whereunder USDARD proposes to lend to the District through the issuance of the District's Water Revenue Bonds, Series of 2006, the sum of approximately \$1,001,000 supplemented by (a) a USDARD Grant in the amount of approximately \$410,000, (b) a HUD-CDBG Grant in the amount of approximately \$581,000, (c) a Commonwealth of Kentucky HB269 Grant in the amount of approximately \$750,000 and (d) new user tap on charges in the amount of approximately \$50,000.

6. That under the USDARD Letter of Conditions the District is required to increase its rates and charges for water service in accordance with the District's Amending Rate Ordinance attached to this Petition as Exhibit A.

7. That the Petitioner has observed the appropriate legal procedure in employing Kenvirons, Inc., Frankfort, Kentucky to prepare the plans and specifications for the construction of the proposed Construction Project. The plans and specifications as to said Construction Project have been approved by the appropriate governmental agencies.

8. That the approval of the Public Service Commission is urgently required in order to enable the District to proceed to accept construction bids for the Construction Project and proceed with the construction in order to provide for the needs of the District.

9. That there are attached to this Petition those Exhibits indicated in the Exhibit Addendum to this Petition which the Petitioner believes the Commission will find necessary in ruling on the requests set forth in this Petition pursuant to KRS 278.023.

WHEREFORE, Petitioner prays that the Public Service Commission of Kentucky grant to the Petitioner the following:


A. A Certificate of Public Convenience and Necessity, permitting the Petitioner District to proceed with the Construction Project as described in the Engineers Report filed herewith as an Exhibit in order to provide required water service to said District.

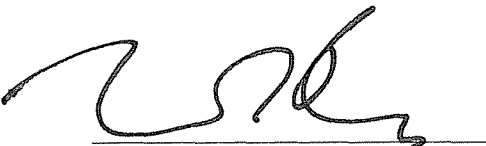
B. An Order approving the financing arrangements made by the District in the issuance of \$1,001,000 of its Water Revenue Bonds, at an interest rate not exceeding 4 3/8% per annum, to be supplemented by (a) a USDARD Grant in the amount of approximately \$410,000, (b) a HUD-CDBG Grant in the amount of approximately \$581,000, (c) a Commonwealth of Kentucky HB269 Grant in the amount of approximately \$750,000 and (d) new user tap on charges in the amount of approximately \$50,000.

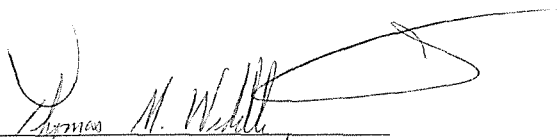
C. The approval of the increased tariff of rates and charges for water service provided by the District as shown on the attached Amending Rate Ordinance.

Dated at Liberty, Kentucky as of this 8<sup>th</sup> day of August, 2006.

EAST CASEY COUNTY WATER DISTRICT

By   
Chairman

  
Henry M. Reed III, Bond Counsel  
2218 Frankfort Avenue  
Louisville, Kentucky 40206

  
Thomas M. Weddle, Jr., Esquire  
Attorney for the District  
213 Courthouse Square  
PO Box 190  
Liberty, Kentucky 42539

STATE OF KENTUCKY            )  
  ) SS  
COUNTY OF CASEY            )

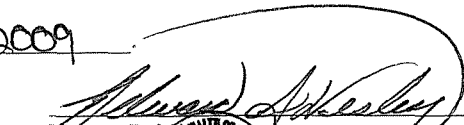
The undersigned, Jeffrey Thomas, being first duly sworn, deposes and states: That he is the Chairman of East Casey County Water District of Casey County, Kentucky, Petitioner in the above Petition; that he has read the foregoing Petition and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and that as to those matters, he believes same to be true.


IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 8<sup>th</sup> day of August, 2006.

  
Jeffrey Thomas

Acknowledged before me by Jeffrey Thomas, Chairman of the East Casey County Water District, on this 8<sup>th</sup> day of AUGUST, 2006.

My Commission expires 6, JUNE 2009.

  
Notary Public                    **Edward A. Wesley**  
Kentucky                        Notary State of Kentucky  
  My Commission Expires June 6, 2009



(Seal of Notary)





**AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF EAST CASEY COUNTY WATER DISTRICT AMENDING RATES AND CHARGES FOR WATER SERVICE PROVIDED BY THE DISTRICT.**

WHEREAS, East Casey County Water District (the "District") will apply to the Kentucky Public Service Commission for a Certificate of Public Convenience and Necessity authorizing and permitting said District to construct water distribution system improvements consisting of approximately 320,000 L.F. of 3 and 4-inch PVC water lines to serve approximately 250 new customers (the "Construction Project"), and,

WHEREAS, the District proposes to finance said Project through the issuance of \$1,001,000 of the District's "Water Revenue Bonds, Series of 2006," (the "Bonds") to the United States Department of Agriculture, Rural Development ("USDARD") supplemented by \$50,000 in new user tap on charges, a \$410,000 Grant from USDARD, a \$581,000 Grant from HUD-CDBG, and a \$750,000 Grant from Commonwealth of Kentucky HB269, and,

WHEREAS, the District has applied to the Kentucky Public Service Commission for a Certificate of Public Convenience and Necessity and approval of a Schedule of Rates and Charges for water service in accordance with the USDARD Letter of Conditions:

NOW, THEREFORE, BE IT AND IT IS HEREBY ORDAINED BY THE BOARD OF COMMISSIONERS OF THE EAST CASEY COUNTY WATER DISTRICT AS FOLLOWS:

1. That subject to PSC approval commencing with the billing period corresponding to the month of November, 2006, the District's rates and charges for water service shall be as follows:

<u>Gallage Block</u>	<u>Rate</u>
First 2,000 gallons	\$15.40 Minimum Bill
Next 3,000 gallons	6.50 per 1,000 gallons
Next 5,000 gallons	6.20 per 1,000 gallons
Next 5,000 gallons	5.90 per 1,000 gallons
Next 5,000 gallons	5.60 per 1,000 gallons
Over 20,000 gallons	5.00 per 1,000 gallons

2. That all other rates and charges not specifically mentioned herein shall remain as presently effective.

3. That all ordinances or parts thereof and resolutions of the District in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict.


4. That this Ordinance shall become effective upon its adoption and approval of the Public Service Commission.

Passed and adopted this 8<sup>th</sup> day of August, 2006.

EAST CASEY COUNTY WATER DISTRICT

  
Chairman

Attest:

  
Secretary





**United States Department of Agriculture**  
**Rural Development**  
Kentucky State Office

March 22, 2006

Mr. Jeffery Thomas, Chairman  
East Casey County Water District  
P.O. Box 56  
Liberty, Kentucky 42539

Dear Mr. Thomas:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to the application. The loan and/or grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area office staff of USDA Rural Development. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by USDA Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application. It should also be understood that Rural Development is under no obligation to provide additional funds to meet an overrun in construction costs.

This letter is not to be considered as loan and/or grant approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$1,001,000, a RUS grant not to exceed \$410,000, a Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) of \$581,000, and a State of Kentucky HB269 grant in the amount of \$750,000.

