

# Rubin & Hays

ATTORNEYS AT LAW

Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202-1410  
Telephone (502) 569-7525 Telefax (502) 569-7555 www.rubinhays.com

CHARLES S. MUSSON  
W. RANDALL JONES  
CHRISTIAN L. JUCKETT

June 18, 2008

**RECEIVED**

JUN 19 2008

**PUBLIC SERVICE  
COMMISSION**

Ms. Stephanie Stumbo  
Executive Director  
Kentucky Public Service Commission  
P.O. Box 615  
Frankfort, Kentucky 40602

Re: Letcher County Water and Sewer District - Kentucky Public Service Commission  
Application for a CPCN for a Water System Improvements Project

Dear Ms. Stumbo:

2008-227

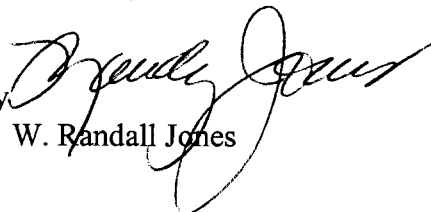
Enclosed please find the original and ten (10) copies of the Application of the Letcher County Water and Sewer District for a Certificate of Public Convenience and Necessity to construct a water system improvements project pursuant to KRS Chapter 278.

Also enclosed are eleven (11) copies of the exhibits required, with the exception of the Plans and Specifications, prepared by Bell Engineers, Inc., on the Project, two of which are being forwarded by said Engineers.