If Rural Development makes the loan, the interest rate will be the lower of the rate in effect at the time of loan approval or the rate in effect at the time of loan closing, unless the applicant otherwise chooses. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

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

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

If the conditions set forth in this letter are not met within 240 days from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

In signing Form RD 1942-46, "Letter of Intent to Meet Conditions," you are agreeing to complete the following as expeditiously as possible:

771 Corporate Drive • Suite 200 • Lexington, KY 40503  
Phone: (859) 224-7300 • Fax: (859) 224-7425 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD)

1. Number of Users and Their Contribution:

There shall be 3,849 water users, of which 3,547 are existing users and 302 are new users contributing \$50,000 in connection fees toward the cost of the project. The connection fees will be collected prior to advertising for construction bids and will be placed in the construction account at loan pre-closing, unless spent for authorized purposes prior to loan pre-closing. The Area Director will review and authenticate the number of users and amount of connection fees prior to advertising for construction bids.

2. Grant Agreement:

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

3. Drug-Free Work Place:

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

4. Repayment Period:

The loan will be scheduled for repayment over a period not to exceed 40 years from the date of the bond. Principal payment will not be deferred for a period in excess of two years from the date of the bond. Payments will be in accordance with applicable KRS, which requires interest to be paid semi-annually (January 1st and July 1st) and principal will be due on or before the first of January. Rural Development may require the District to adopt a supplemental payment agreement providing for monthly payments of principal and interest so long as the bond is held or insured by RUS. Monthly payments will be approximate amortized installments.

5. Recommended Repayment Method:

Payments on this loan can be made using the Preauthorized Debit (PAD) payment method. This procedure eliminates the need for paper checks and ensures timely receipt of RD loan payments. To initiate PAD payments, Form SF 5510, "Authorization Agreement for Preauthorized Payments," should be signed by the District to authorize the electronic withdrawal of funds from your designated bank account on the exact installment payment due date. The Area Director will furnish the necessary forms and further guidance on the PAD procedure.

6. Reserve Accounts:

Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs and assist with debt service should the need arise.

The District will be required to deposit \$455 per month into a "Funded Depreciation Reserve Account" until the account reaches \$54,600. The deposits are to be resumed any time the account falls below the \$54,600.

The required monthly deposits to the Reserve Account and required Reserve Account levels are in addition to the requirements of the District's prior bond ordinances.

The monthly deposits to the Reserve Account are required to commence with the first month of the first full fiscal year after the facility becomes operational.

The District also needs to fund an account for short-lived assets by depositing a sum of \$492 monthly into the account. The funds in the short-lived asset account may be used by the District as needed to replace or add short-lived assets in the District's water system.

7. Security Requirements:

A pledge of gross water revenue will be provided in the Bond Resolution. Bonds shall rank on a parity with existing bonds.

8. Land Rights and Real Property:

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

9. Organization:

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

10. Business Operations:

The District will be required to operate the system under a well-established set of resolutions, rules and regulations. A budget must be established annually and adopted by the District after review by Rural Development. At no later than loan pre-closing, the District will be required to furnish a prior approved management plan to include, as a minimum, provisions for management, maintenance, meter reading, miscellaneous services, billing, collecting, bookkeeping, making and delivering required reports and audits.

11. Accounts, Records and Audits:

The District will be required to maintain adequate records and accounts and submit statistical and financial reports, quarterly and annually, in accordance with subsection 1780.47 of RUS Instruction 1780 and RUS Staff Instruction 1780-4, a copy of which is enclosed.

The enclosed audit booklet will be used as a guide for preparation of audits. The District shall be required to submit a copy of its audit agreement for review and concurrence by Rural Development prior to pre-closing the loan.

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

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

13. Insurance and Bonding:

The following insurance and bonding will be required:

- A. Adequate Liability and Property Damage Insurance including vehicular coverage, if applicable, must be obtained and maintained by the District. The District should obtain amounts of coverage as recommended by its attorney, consulting engineer and/or insurance provider.
- B. Worker's Compensation - The District will carry worker's compensation insurance for employees in accordance with applicable state laws.
- C. Fidelity Bond - The District will provide Fidelity Bond Coverage for all persons who have access to funds. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of coverage required for all RUS loans is \$210,000.
- D. Real Property Insurance - The District will obtain and maintain adequate fire and extended coverage on all structures including major items of equipment or machinery located in the structures. The amounts of coverage should be based on recommendations obtained by the District from its attorney, consulting engineer and/or insurance provider. Subsurface lift stations do not have to be covered except for the value of electrical and pumping equipment therein.
- E. Flood Insurance - The District will obtain and maintain adequate coverage on any facilities located in a special flood and mudslide prone areas.

14. Planning and Performing Development:

- A. The engineer should not be authorized to commence work on final plans and specifications until a determination has been made that the project can be planned and constructed within the estimated cost shown in paragraph "24" of this letter. The engineer may then proceed to develop final plans and specifications to be completed no later than 210 days from this date, and prepare bid documents. The Area Director is prepared to furnish the necessary guide to follow so as to keep the project plans and documents within our guidelines and requirements. The project should not be advertised for construction bids until all easements and enforceable options have been obtained, and total funds are committed or available for the project.

- B. The following documents will be submitted to Rural Development for review and must be concurred in by Rural Development prior to advertisement for construction bids:
1. Final plans, specifications and bid documents.
  2. Applicant's letter on efforts to encourage small business and minority-owned business participation.
  3. Legal Service Agreements.
  4. Engineering Agreements.

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

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

15. Civil Rights & Equal Opportunity:

You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

A. Section 504 of the Rehabilitation Act of 1973:

Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Rural Development financial assistance.

B. Civil Rights Act of 1964:

All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and Subpart E of Part 1901 of this Title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this Title.

C. The Americans with Disabilities Act (ADA) of 1990:

This Act (42 U.S.C. 12101 *et seq.*) prohibits discrimination on the basis of disability in employment, state and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by state and local public entities that provide services, programs, and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities that accommodate the public.



D. Age Discrimination Act of 1975:

This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Rural Development financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

16. Closing Instructions:

The Office of General Counsel, our Regional Attorney, will be required to write closing instructions in connection with this loan. Conditions listed therein must be met by the District.

17. Compliance with Special Laws and Regulations:

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

18. Treatment Plant/System Operator:

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

19. Prior to Pre-Closing the Loan, the District Will Be Required to Adopt:

- A. Form RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)."
- B. Form RD 400-1, "Equal Opportunity Agreement."
- C. Form RD 400-4, "Assurance Agreement."
- D. Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transaction."
- E. Form RD 1910-11, "Applicant Certification Federal Collection Policies for Consumer or Commercial Debts."
- F. RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans."
- G. RUS Bulletin 1780-22, "Eligibility Certification."

20. Refinancing and Graduation Requirements:

The District is reminded that if at any time it shall appear to the Government that the District is able to refinance the amount of the RUS indebtedness then outstanding, in whole or in part, by obtaining a loan from commercial sources at reasonable rates and terms, upon the request of the Government, the District will apply for and accept such loan in sufficient amount to repay the Government.

21. Commercial Interim Financing:

The District will be required to use commercial interim financing for the project during construction for the RUS loan portion of the financing, if available at reasonable rates and terms.

Before the loan is closed, the District will be required to provide Rural Development with statements from the contractor, engineer and attorneys that they have been paid to date in accordance with their contract or other agreements and, in the case of the contractor, that he has paid his suppliers and sub-contractors.

22. Disbursement of Project Funds:

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

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

Form RD 440-11, "Estimate of Funds Needed for 30-Day Period Commencing \_\_\_\_\_," will be prepared by the District and submitted to Rural Development in order that a periodic advance of federal cash may be requested.

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

23. Disbursement of Grant Funds:

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

24. Cost of Facility:

Breakdown of Costs:

Development	\$ 2,254,320
Land and Rights	5,000
Legal and Administrative	45,000
Engineering	227,100
Interest	30,000
Contingencies	<u>230,580</u>
TOTAL	\$ 2,792,000

Financing:

RUS Loan	\$ 1,001,000
RUS Grant	410,000
HUD-CDBG Grant	581,000
State of KY HB269 Grant	750,000
Applicant Contribution	<u>50,000</u>
TOTAL	\$ 2,792,000

25. Commitment of Other Project Funds:

This Letter of Conditions is issued contingent upon a firm commitment being in effect prior to advertising for construction bids for the HUD-CDBG grant in the amount of \$581,000 and for the State of Kentucky HB269 grant in the amount of \$750,000.

26. Use of Remaining Project Funds:

The applicant connection fees shall be considered as the first funds expended. After providing for all authorized costs, any remaining project funds will be considered to be RUS/HUD-CDBG/State of Kentucky HB269 grant funds and refunded in proportion to participation in the project. If the amount of unused project funds exceeds the grants, that part would be RUS loan funds.

27. Proposed Operating Budget:

You will be required to submit to Rural Development a copy of your proposed annual operating budget that supports the proposed loan repayment prior to this agency giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow, subject to completion of this project in the first full year of operation. Form RD 442-7, "Operating Budget," or similar form may be utilized for this purpose.

28. Rates and Charges:

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

Water rates will be at least:

First	2,000	gallons @ \$	15.40 - Minimum Bill.
Next	3,000	gallons @ \$	6.50 - per 1,000 gallons.
Next	5,000	gallons @ \$	6.20 - per 1,000 gallons.
Next	5,000	gallons @ \$	5.90 - per 1,000 gallons.
Next	5,000	gallons @ \$	5.60 - per 1,000 gallons.
All Over	20,000	gallons @ \$	5.00 - per 1,000 gallons.

29. Water Purchase Contract:

The District will submit a Water Purchase Contract for approval by Rural Development before advertising for construction bids. If the contract is not on Form RD 442-30, "Water Purchase Contract," the contract will require approval by our Regional Attorney. The contract must meet the requirements of subsection 1780.62 of RUS Instruction 1780.

30. Compliance with the Bioterrorism Act:

Prior to pre-closing the loan, the District will provide a certification they have completed a Vulnerability Assessment (VA) and prepared an emergency response plan (ERP) as required by the Safe Drinking Water Act (SDWA).

31. Floodplain Construction:

The District will be required to pass and adopt a Resolution or amend its By-Laws whereby the District will deny any water service to any future customer wishing to build on or develop property located within a designated floodplain. If a customer or developer requests service for construction in a designated floodplain, the customer or developer must provide evidence and a justification for approval by the District and Rural Development officials that there are no other alternatives to construction or development within the designated floodplain. The community must be a participant in the National Flood Insurance Program (NFIP) and the customer or developer must obtain the required permits prior to the tap on restrictions being waived.

32. Mitigation Measures:

- A. The project shall be in compliance with all requirements noted in the Governor's Office for Local Development letter dated April 26, 2005, from Mr. Ronald W. Cook, Manager.
- B. The line design and construction shall be accomplished in a way that will leave flood plains and farmland without affect after construction is complete. The Army Corps of Engineers Nationwide Permit No. 12 applies to all floodplain and wetland utility line construction.
- C. The design and construction shall be in compliance with all local, state and federal environmental statutes, regulations and executive orders applicable to the project.

- D. The project shall comply with the Farmland Policy Protection Act. Soil Survey Maps from the Natural Resources Conservation Service (NRCS) indicate areas of important farmland along the route of the new water lines. Therefore, the project may indirectly impact important farmland.

The project will be designed whereby the new water line will be sized to serve the existing household and allow for only modest growth in the area.

33. Final Approval Conditions:

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

If you desire to proceed with your application, the Area Director will allot a reasonable portion of time to provide guidance in application processing.

Sincerely,

  
KENNETH SLONE  
State Director

Enclosures

cc: Area Director - Columbia, Kentucky  
Rural Development Manager - Columbia, Kentucky  
Lake Cumberland ADD - Russell Springs, Kentucky  
Thomas Weddle, Jr. - Liberty, Kentucky  
Henry M. Reed, III - Louisville, Kentucky  
Kenvirons, Inc. - Frankfort, Kentucky  
PSC - ATTN: Bob Amato - Frankfort, Kentucky



**CERTIFICATION OF DISTRICT CHAIRMAN REGARDING COMPLIANCE  
WITH PUBLIC SERVICE COMMISSION REQUIREMENTS**

The undersigned certifies that he is the duly authorized and acting Chairman of the East Casey County Water District (the "District") which intends to file with the Public Service Commission of Kentucky ("PSC") a Petition seeking a Certificate of Public Convenience and Necessity in connection with the construction of additions, extensions, and improvements to the District's water distribution system, consisting of the construction of approximately 320,000 L.F. of 3 and 4-inch PVC water lines to serve approximately 250 new customers (the "Construction Project").

The undersigned has executed this Certificate in reliance upon information and advice of Kenvirons, Inc., Frankfort, Kentucky (the "Engineers") which firm has been retained by the District to provide engineering services in connection with the Construction Project.

The undersigned states that the proposed plans and specifications for the Construction Project have been designed to meet the minimum construction and operating requirements established in 807 KAR 5:066, Section 4(3) and (4), Section 5(1), Sections 6 and 7, Section 8(1) through (3), Section 9(1) and Section 10.

The undersigned states that all other State approvals or permits have been obtained.

The undersigned further certifies that the Construction Project is to be financed through the issuance of the District's Water Revenue Bonds, Series of 2006, in the principal amount of approximately \$1,001,000 (the "Bonds") which are to be sold to the United States of America, acting through the U.S. Department of Agriculture, Rural Development ("USDARD"), supplemented by (a) a USDARD Grant of approximately \$410,000, (b) a HUD-CDBG Grant of approximately \$581,000, (c) Commonwealth of Kentucky HB269 Grant of approximately \$750,000 and (d) new user tap on charges of approximately \$50,000.

Based upon the information supplied by the Engineers, it is estimated that construction of the Construction Project will commence on or about October 1, 2006 and end on or about April 1, 2007.

Based upon the advice of the Engineers and USDARD, the undersigned believes that an increase in water rates will be required by the District, as existing rates are estimated to be insufficient to meet the expenses incident to the operation and maintenance of the District's water distribution system and pay and retire all of the District's outstanding Water Revenue Bonds. The District has submitted to the Kentucky Public Service Commission for approval a Schedule of Water Rates reflecting the required increases.