Sincerely,

Rubin & Hays

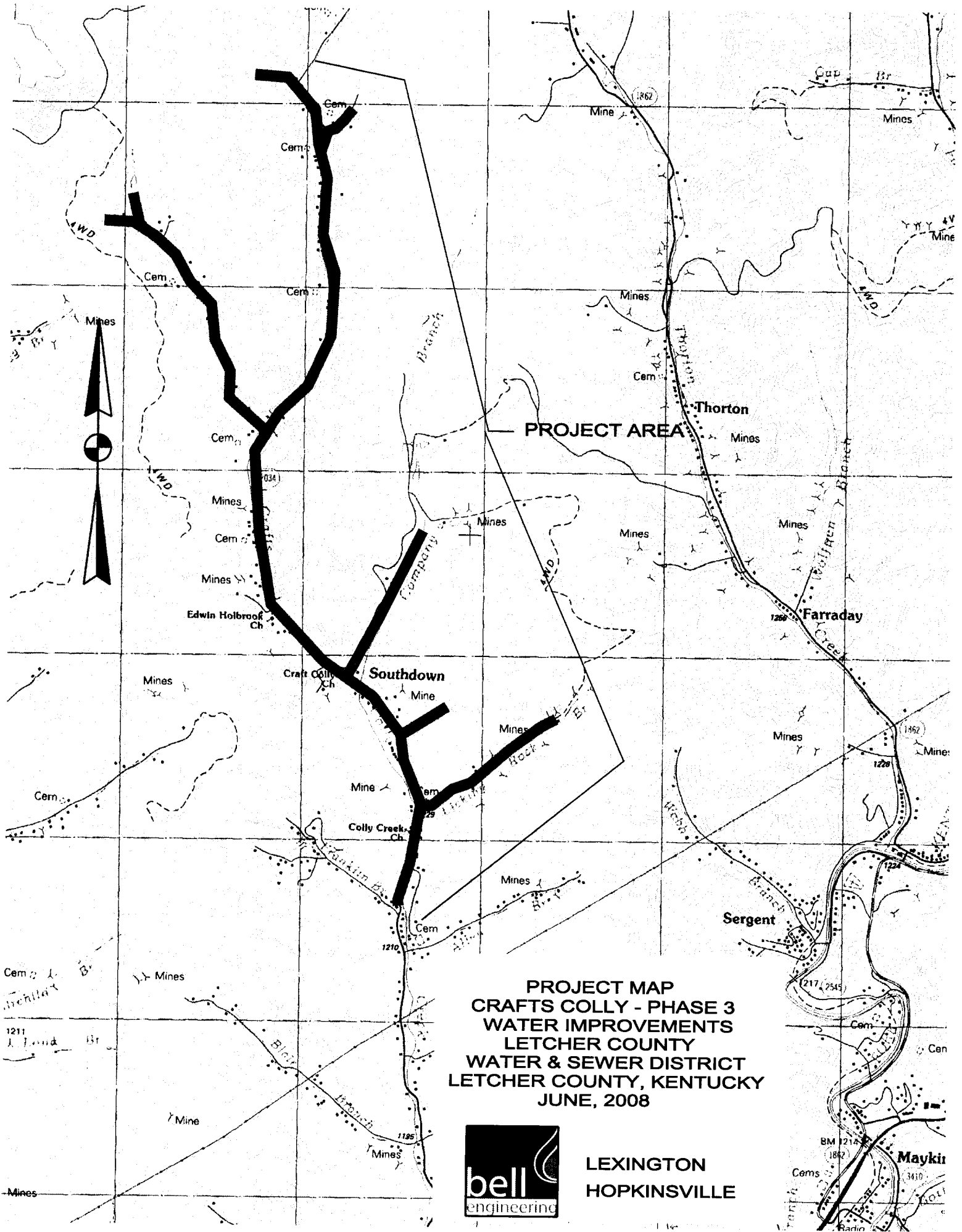
By



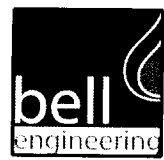
W. Randall Jones

WRJ:ilm  
Enclosures

cc: Mr. Greg Pridemore, LCWSD  
Stephen Caudill, Bell Engineering



**PROJECT MAP  
 CRAFTS COLLY - PHASE 3  
 WATER IMPROVEMENTS  
 LETCHER COUNTY  
 WATER & SEWER DISTRICT  
 LETCHER COUNTY, KENTUCKY  
 JUNE, 2008**



**LEXINGTON  
 HOPKINSVILLE**

BM 1214  
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**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**RECEIVED**  
JUN 19 2008  
PUBLIC SERVICE  
COMMISSION

In the matter of:

**APPLICATION OF THE LETCHER COUNTY WATER )  
AND SEWER DISTRICT FOR A CERTIFICATE )  
OF PUBLIC CONVENIENCE AND NECESSITY TO )  
CONSTRUCT A WATERWORKS IMPROVEMENTS )  
PROJECT PURSUANT TO KRS 278.020 AND 278.300 )**

Case No. 2008-227

**APPLICATION**

The Letcher County Water and Sewer District (the "District"), by counsel, pursuant to KRS 278.020, petitions the Commission for a certificate of public convenience and necessity to construct a waterworks improvement project. The following information is filed in accordance with the Commission's regulations:

1. The District's office address is P.O. Box 827, Whitesburg, Kentucky 41858. Its principal officers are listed in its 2007 Annual Report, which is on file with the Commission;
2. The District is a non-profit water district organized under KRS Chapter 74 and has no separate articles of incorporation or by-laws;
3. A description of the District's water system and its property stated at original cost by accounts is contained in its 2007 Annual Report, which is incorporated by reference pursuant to 807 KAR 5:001 Section (5)(5). All required normal financial schedules and other data are in the Annual Report;
4. The Phase 3 Crafts Colley Water Improvements Project (the "Project") consists of the construction and installation of approximately 9,284 linear feet of 6 inch water line; 12,050

linear feet of 4 inch water line; and 8,631 linear feet of 3 inch water line and appurtenances to serve approximately 190 households in the Crafts Colley area of Letcher County;

5. The Project is in the public interest and will improve the District's system and provide potable water to approximately 190 households that currently rely on wells, cisterns and springs for potable water;

6. The total project cost is approximately \$647,526, as forth in the As-Bid Final Project Budget attached hereto as **Exhibit "A"**;

7. The District has obtained all of the easements for the Project;

8. This service will not compete with any other utility in the area;

9. Based on these facts, the District believes that it is in the public interest that this certificate be granted and that the plan of financing be authorized;

10. Copies of the certified bid tabulations are attached hereto as **Exhibit "B"**;

11. The following information is provided in response to 807 KAR 5:001 Section (8)(3);

a. Articles of Incorporation - None, the District is a statutorily created water district under KRS Chapter 74;

12. The following information is supplied to 807 KAR 5:001 Section (9)(2);

a. Facts relied upon to show that the Project is in the public interest: The Project will provide water service to approximately 190 households that currently rely on wells, cisterns and springs for potable water;

b. No new franchises are required. Copies of the permits are attached hereto as **Exhibit "C"**;

c. Diagrams of the proposed construction and construction specifications are contained in the Plans and Specifications on file with the Commission;