Dated this 8<sup>th</sup> day of August, 2006.

**EAST CASEY COUNTY WATER DISTRICT**



Jeffrey Thomas,  
Chairman







**United States Department of Agriculture  
Rural Development  
Kentucky State Office**

February 26, 2007

**SUBJECT:** East Casey County Water District  
Contract 15- Water System Extensions  
Contract Award Concurrence

**TO:** Area Director  
Columbia, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject contract to the low bidder, Southern Backhoe, Inc., in the amount of \$2,251,756.50

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

  
KENNETH SLONE  
State Director  
Rural Development

cc: Kenvirons, Inc.  
Frankfort, Kentucky

~~Reed and Johnson~~  
Louisville, Kentucky

771 Corporate Drive • Suite 200 • Lexington, KY 40503  
Phone: (859) 224-7300 • Fax: (859) 224-7425 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).



### LEGAL NOTICE REGARDING THE EAST CASEY COUNTY WATER DISTRICT

On or about February 28, 2007, the East Casey County Water District (District) will file a Petition with the Public Service Commission of Kentucky (PSC) seeking approval for:

1. The issuance of a Certificate of Public Convenience and Necessity for the construction by the District of improvements to the District's water distribution system (the "Construction Project");
2. The plan of financing the Construction Project in accordance with the terms of a certain Letter of Conditions dated March 22, 2006, from the United States Department of Agriculture, Rural Development ("USDARD") to the District, whereunder USDARD proposes to lend to the District through the issuance of the District's Water Revenue Bonds, Series of 2006, the sum of approximately \$1,001,000 and supplemented by (a) a USDARD Grant in the amount of approximately \$410,000 (b) a HUD-CDBG Grant of \$581,000 (c) Commonwealth of Kentucky HB269 Grant of \$750,000, and (d) new user tap on charges in the amount of \$50,000; and

An increase in the water rates charged by the District for its water service.

The Construction Project consists of the installation of approximately 320,000 lineal feet of 3 and 4-inch PVC waterlines to provide service to approximately 250 new water users along various roads throughout the County.

The new water rates and charges sought by the District in the Petition are as follows:

Gallage Bloc	Existing Rates	New Rates
First 2,000 gallons	\$13.86 Minimum Bill	\$15.40 Minimum Bill
Next 3,000 gallons	6.38 per 1,000 gallons	6.50 per 1,000 gallons
Next 5,000 gallons	6.03 per 1,000 gallons	6.20 per 1,000 gallons
Next 5,000 gallons	5.73 per 1,000 gallons	5.90 per 1,000 gallons
Next 5,000 gallons	5.43 per 1,000 gallons	5.60 per 1,000 gallons
Over 20,000 gallons	4.93 per 1,000 gallons	5.00 per 1,000 gallons

The Petition will be filed pursuant to the provisions of KRS 278.023 and it is anticipated that an Order will be entered by the Public Service Commission approximately 30 days after the actual filing of the Petition.

EAST CASEY COUNTY WATER DISTRICT  
s/ Ricky Carman, Chairman

AFFIDAVIT OF PUBLICATION

I hereby certify that I am the Publisher of

THE CASEY COUNTY NEWS

the newspaper published in the County of Casey, Kentucky (hereinafter referred to as the "publication area") which has the largest bona fide circulation in said publication area of any newspaper published therein.

I further certify that there is attached hereto a true copy of

NOTICE OF FILING WITH PUBLIC SERVICE COMMISSION

which was published in said newspaper in its regular issue for the 21st day of February, 2007.

I further certify that said newspaper maintains its principal office in the publication area for the purpose of gathering news and soliciting advertisements and other general business of newspaper publication and has a second-class mailing permit issued for that office. I further certify that said newspaper is published regularly as frequently as once a week for at least fifty weeks during the calendar year, as prescribed by its mailing permit; and it has been so published in the publication area for the immediately preceding two-year period prior to the date of publication hereinbefore referred to.

I further certify that said newspaper is circulated generally in the publication area, maintains a definite price or consideration not less than fifty percent of its publication price and is paid for by not less than fifty percent of those to whom distribution is made. I further certify that said newspaper bears a title or name, consists of not less than four pages without a cover, is of a type to which the general public resorts for passing events of a political, religious, commercial and social nature for current happenings, announcements, miscellaneous reading matter, advertisements and other notices and that the news content of said newspaper is at least twenty-five percent of the total column space in more than one-half of the issues during any 12-month period.

I further certify that all of the foregoing facts were true on the date of the publication hereinbefore referred to.

Dated this 23 day of Feb., 2007.

Rudolph Wright

Acknowledged before me this 23 day of Feb, 2007.

My commission expires 1-27-10.

Terri Lee  
Notary Public, Casey County, Kentucky

(Seal of Notary)



**FINAL ENGINEERING REPORT**

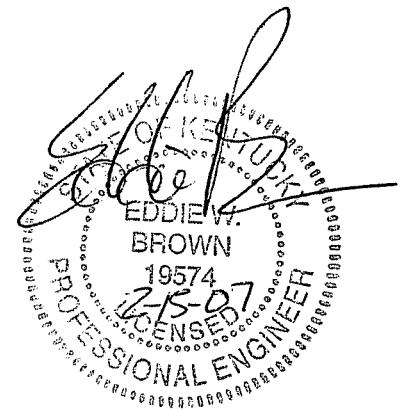
*for*

**EAST CASEY COUNTY WATER DISTRICT  
CASEY COUNTY, KENTUCKY**

**CONTRACT 15 – WATER SYSTEM EXTENSIONS**

*prepared by:*

**KENVIRONS, INC.  
452 VERSAILLES ROAD  
FRANKFORT, KENTUCKY 40601**



**PROJECT NO. 2004031**

**FEBRUARY 2007**

# FINAL ENGINEERING REPORT

## WATER SYSTEM EXTENSIONS EAST CASEY COUNTY WATER DISTRICT LIBERTY, KENTUCKY FEBRUARY 2007

### INTRODUCTION

The East Casey County Water District made applications for financial aid from Rural Development of the United States Department of Agriculture, a Community Development Block Grant, and a state budget appropriation for the construction of water line extensions. The water line extensions will be scattered throughout the county. The preliminary data for the project is contained in the Preliminary Engineering Report, dated May 2005.

### BIDS

Bids were received on February 7, 2007 for Contract 15.

Nine (9) total base bids ranging from \$2,251,756.50 to \$2,954,343.73 were received on the construction of Contract 15. A copy of the bid tabulations is attached to this report as Appendix A.

The low bidder for Contract 15 is shown below:

Contract 15 – Southern Backhoe, Inc. ....\$2,251,756.50



**PROJECT COST**

The following is an estimate project cost based on the bids received:

<b>BUDGET ITEM</b>	<b>RD LETTER OF CONDITIONS</b>	<b>REVISED BUDGET</b>
Development	\$2,254,320	\$2,251,756.50
Land and Rights	5,000	5,000.00
Legal and Administrative	45,000	45,000.00
Engineering	227,100	270,436.00
Interest	30,000	30,000.00
Contingencies	230,580	189,807.50
<b>TOTAL</b>	<b>\$2,792,000</b>	<b>\$2,792,000.00</b>

**PROJECT FUNDING**

Funding for the project is as follows:

RD Loan	\$ 1,001,000
RD Grant	410,000
HUD-CDBG Grant	581,000
KY HB 269 Grant	750,000
Applicant Contribution	<u>50,000</u>
Total	\$ 2,792,000

**CONCLUSIONS AND RECOMMENDATIONS**

The bid amount for this project is in the acceptable range for the types of work involved. Therefore, it is recommended that the contract be awarded to the low bidder named herein subject to the approval of the water district, all funding agencies, and the Public Service Commission.

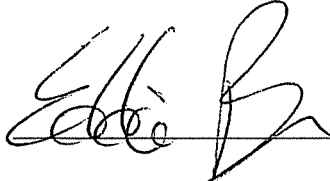
# APPENDIX A

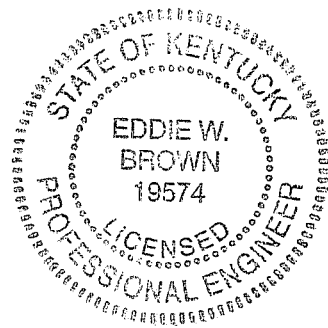
KENVIRONS, INC.  
 452 VERSAILLES ROAD  
 FRANKFORT, KENTUCKY 40601  
 TEL (502) 695-4357  
 FAX (502) 695-4363

**BID TABULATIONS**  
 PROJECT: East Casey County Water District Contract 15  
 LOCATION: East Casey County Water Office  
 BID DATE: February 7, 2007 12:00 P.M.

Base Bid				Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		C & K Contracting, LLC 76 Woodland Way Grayson, KY 41143		S J Cox Enterprises, Inc. 8182 Morehead Road Flemingsburg, KY 41041	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC C-900 CL-200	LF	26,200	\$5.10	\$133,620.00	\$5.45	\$142,790.00	\$5.70	\$149,340.00
2	4" PVC SDR-17 Pipe	LF	19,400	4.53	87,882.00	4.86	94,284.00	4.94	95,836.00
3	4" PVC SDR-21 Pipe	LF	23,000	4.25	97,750.00	4.58	105,340.00	4.67	107,410.00
4	3" PVC SDR-13.5 Pipe	LF	600	4.40	2,640.00	4.75	2,850.00	4.66	2,796.00
5	3" PVC SDR-17 Pipe	LF	73,550	3.90	286,845.00	4.24	311,852.00	4.31	317,000.50
6	3" PVC SDR-21 Pipe	LF	187,450	3.73	699,188.50	4.07	762,921.50	4.10	768,545.00
7	6" PVC Casing Pipe	LF	420	20.00	8,400.00	10.00	4,200.00	30.00	12,600.00
8	3" and 4" Bore and Case	LF	300	90.00	27,000.00	55.00	16,500.00	20.00	6,000.00
9	3" and 4" Open Cut and Cased	LF	590	60.00	35,400.00	25.00	14,750.00	20.00	11,800.00
10a	3" and 4" Creek Crossing	LF	370	120.00	44,400.00	45.00	16,650.00	24.00	8,880.00
10b	3" and 4" Creek Crossing Directional Bore	EA	12	1,000.00	12,000.00	2,500.00	30,000.00	4,500.00	54,000.00
11	Trace Fork Directional Bore	EA	1	35,000.00	35,000.00	7,500.00	7,500.00	32,000.00	32,000.00
12	South Fork Directional Bore	EA	1	35,000.00	35,000.00	7,500.00	7,500.00	32,000.00	32,000.00
13	Big South Fork Directional Bore	EA	1	35,000.00	35,000.00	7,500.00	7,500.00	32,000.00	32,000.00
14	3" and 4" Free Bore	LF	8,000	2.00	16,000.00	10.00	80,000.00	10.00	80,000.00
15	6" x 3" Tapping Sleeve and Valve	EA	1	1,500.00	1,500.00	1,995.00	1,995.00	1,200.00	1,200.00
16	6" x 4" Tapping Sleeve and Valve	EA	3	1,400.00	4,200.00	1,995.00	5,985.00	1,300.00	3,900.00
17	4" x 4" Tapping Sleeve and Valve	EA	3	1,400.00	4,200.00	1,895.00	5,685.00	1,200.00	3,600.00
18	4" x 3" Tapping Sleeve and Valve	EA	9	1,400.00	12,600.00	1,895.00	17,055.00	1,200.00	10,800.00
19	Tie-In to 4" Water Line	EA	4	500.00	2,000.00	650.00	2,600.00	450.00	1,800.00
20	3" x 3" Tapping Sleeve and Valve	EA	14	1,300.00	18,200.00	1,795.00	25,130.00	1,200.00	16,800.00
21	Tie-In to 3" Water Line	EA	19	500.00	9,500.00	650.00	12,350.00	400.00	7,600.00
22	4" Gate Valve	EA	17	475.00	8,075.00	535.00	9,095.00	380.00	6,460.00
23	3" Gate Valve	EA	59	450.00	26,550.00	498.00	29,382.00	355.00	20,945.00
24	Air Release Valve	EA	6	400.00	2,400.00	455.00	2,730.00	1,400.00	8,400.00
25	3" Blow Off Assembly	EA	47	600.00	28,200.00	1,250.00	58,750.00	550.00	25,850.00
26	Creek Crossing Test Meter	EA	12	800.00	9,600.00	475.00	5,700.00	567.00	6,804.00
27	Pressure Reducing Station	LS	3	4,500.00	13,500.00	6,375.00	19,125.00	7,500.00	22,500.00
28	Pneumatic Pump w/ Bladder Tanks	LS	2	120,000.00	240,000.00	36,500.00	73,000.00	69,399.00	138,798.00
29	KY 80 Pump Station	LS	1	120,000.00	120,000.00	74,500.00	74,500.00	77,688.00	77,688.00
30	Meter Setting	EA	156	300.00	46,800.00	645.00	100,620.00	362.00	56,472.00
31	Meter Setting w/ PRV	EA	99	368.00	36,432.00	845.00	83,655.00	416.00	41,184.00
32	3/4" Service Tubing	LF	12,800	3.00	38,400.00	3.75	48,000.00	2.20	28,160.00
33	Pavement Replacement	LF	7,600	3.00	22,800.00	7.00	53,200.00	9.20	69,920.00
<b>TOTAL BASE PROJECT</b>					<b>\$2,201,082.50</b>	<b>\$2,233,194.50</b>	<b>\$2,259,088.50</b>		
<b>ADDITIVE ALTERNATE NO.1</b>						23,762.00	23,670.00		
<b>ADDITIVE ALTERNATE NO.2</b>					*	26,912.00	32,108.00		
<b>TOTAL OF ADDITIVE ALTERNATES NOS. 1 &amp; 2</b>						50,470.00	55,778.00		
<b>TOTAL BASE BID</b>					<b>* \$2,251,756.50</b>	<b>\$2,289,424.50</b>	<b>* \$2,314,866.50</b>		

\*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID. THE ABOVE IS A TRUE AND COMPLETE TABULATION OF BIDS RECEIVED UNTIL

BY:  2-15-07  
 DATE



KENVIRONS, INC.  
 452 VERSAILLES ROAD  
 FRANKFORT, KENTUCKY 40601  
 TEL (502) 695-4357  
 FAX (502) 695-4363

**BID TABULATIONS**

PROJECT: East Casey County Water District Contract 15  
 LOCATION: East Casey County Water Office  
 BID DATE: February 7, 2007 12:00 P.M.