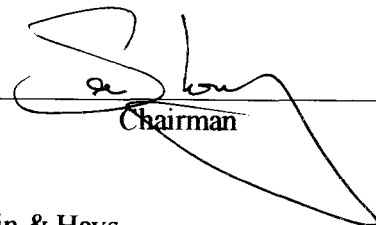
d. Three (3) maps of suitable scale showing location of the proposed facilities are attached hereto;

e. The construction costs will be funded from the proceeds of an Abandoned Mine Land ("AML") grant in the amount of \$647,526;

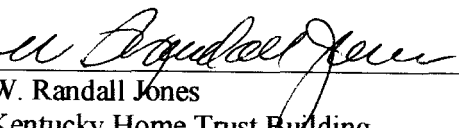
f. The estimated cost of operation of the system after Project completion is attached hereto as **Exhibit "D"**;

**WHEREFORE**, the Applicant, Letcher County Water and Sewer District requests that the Public Service Commission of Kentucky grant to the Applicant a certificate of public convenience and necessity permitting the Applicant to construct a water system improvement project.

Letcher County Water and Sewer District

By  \_\_\_\_\_  
Chairman

Rubin & Hays

By  \_\_\_\_\_  
W. Randall Jones  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, Kentucky 40202  
(502) 569-7525



AS-BID PROJECT BUDGET

CRAFTS COLLY WATER SYSTEM IMPROVEMENTS - PHASE 3

| Cost Classification                 | Abandoned Mine Lands Grant | Funding Source 1 | Funding Source 2 | Funding Source 3 | Funding Source 4 | Funding Source 5 | Local Funds   | Unfunded Costs | Total               |
|-------------------------------------|----------------------------|------------------|------------------|------------------|------------------|------------------|---------------|----------------|---------------------|
| 1 Administrative Expenses (1)       |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| 2 Legal Expenses                    |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| 3 Land, Appraisals, Easements       |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| 4 Relocation Expense & Payments     |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| 5 Planning (2)                      |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| 6 Engineering Fees - Design/Bidding | 5,430.00                   |                  |                  |                  |                  |                  |               |                | \$5,430.00          |
| 7 Engineering Fees - Construction   | 10,861.00                  |                  |                  |                  |                  |                  |               |                | \$10,861.00         |
| 8 Engineering Fees - Inspection     | 38,627.00                  |                  |                  |                  |                  |                  |               |                | \$38,627.00         |
| 9 Construction                      | 538,734.00                 |                  |                  |                  |                  |                  |               |                | \$538,734.00        |
| 10 Equipment                        |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| 11 Contingency                      | 53,874.00                  |                  |                  |                  |                  |                  |               |                | \$53,874.00         |
| 12 Other - Interest                 |                            |                  |                  |                  |                  |                  |               |                | \$0.00              |
| <b>Total</b>                        | <b>647,526.00</b>          | <b>0.00</b>      | <b>0.00</b>      | <b>0.00</b>      | <b>0.00</b>      | <b>0.00</b>      | <b>\$0.00</b> | <b>\$0.00</b>  | <b>\$647,526.00</b> |

| Funding Sources              | Amount              | Date Committed |
|------------------------------|---------------------|----------------|
| 1 Abandoned Mine Lands Grant | \$647,526.00        |                |
| 2                            |                     |                |
| 3                            |                     |                |
| 4                            |                     |                |
| <b>Total</b>                 | <b>\$647,526.00</b> |                |

| Local Funding Sources | Amount | Date Committed |
|-----------------------|--------|----------------|
| 1                     |        |                |
| 2                     |        |                |
| 3                     |        |                |
| <b>Total</b>          |        |                |

Total Funding \$647,526.00

CONTRACT 519-07-02 WATER SYSTEM EXTENSIONS  
 CRAFTS COLLEY AREA - PHASE 3  
 DISTRIBUTION SYSTEM  
 LETCHER COUNTY WATER AND SEWER DISTRICT  
 LETCHER COUNTY, KENTUCKY

We certify that the following is a true and complete tabulation of all bids received by the Letcher County Water and Sewer District, Letcher County, Kentucky, on May 15, 2008, for the titled project.