Base Bid				WEDDLE ENTERPRISES, INC. 25 SHANE'S LANE SOMERSET, KY 42501		M & M ELECTRIC, INC. P.O. BOX 790 DANVILLE, KY 40423		CLEARY CONSTRUCTION, INC. 1860 EDMONTON TOAD TOMPKINSVILLE, KY 42167	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC C-900 CL-200	LF	26,200	\$7.00	\$183,400.00	\$6.00	\$157,200.00	\$5.90	\$154,580.00
2	4" PVC SDR-17 Pipe	LF	19,400	6.00	116,400.00	5.75	111,550.00	5.40	104,760.00
3	4" PVC SDR-21 Pipe	LF	23,000	4.00	92,000.00	5.50	126,500.00	5.10	117,300.00
4	3" PVC SDR-13.5 Pipe	LF	600	4.00	2,400.00	10.00	6,000.00	6.00	3,600.00
5	3" PVC SDR-17 Pipe	LF	73,550	3.75	275,812.50	5.25	386,137.50	4.80	353,040.00
6	3" PVC SDR-21 Pipe	LF	187,450	3.50	656,075.00	4.25	796,662.50	4.60	862,270.00
7	6" PVC Casing Pipe	LF	420	9.00	3,780.00	10.00	4,200.00	20.00	8,400.00
8	3" and 4" Bore and Case	LF	300	85.00	25,500.00	60.00	18,000.00	80.00	24,000.00
9	3" and 4" Open Cut and Cased	LF	590	30.00	17,700.00	35.00	20,650.00	38.00	22,420.00
10a	3" and 4" Creek Crossing	LF	370	40.00	14,800.00	55.00	20,350.00	56.00	20,720.00
10b	3" and 4" Creek Crossing Directional	EA	12	4,500.00	54,000.00	0.00	0.00	13,000.00	156,000.00
11	Trace Fork Directional Bore	EA	1	13,000.00	13,000.00	6,600.00	6,600.00	25,000.00	25,000.00
12	South Fork Directional Bore	EA	1	13,000.00	13,000.00	6,600.00	6,600.00	25,000.00	25,000.00
13	Big South Fork Directional Bore	EA	1	18,000.00	18,000.00	6,600.00	6,600.00	25,000.00	25,000.00
14	3" and 4" Free Bore	LF	8,000	25.00	200,000.00	22.00	176,000.00	0.00	0.00
15	6" x 3" Tapping Sleeve and Valve	EA	1	1,200.00	1,200.00	1,500.00	1,500.00	1,300.00	1,300.00
16	6" x 4" Tapping Sleeve and Valve	EA	3	1,200.00	3,600.00	1,500.00	4,500.00	1,300.00	3,900.00
17	4" x 4" Tapping Sleeve and Valve	EA	3	1,200.00	3,600.00	1,200.00	3,600.00	1,300.00	3,900.00
18	4" x 3" Tapping Sleeve and Valve	EA	9	1,200.00	10,800.00	1,200.00	10,800.00	1,300.00	11,700.00
19	Tie-In to 4" Water Line	EA	4	400.00	1,600.00	1,000.00	4,000.00	800.00	3,200.00
20	3" x 3" Tapping Sleeve and Valve	EA	14	1,200.00	16,800.00	1,000.00	14,000.00	1,300.00	18,200.00
21	Tie-In to 3" Water Line	EA	19	350.00	6,650.00	1,000.00	19,000.00	700.00	13,300.00
22	4" Gate Valve	EA	17	550.00	9,350.00	400.00	6,800.00	450.00	7,650.00
23	3" Gate Valve	EA	59	500.00	29,500.00	350.00	20,650.00	420.00	24,780.00
24	Air Release Valve	EA	6	500.00	3,000.00	350.00	2,100.00	350.00	2,100.00
25	3" Blow Off Assembly	EA	47	850.00	39,950.00	850.00	39,950.00	270.00	12,690.00
26	Creek Crossing Test Meter	EA	12	400.00	4,800.00	500.00	6,000.00	500.00	6,000.00
27	Pressure Reducing Station	LS	3	6,000.00	18,000.00	6,000.00	18,000.00	7,500.00	22,500.00
28	Pneumatic Pump w/ Bladder Tanks	LS	2	56,000.00	112,000.00	53,000.00	106,000.00	65,000.00	130,000.00
29	KY 80 Pump Station	LS	1	45,650.00	45,650.00	65,000.00	65,000.00	74,000.00	74,000.00
30	Meter Setting	EA	156	400.00	62,400.00	350.00	54,600.00	380.00	59,280.00
31	Meter Setting w/ PRV	EA	99	500.00	49,500.00	450.00	44,550.00	440.00	43,560.00
32	3/4" Service Tubing	LF	12,800	2.00	25,600.00	3.00	38,400.00	3.00	38,400.00
33	Pavement Replacement	LF	7,600	30.00	228,000.00	7.50	57,000.00	0.00	0.00
<b>TOTAL BASE PROJECT</b>					<b>\$2,357,867.50</b>		<b>\$2,359,500.00</b>		<b>\$2,378,550.00</b>
<b>ADDITIVE ALTERNATE NO.1</b>					* 25,500.00		26,100.00		26,860.00
<b>ADDITIVE ALTERNATE NO.2</b>					25,650.00		26,950.00		30,500.00
<b>TOTAL OF ADDITIVE ALTERNATES NOS. 1 &amp; 2</b>					* 51,150.00		53,050.00		57,360.00
<b>TOTAL BASE BID</b>					* <b>\$2,409,017.50</b>		<b>\$2,412,550.00</b>		<b>\$2,435,910.00</b>

\* - DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.  
 THE ABOVE IS A TRUE AND COMPLETE TABULATION OF BIDS RECEIVED UNTIL

KENVIRONS, INC.  
452 VERSAILLES ROAD  
FRANKFORT, KENTUCKY 40601  
TEL (502) 695-4357  
FAX (502) 695-4363

**BID TABULATIONS**

PROJECT: East Casey County Water District Contract 15  
LOCATION: East Casey County Water Office  
BID DATE: February 7, 2007 12:00 P.M.