BELL ENGINEERING

*Steve H. Caudill*  
 Steve H. Caudill, P.E.

| ITEM NO. | ITEM   | QUANTITY | UNIT | Engineer's Opinion of Probable Project Cost |              | Music Construction, Inc.<br>2510 Margaret Ann Drive<br>Mt. Sterling, Kentucky 40353 |              | Garrison Construction Co., Inc.<br>6960 Greensburg Road<br>Greensburg, Kentucky 42743 |              | D.F. Bailey, Inc.<br>P.O. Box 439<br>Owingsville, Kentucky 40360 |              | Kenney, Inc.<br>P.O. Box 1305<br>Mt. Sterling, Kentucky 40353 |              |
|----------|--|----------|------|---|--------------|---|--------------|---|--------------|--|--------------|---|--------------|
|          |  |          |      | UNIT PRICE                                  | TOTAL        | UNIT PRICE  | TOTAL        | UNIT PRICE  | TOTAL        | UNIT PRICE   | TOTAL        | UNIT PRICE  | TOTAL        |
| 1        | 3-Inch Class 250 (SDR 17) PVC Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                   | 8,631    | L.F. | \$12.00                                     | \$103,572.00 | \$7.00  | \$60,417.00  | \$9.15  | \$78,973.65  | \$7.14   | \$61,625.34  | \$8.00  | \$69,048.00  |
| 2        | 4-Inch Class 250 (SDR 17) PVC Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                   | 12,050   | L.F. | \$15.00                                     | \$180,750.00 | \$8.50  | \$102,425.00 | \$10.15   | \$122,307.50 | \$8.43   | \$101,581.50 | \$9.90  | \$119,295.00 |
| 3        | 6-Inch Class 250 (SDR 17) PVC Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                   | 8,522    | L.F. | \$18.00                                     | \$153,396.00 | \$12.00   | \$102,264.00 | \$12.60   | \$107,377.20 | \$11.46  | \$97,662.12  | \$12.25   | \$104,394.50 |
| 4        | 6-Inch Ductile Iron Pipe, Class 350, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                  | 762      | L.F. | \$28.00                                     | \$21,336.00  | \$18.50   | \$14,097.00  | \$22.15   | \$16,878.30  | \$22.56  | \$17,190.72  | \$21.30   | \$16,230.60  |
| 5        | 3-Inch Mechanical Joint Resilient Seated Gate Valve And Box, Including Concrete Collar, Complete   | 9        | Each | \$450.00                                    | \$4,050.00   | \$600.00  | \$5,400.00   | \$490.00  | \$4,410.00   | \$497.82   | \$4,480.38   | \$611.00  | \$5,499.00   |
| 6        | 4-Inch Mechanical Joint Resilient Seated Gate Valve And Box, Including Concrete Collar, Complete   | 5        | Each | \$600.00                                    | \$3,000.00   | \$700.00  | \$3,500.00   | \$550.00  | \$2,750.00   | \$551.14   | \$2,755.70   | \$667.00  | \$3,335.00   |
| 7        | 6-Inch Mechanical Joint Resilient Seated Gate Valve And Box, Including Concrete Collar, Complete   | 12       | Each | \$800.00                                    | \$9,600.00   | \$750.00  | \$9,000.00   | \$690.00  | \$8,280.00   | \$676.01   | \$8,112.12   | \$778.00  | \$9,336.00   |
| 8        | 5/8-inch x 3/4-inch Meter Setting, Including Meter, Meter Box, Cover, Corporation Stop, Saddle, Tap, and Radio Read Assembly, Furnish and Install, Complete      | 54       | Each | \$750.00                                    | \$40,500.00  | \$750.00  | \$40,500.00  | \$515.50  | \$27,837.00  | \$817.71   | \$44,156.34  | \$722.00  | \$38,988.00  |
| 9        | 5/8-inch x 3/4-inch Meter Setting, Including PRV, Meter, Meter Box, Cover, Corporation Stop, Saddle, Tap, and Radio Read Assembly, Furnish and Install, Complete | 136      | Each | \$800.00                                    | \$108,800.00 | \$850.00  | \$115,600.00 | \$660.00  | \$89,760.00  | \$937.48   | \$127,497.28 | \$833.00  | \$113,288.00 |
| 10       | 3/4-inch Polyethylene Service Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, or by jacking, Detectable Tape, Unclassified Excavation, Complete    | 6,800    | L.F. | \$7.80                                      | \$53,040.00  | \$3.50  | \$23,800.00  | \$7.50  | \$51,000.00  | \$7.52   | \$51,136.00  | \$5.75  | \$39,100.00  |