Base Bid				SALMON CONSTRUCTION, INC. P. O. BOX 97 MT. WASHINGTON, KY 40047		GARRISON CONSTRUCTION CO., INC. 6960 GREENSBURG ROAD GREENSBURG, KY 42743		D.F. Bailey, Inc. P. O. BOX 439 OWINGSVILLE, KY 40360	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC C-900 CL-200	LF	26,200	\$6.26	\$164,012.00	\$7.05	\$184,710.00	\$5.93	\$155,366.00
2	4" PVC SDR-17 Pipe	LF	19,400	5.53	107,282.00	6.10	118,340.00	5.21	101,074.00
3	4" PVC SDR-21 Pipe	LF	23,000	5.26	120,980.00	5.57	128,110.00	4.90	112,700.00
4	3" PVC SDR-13.5 Pipe	LF	600	5.11	3,066.00	5.25	3,150.00	4.89	2,934.00
5	3" PVC SDR-17 Pipe	LF	73,550	4.91	361,130.50	5.00	367,750.00	4.30	316,265.00
6	3" PVC SDR-21 Pipe	LF	187,450	4.73	886,638.50	4.70	881,015.00	4.09	766,670.50
7	6" PVC Casing Pipe	LF	420	10.00	4,200.00	8.75	3,675.00	8.84	3,712.80
8	3" and 4" Bore and Case	LF	300	60.00	18,000.00	85.00	25,500.00	95.26	28,578.00
9	3" and 4" Open Cut and Cased	LF	590	37.00	21,830.00	50.00	29,500.00	43.08	25,417.20
10a	3" and 4" Creek Crossing	LF	370	90.00	33,300.00	95.00	35,150.00	51.32	18,988.40
10b	3" and 4" Creek Crossing Directional B	EA	12	6,000.00	72,000.00	6,000.00	72,000.00	17,275.69	207,308.28
11	Trace Fork Directional Bore	EA	1	10,000.00	10,000.00	14,275.00	14,275.00	21,759.13	21,759.13
12	South Fork Directional Bore	EA	1	10,000.00	10,000.00	13,850.00	13,850.00	21,759.13	21,759.13
13	Big South Fork Directional Bore	EA	1	10,000.00	10,000.00	16,850.00	16,850.00	22,737.10	22,737.10
14	3" and 4" Free Bore	LF	8,000	10.00	80,000.00	5.00	40,000.00	39.02	312,160.00
15	6" x 3" Tapping Sleeve and Valve	EA	1	2,000.00	2,000.00	1,155.00	1,155.00	1,437.72	1,437.72
16	6" x 4" Tapping Sleeve and Valve	EA	3	1,700.00	5,100.00	1,225.00	3,675.00	1,625.60	4,876.80
17	4" x 4" Tapping Sleeve and Valve	EA	3	1,500.00	4,500.00	1,230.00	3,690.00	1,577.69	4,733.07
18	4" x 3" Tapping Sleeve and Valve	EA	9	1,200.00	10,800.00	1,175.00	10,575.00	1,677.30	15,095.70
19	Tie-In to 4" Water Line	EA	4	900.00	3,600.00	600.00	2,400.00	1,094.24	4,376.96
20	3" x 3" Tapping Sleeve and Valve	EA	14	800.00	11,200.00	1,125.00	15,750.00	1,368.60	19,160.40
21	Tie-In to 3" Water Line	EA	19	500.00	9,500.00	375.00	7,125.00	898.75	17,076.25
22	4" Gate Valve	EA	17	450.00	7,650.00	455.00	7,735.00	499.15	8,485.55
23	3" Gate Valve	EA	59	400.00	23,600.00	400.00	23,600.00	452.50	26,697.50
24	Air Release Valve	EA	6	900.00	5,400.00	900.00	5,400.00	390.57	2,343.42
25	3" Blow Off Assembly	EA	47	400.00	18,800.00	725.00	34,075.00	891.22	41,887.34
26	Creek Crossing Test Meter	EA	12	1,000.00	12,000.00	1,175.00	14,100.00	494.63	5,935.56
27	Pressure Reducing Station	LS	3	8,000.00	24,000.00	12,375.00	37,125.00	11,060.76	33,182.28
28	Pneumatic Pump w/ Bladder Tanks	LS	2	68,319.00*	136,638.00	38,640.00	77,280.00	70,925.56	141,851.12
29	KY 80 Pump Station	LS	1	64,000.00	64,000.00	70,000.00	70,000.00	82,762.39	82,762.39
30	Meter Setting	EA	156	410.61	64,055.16	425.00	66,300.00	499.65	77,945.40
31	Meter Setting w/ PRV	EA	99	484.05	47,920.95	590.00	58,410.00	595.96	59,000.04
32	3/4" Service Tubing	LF	12,800	3.00	38,400.00	3.75	48,000.00	3.64	46,592.00
33	Pavement Replacement	LF	7,600	20.00	152,000.00	10.85	82,460.00	23.53	178,828.00
<b>TOTAL BASE PROJECT</b>					<b>* \$2,543,603.11</b>		<b>\$2,502,730.00</b>		<b>\$2,889,697.04</b>
<b>ADDITIVE ALTERNATE NO.1</b>					<b>29,815.05</b>		<b>29,257.50</b>		<b>32,507.99</b>
<b>ADDITIVE ALTERNATE NO.2</b>					<b>29,860.15</b>		<b>29,512.50</b>		<b>32,138.70</b>
<b>TOTAL OF ADDITIVE ALTERNATES NOS. 1 &amp; 2</b>					<b>59,675.20</b>		<b>58,770.00</b>		<b>64,646.69</b>
<b>TOTAL BASE BID</b>					<b>* \$2,603,278.31</b>		<b>\$2,561,500.00</b>		<b>\$2,954,343.73</b>

\*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.  
THE ABOVE IS A TRUE AND COMPLETE TABULATION OF BIDS RECEIVED UNTIL

**BID TABULATIONS**  
 PROJECT: East Casey County Water District Contract 15  
 LOCATION East Casey County Water Office  
 BID DATE: February 7, 2007 12:00 P.M.

KENVIRONS, INC.  
 452 VERSAILLES ROAD  
 FRANKFORT, KENTUCKY 40601  
 TEL (502) 695-4357  
 FAX (502) 695-4363

ALTERNATE NO. 1				Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		C & K Contracting, LLC 76 Woodland Way Grayson, KY 41143		S J Cox Enterprises, Inc. 8182 Morehead Road Flemingsburg, KY 41041	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
6	3" PVC SDR-21 Pipe	LF	4,400	3.73	16,412.00	4.07	17,908.00	4.10	18,040.00
8	3" and 4" Bore and Case	LF	30	90.00	2,700.00	55.00	1,650.00	20.00	600.00
15	6" x 3" Tapping Sleeve and Valve	EA	1	1,500.00	1,500.00	1,995.00	1,995.00	1,200.00	1,200.00
25	3" Blow Off Assembly	EA	1	600.00	600.00	1,250.00	1,250.00	550.00	550.00
30	Meter Setting	EA	5	300.00	1,500.00	645.00	3,225.00	362.00	1,810.00
32	3/4" Service Tubing	LF	250	3.00	750.00	3.75	937.50	2.20	550.00
33	Pavement Replacement	LF	100	3.00	300.00	7.00	700.00	9.20	920.00
<b>TOTAL ALTERNATE NO. 1</b>					<b>\$23,762.00</b>		<b>\$27,665.50</b>		<b>\$23,670.00</b>