| ITEM NO.                          | ITEM  | QUANTITY | UNIT | Engineer's Opinion of Probable Project Cost |                     | Music Construction, Inc.<br>2510 Margaret Ann Drive<br>Mt. Sterling, Kentucky 40353 |                     | Garrison Construction Co., Inc.<br>6960 Greensburg Road<br>Greensburg, Kentucky 42743 |                     | D.F. Bailey, Inc.<br>P.O. Box 439<br>Owingsville, Kentucky 40360 |                     | Kenney, Inc.<br>P.O. Box 1305<br>Mt. Sterling, Kentucky 40353 |                     |
|-----------------------------------|---|----------|------|---|---------------------|---|---------------------|---|---------------------|--|---------------------|---|---------------------|
|                                   |   |          |      | UNIT PRICE                                  | TOTAL               | UNIT PRICE  | TOTAL               | UNIT PRICE  | TOTAL               | UNIT PRICE   | TOTAL               | UNIT PRICE  | TOTAL               |
| 11                                | 1-inch Polyethylene Service Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, or by Jacking, Detectable Tape, Unclassified Excavation, Complete | 376      | L.F. | \$12.00                                     | \$4,512.00          | \$3.50  | \$1,316.00          | \$8.00  | \$3,008.00          | \$7.66   | \$2,880.16          | \$6.00  | \$2,256.00          |
| 12                                | 1-inch Corporation Stop, Furnish and Install, Complete  | 3        | Each | \$150.00                                    | \$450.00            | \$75.00   | \$225.00            | \$92.00   | \$276.00            | \$213.65   | \$640.95            | \$221.00  | \$663.00            |
| 13                                | 8-inch x 0.250-inch Steel Cover Pipe, Including Casing Spacers and End Seals, Furnish and Install, Complete (by open cut or boring)                         | 83       | L.F. | \$53.00                                     | \$4,399.00          | \$45.00   | \$3,735.00          | \$65.00   | \$5,395.00          | \$38.82  | \$3,222.06          | \$45.00   | \$3,735.00          |
| 14                                | Boring or Jacking for 8-inch Steel Cover Pipe, Unclassified Excavation  | 83       | L.F. | \$132.00                                    | \$10,956.00         | \$100.00  | \$8,300.00          | \$135.00  | \$11,205.00         | \$59.48  | \$4,936.84          | \$145.00  | \$12,035.00         |
| 15                                | 12-inch x 0.250-inch Steel Cover Pipe, Including Casing Spacers and End Seals, Furnish and Install, Complete (by open cut or boring)                        | 89       | L.F. | \$60.00                                     | \$5,340.00          | \$45.00   | \$4,005.00          | \$85.00   | \$7,565.00          | \$116.20   | \$10,341.80         | \$111.00  | \$9,879.00          |
| 16                                | Boring or Jacking for 12-inch Steel Cover Pipe, Unclassified Excavation   | 89       | L.F. | \$140.00                                    | \$12,460.00         | \$100.00  | \$8,900.00          | \$150.00  | \$13,350.00         | \$71.37  | \$6,351.93          | \$200.00  | \$17,800.00         |
| 17                                | Flushing Hydrant Assembly, Furnish and Install, Comp  | 4        | Each | \$2,800.00                                  | \$11,200.00         | \$3,500.00  | \$14,000.00         | \$2,200.00  | \$8,800.00          | \$3,145.56   | \$12,582.24         | \$3,333.00  | \$13,332.00         |
| 18                                | Blow-off Assembly, Furnish and Install, Complete  | 11       | Each | \$900.00                                    | \$9,900.00          | \$800.00  | \$8,800.00          | \$850.00  | \$9,350.00          | \$1,070.49   | \$11,775.39         | \$1,000.00  | \$11,000.00         |
| 19                                | Fiberglass Line Marker, Furnish and Install, Complete   | 26       | Each | \$75.00                                     | \$1,950.00          | \$75.00   | \$1,950.00          | \$57.00   | \$1,482.00          | \$45.32  | \$1,178.32          | \$56.00   | \$1,456.00          |
| 20                                | Automatic Air Release Valve Assembly, Furnish and Install, Complete per Detail  | 1        | Each | \$850.00                                    | \$850.00            | \$700.00  | \$700.00            | \$850.00  | \$850.00            | \$1,308.78   | \$1,308.78          | \$1,667.00  | \$1,667.00          |
| 21                                | Crushed Rock on Trench Surface, in Place<br>(.....L.F. x 225/2000 lbs = ..... Tons)   | 250      | Ton  | \$25.00                                     | \$6,250.00          | \$20.00   | \$5,000.00          | \$20.20   | \$5,050.00          | \$37.83  | \$9,457.50          | \$17.00   | \$4,250.00          |
| 22                                | 2-inch Thickness Bituminous Surface Replacement, Trench Width, On Streets, Drives and Roads, Complete   | 400      | L.F. | \$20.00                                     | \$8,000.00          | \$9.00  | \$3,600.00          | \$30.00   | \$12,000.00         | \$25.90  | \$10,360.00         | \$11.00   | \$4,400.00          |
| 23                                | Extra for Mechanical Tamping of Trench Backfill, When Not Required by Plans and/or Specifications, Only On Order of the Engineer                            | 20       | C.Y. | \$50.00                                     | \$1,000.00          | \$12.00   | \$240.00            | \$35.00   | \$700.00            | \$81.39  | \$1,627.80          | \$56.00   | \$1,120.00          |
| 24                                | Extra for Crushed Rock for Trench Stabilization, Only on Order of the Engineer  | 40       | Ton  | \$25.00                                     | \$1,000.00          | \$12.00   | \$480.00            | \$31.00   | \$1,240.00          | \$27.05  | \$1,082.00          | \$17.00   | \$680.00            |
| 25                                | Extra for Crushed Rock for Pipe Bedding, Only on Order of the Engineer  | 40       | Ton  | \$25.00                                     | \$1,000.00          | \$12.00   | \$480.00            | \$22.00   | \$880.00            | \$27.05  | \$1,082.00          | \$17.00   | \$680.00            |
|                                   |   |          |      |   | \$538,734.00        |   | \$538,734.00        |   | \$590,724.65        |  | \$595,025.27        |   | \$603,467.10        |
| <b>TOTAL - CONTRACT 519-07-02</b> |   |          |      |   | <b>\$757,311.00</b> |   | <b>\$538,734.00</b> |   | <b>\$590,724.65</b> |  | <b>\$595,025.27</b> |   | <b>\$603,467.10</b> |

CONTRACT 519-07-02 WATER SYSTEM EXTENSIONS  
 CRAFTS COLLEY AREA - PHASE 3  
 DISTRIBUTION SYSTEM  
 LETCHER COUNTY WATER AND SEWER DISTRICT  
 LETCHER COUNTY, KENTUCKY

| ITEM NO. | ITEM   | QUANTITY | UNIT | B.P. Pipeline, LLC<br>269 Pebble Lane<br>Quincy, Kentucky 41166 |              | Tackett Excavating, Inc.<br>2505 Farrisview Boulevard<br>Memphis, Tennessee 38118 |              | Bull of the Woods Enterprises, LLC<br>580 W. Line Creek Road<br>London, Kentucky 40741 |              | Akins Excavating Co., Inc.<br>182 Busy Lane<br>Corbin, Kentucky 40701 |              | K. Carrender Construction Co., Inc.<br>200 Ringgold Road<br>Somerset, Kentucky 42503 |              |
|----------|--|----------|------|---|--------------|---|--------------|--|--------------|---|--------------|--|--------------|
|          |  |          |      | UNIT PRICE  | TOTAL        | UNIT PRICE  | TOTAL        | UNIT PRICE   | TOTAL        | UNIT PRICE  | TOTAL        | UNIT PRICE   | TOTAL        |
| 1        | 3-Inch Class 250 (SDR 17) PVC Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                   | 8,631    | L.F. | \$8.50  | \$73,363.50  | \$9.05  | \$78,110.55  | \$10.25  | \$88,467.75  | \$11.40   | \$98,393.40  | \$12.60  | \$108,750.60 |
| 2        | 4-Inch Class 250 (SDR 17) PVC Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                   | 12,050   | L.F. | \$9.50  | \$114,475.00 | \$10.40   | \$125,320.00 | \$11.27  | \$135,803.50 | \$12.15   | \$146,407.50 | \$13.35  | \$160,867.50 |
| 3        | 6-Inch Class 250 (SDR 17) PVC Pipe, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                   | 8,522    | L.F. | \$13.00   | \$110,786.00 | \$14.65   | \$124,847.30 | \$13.25  | \$112,916.50 | \$13.90   | \$118,455.80 | \$17.15  | \$146,152.30 |
| 4        | 6-Inch Ductile Iron Pipe, Class 350, Furnishing, Trenching, Bedding, Laying and Backfilling, Detectable Tape, Unclassified Excavation, Complete                  | 762      | L.F. | \$24.00   | \$18,288.00  | \$26.94   | \$20,528.28  | \$20.46  | \$15,590.52  | \$22.00   | \$16,764.00  | \$26.95  | \$20,535.90  |
| 5        | 3-Inch Mechanical Joint Resilient Seated Gate Valve And Box, Including Concrete Collar, Complete   | 9        | Each | \$500.00  | \$4,500.00   | \$518.59  | \$4,667.31   | \$552.40   | \$4,971.60   | \$598.00  | \$5,382.00   | \$450.00   | \$4,050.00   |
| 6        | 4-Inch Mechanical Joint Resilient Seated Gate Valve And Box, Including Concrete Collar, Complete   | 5        | Each | \$600.00  | \$3,000.00   | \$565.33  | \$2,826.65   | \$626.00   | \$3,130.00   | \$680.00  | \$3,400.00   | \$500.00   | \$2,500.00   |
| 7        | 6-Inch Mechanical Joint Resilient Seated Gate Valve And Box, Including Concrete Collar, Complete   | 12       | Each | \$800.00  | \$9,600.00   | \$736.65  | \$8,839.80   | \$795.80   | \$9,549.60   | \$850.00  | \$10,200.00  | \$650.00   | \$7,800.00   |
| 8        | 5/8-Inch x 3/4-Inch Meter Setting, Including Meter, Meter Box, Cover, Corporation Stop, Saddle, Tap, and Radio Read Assembly, Furnish and Install, Complete      | 54       | Each | \$800.00  | \$43,200.00  | \$558.34  | \$30,150.36  | \$875.00   | \$47,250.00  | \$723.00  | \$39,042.00  | \$700.00   | \$37,800.00  |
| 9        | 5/8-Inch x 3/4-Inch Meter Setting, Including PRV, Meter, Meter Box, Cover, Corporation Stop, Saddle, Tap, and Radio Read Assembly, Furnish and Install, Complete | 136      | Each | \$900.00  | \$122,400.00 | \$512.50  | \$69,700.00  | \$995.00   | \$135,320.00 | \$837.00  | \$113,832.00 | \$785.00   | \$106,760.00 |
| 10       | 3/4-Inch Polyethylene Service Pipe, Furnishing Trenching, Bedding, Laying and Backfilling, or by Lacking, Detectable Tape, Unclassified Excavation, Complete     | 6,800    | L.F. | \$6.00  | \$40,800.00  | \$10.35   | \$70,380.00  | \$4.50   | \$30,600.00  | \$9.00  | \$61,200.00  | \$11.85  | \$80,580.00  |