ALTERNATE NO. 1				WEDDLE ENTERPRISES, INC. 25 SHANE'S LANE SOMERSET, KY 42501		M & M ELECTRIC, INC. P.O. BOX 790 DANVILLE, KY 40423		CLEARY CONSTRUCTION, INC. 1860 EDMONTON TOAD TOMPKINSVILLE, KY 42167	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
6	3" PVC SDR-21 Pipe	LF	4,400	3.50	15,400.00	4.25	18,700.00	4.60	20,240.00
8	3" and 4" Bore and Case	LF	30	85.00	2,550.00	60.00	1,800.00	80.00	2,400.00
15	6" x 3" Tapping Sleeve and Valve	EA	1	1,200.00	1,200.00	1,500.00	1,500.00	1,300.00	1,300.00
25	3" Blow Off Assembly	EA	1	850.00	850.00	850.00	850.00	270.00	270.00
30	Meter Setting	EA	5	400.00	2,000.00	350.00	1,750.00	380.00	1,900.00
32	3/4" Service Tubing	LF	250	2.00*	500.00	3.00	750.00	3.00	750.00
33	Pavement Replacement	LF	100	30.00	3,000.00	7.50	750.00	0.00	0.00
<b>TOTAL ALTERNATE NO. 1</b>					<b>\$25,500.00</b>		<b>\$26,100.00</b>		<b>\$26,860.00</b>

ALTERNATE NO. 1				SALMON CONSTRUCTION, INC. P.O. BOX 97 MT. WASHINGTON, KY 40047		GARRISON CONSTRUCTION CO., INC. 6960 GREENSBURG ROAD GREENSBURG, KY 42743		D.F. Bailey, Inc. P.O. BOX 439 OWINGSVILLE, KY 40360	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
6	3" PVC SDR-21 Pipe	LF	4,400	4.73	20,812.00	4.70	20,680.00	4.90	21,560.00
8	3" and 4" Bore and Case	LF	30	60.00	1,800.00	85.00	2,550.00	95.26	2,857.80
15	6" x 3" Tapping Sleeve and Valve	EA	1	2,000.00	2,000.00	1,155.00	1,155.00	1,437.72	1,437.72
25	3" Blow Off Assembly	EA	1	400.00	400.00	725.00	725.00	891.22	891.22
30	Meter Setting	EA	5	410.61	2,053.05	425.00	2,125.00	499.65	2,498.25
32	3/4" Service Tubing	LF	250	3.00	750.00	3.75	937.50	3.64	910.00
33	Pavement Replacement	LF	100	20.00	2,000.00	10.85	1,085.00	23.53	2,353.00
<b>TOTAL ALTERNATE NO. 1</b>					<b>\$29,815.05</b>		<b>\$29,257.50</b>		<b>\$32,507.99</b>

**BID TABULATIONS**  
 PROJECT: East Casey County Water District Contract 15  
 LOCATION East Casey County Water Office  
 BID DATE: February 7, 2007 12:00 P.M.

KENVIRONS, INC.  
 452 VERSAILLES ROAD  
 FRANKFORT, KENTUCKY 40601  
 TEL (502) 695-4357  
 FAX (502) 695-4363

ITEM NO.		ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
					Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		C & K Contracting, LLC 76 Woodland Way Grayson, KY 41143		S J Cox Enterprises, Inc. 8182 Morehead Road Flemingsburg, KY 41041	
6	3"	PVC SDR-21 Pipe	LF	4,600	3.73	17,158.00	4.07	18,722.00	4.10	18,860.00
7	6"	PVC Casing Pipe	LF	300	20.00	6,000.00	10.00	3,000.00	30.00	9,000.00
20	3" x 3"	Tapping Sleeve and Valve	EA	1	1,300.00	1,300.00	1,795.00	1,795.00	1,200.00	1,200.00
25	3"	Blow Off Assembly	EA	1	600.00	600.00	1,250.00	1,250.00	550.00	550.00
31		Meter Service w/ Individual PRV	EA	3	368.00*	1,104.00	845.00	2,535.00	416.00	1,248.00
32	3/4"	Service Tubing	LF	150	3.00	450.00	3.75	562.50	2.20	330.00
33		Pavement Replacement	LF	100	3.00	300.00	7.00	700.00	9.20	920.00
<b>TOTAL ALTERNATE NO. 2</b>					*	<b>\$26,912.00</b>		<b>\$28,564.50</b>		<b>\$32,108.00</b>

ITEM NO.		ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
					WEDDLE ENTERPRISES, INC. 25 SHANE'S LANE SOMERSET, KY 42501		M & M ELECTRIC, INC. P.O. BOX 790 DANVILLE, KY 40423		CLEARY CONSTRUCTION, INC. 1860 EDMONTON TOAD TOMPKINSVILLE, KY 42167	
6	3"	PVC SDR-21 Pipe	LF	4,600	3.50	16,100.00	4.25	19,550.00	4.60	21,160.00
7	6"	PVC Casing Pipe	LF	300	9.00	2,700.00	10.00	3,000.00	20.00	6,000.00
20	3" x 3"	Tapping Sleeve and Valve	EA	1	1,200.00	1,200.00	1,000.00	1,000.00	1,300.00	1,300.00
25	3"	Blow Off Assembly	EA	1	850.00	850.00	850.00	850.00	270.00	270.00
31		Meter Service w/ Individual PRV	EA	3	500.00	1,500.00	450.00	1,350.00	440.00	1,320.00
32	3/4"	Service Tubing	LF	150	2.00	300.00	3.00	450.00	3.00	450.00
33		Pavement Replacement	LF	100	30.00	3,000.00	7.50	750.00	0.00	0.00
<b>TOTAL ALTERNATE NO. 2</b>						<b>\$25,650.00</b>		<b>\$26,950.00</b>		<b>\$30,500.00</b>

ITEM NO.		ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
					SALMON CONSTRUCTION, INC. P.O. BOX 97 MT. WASHINGTON, KY 40047		GARRISON CONSTRUCTION CO., INC. 6960 GREENSBURG ROAD GREENSBURG, KY 42743		D.F. Bailey, Inc. P.O. BOX 439 OWINGSVILLE, KY 40360	
6	3"	PVC SDR-21 Pipe	LF	4,600	4.73	21,758.00	4.70	21,620.00	4.90	22,540.00
7	6"	PVC Casing Pipe	LF	300	10.00	3,000.00	8.75	2,625.00	8.84	2,652.00
20	3" x 3"	Tapping Sleeve and Valve	EA	1	800.00	800.00	1,125.00	1,125.00	1,368.60	1,368.60
25	3"	Blow Off Assembly	EA	1	400.00	400.00	725.00	725.00	891.22	891.22
31		Meter Service w/ Individual PRV	EA	3	484.05	1,452.15	590.00	1,770.00	595.96	1,787.88
32	3/4"	Service Tubing	LF	150	3.00	450.00	3.75	562.50	3.64	546.00
33		Pavement Replacement	LF	100	20.00	2,000.00	10.85	1,085.00	23.53	2,353.00
<b>TOTAL ALTERNATE NO. 2</b>						<b>\$29,860.15</b>		<b>\$29,512.50</b>		<b>\$32,138.70</b>