ENVIRONMENTAL AND PUBLIC PROTECTION CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Ernie Fletcher  
Governor

Division of Water  
14 Reilly Road  
Frankfort, Kentucky 40601-1190  
www.kentucky.gov

Teresa J. Hill  
Secretary

November 6, 2007

Don Profitt, Chairman  
Letcher County Water and Sewer District  
P.O. Box 827  
Whitesburg, KY 41858

RE: Letcher County Water and Sewer District  
AI # 8737, APE20070002  
PWSID # 0670652-07-002  
Crafts Colly Area – Phase 3  
Letcher County, Kentucky

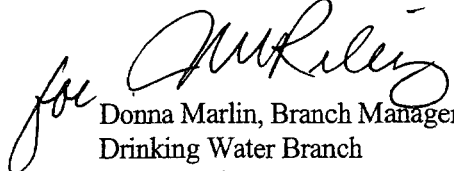
Dear Mr. Profitt:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 8,688 ft of 6-inch PVC water line, 762 ft of 6-inch DI water line, 12,050 ft of 4-inch PVC water line, and 8,631 ft of 3-inch PVC water line. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the enclosed waterline extension construction permit.

Additionally, prior to connecting potable water to existing structures in areas served by the above referenced new waterlines, provide the names and addresses of the described customers to the Division of Plumbing, Department of Housing, Bldg. 127, US 127 South, Frankfort, KY 40601.

If you have any questions regarding this decision, please contact Terry Humphries at 502/564-8158, extension 518.

Sincerely,

*for*   
Donna Marlin, Branch Manager  
Drinking Water Branch  
Division of Water

DSM: TWH  
Enclosure

C: Bell Engineering  
Letcher County H.D.  
Division of Plumbing

**Distribution-Major Construction**

Letcher Co Water & Sewer District  
Subject Item Inventory

Activity ID No.: APE20070002

**Subject Item Inventory:**

| ID       | Designation | Description  |
|----------|-------------|--|
| AIOO8737 |             |  |
| PORT11   | Water Lines | 8,688 ft of 6" PVC, 762 ft of 6" DI, 12,050 ft of 4" PVC, 8,631 ft of 3" PVC |

**Subject Item Groups:**

| ID    | Description  | Components  |
|-------|--|---|
| GACT6 | 8,688 ft of 6" PVC, 762 ft of 6" DI, 12,050 ft of 4" PVC, 8,631 ft of 3" PVC | PORT11 8,688 ft of 6" PVC, 762 ft of 6" DI, 12,050 ft of 4" PVC, 8,631 ft of 3" PVC |

**KEY**

ACTV = Activity  
AREA = Area  
EQPT = Equipment  
PERS = Personnel  
STOR = Storage  
TRMT = Treatment

AIOO = Agency Interest  
COMB = Combustion  
MNPT = Monitoring Point  
PORT = Transport  
STRC = Structure

## Distribution-Major Construction

Letcher Co Water & Sewer District  
Facility Requirements

Activity ID No.: APE20070002

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### GACT6 (Crafts Colly Area Phase 3) 8,688 ft of 6" PVC, 762 ft of 6" DI, 12,050 ft of 4" PVC, 8,631 ft of 3" PVC:

#### Monitoring Requirements:

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

#### Submittal/Action Requirements:

##### Coliform:

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

| Condition No. | Condition   |
|---------------|---|
| S-2           | For proposed changes to the approved plan, submit information: Due prior to any modification to the Cabinet for approval. Changes to the approved plan shall not be implemented without the prior written approval of the Cabinet. [401 KAR 8:100 Section 1(8)]   |
| S-3           | The person who presented the plans shall submit the professional engineer's certification: Due when construction is complete to the Division of Water. The certification shall be signed by a registered professional engineer and state that the water project has been constructed and tested in accordance with the approved plans, specifications, and requirements. [401 KAR 8:100 Section 1(8)] |

**Distribution-Major Construction**

Letcher Co Water & Sewer District  
Facility Requirements

Activity ID No.: APE20070002

**GACT6 (continued):**

**Narrative Requirements:**

**Additional Limitations:**

| Condition No. | Condition   |
|---------------|---|
| T-1           | Additional Limitations:<br>Chlorinated water resulting from disinfection of project components shall be disposed in a manner which will not violate 401 KAR 5:03.1. [401 KAR 8:020 Section 2(20)] |

| Condition No. | Condition   |
|---------------|---|
| T-2           | This project has been permitted under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies. Further, this permit does not address the authority of the permittee to provide service to the area to be served. [401 KAR 8:100 Section 1(7)]                     |
| T-3           | Unless construction of this project is begun within 1 year from the issuance date of this permit, the permit shall expire. If requested prior to the permit expiration, an official extension from the Division of Water may be granted. If this permit expires, the original plans and specifications may be resubmitted for a new comprehensive review. If you have any questions concerning this project, please contact the Drinking Water Branch at 502/564-3410. [401 KAR 8:100 Section 1(9)] |
| T-4           | During construction, a set of approved plans and specification shall be available at the job site at all times. All work shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 1(7)(a)]   |

## Distribution-Major Construction

Letcher Co Water & Sewer District  
Facility Requirements

Activity ID No.: APE20070002

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### PORT11 (Water Lines) 8,688 ft of 6" PVC, 762 ft of 6" DI, 12,050 ft of 4" PVC, 8,631 ft of 3" PVC:

#### Limitation Requirements:

| Condition No. | Parameter | Condition  |
|---------------|-----------|--|
| L-1           | Depth     | A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a Depth $\geq 6$ in below the bottom of the pipe. [Recommended Standards for Water Works 8.5.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.   |
| L-2           | Depth     | All water lines shall be covered to a Depth $\geq 30$ in to prevent freezing. [Recommended Standards for Water Works 8.5.3, 401 KAR 8:100-Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.  |
| L-3           | Diameter  | All water lines shall have Diameter $\geq 3$ in. [Recommended Standards for Water Works 8.1.4] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.   |
| L-4           | Diameter  | Water lines with Diameter $< 6$ in shall not have fire hydrants. [Recommended Standards for Water Works 8.1.5] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.   |
| L-5           | Diameter  | All new and existing water lines serving fire hydrants or where fire protection is provided shall have Diameter $\geq 6$ in. [Recommended Standards for Water Works 8.1.2] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.   |
| L-6           | Distance  | Water lines shall have a sufficient quantity of valves so that inconvenience and sanitary hazards will be minimized during repairs. A valve spacing Distance $\leq 1.0$ mi should be utilized. [Recommended Standards for Water Works 8.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.  |
| L-7           | Distance  | Hydrant drains shall not be connected to sanitary sewers or storm drains and shall be located a Distance $> 10$ ft from sanitary sewers and storm drains. [Recommended Standards for Water Works 8.3.4] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.   |
| L-8           | Distance  | Except when not practical, water lines shall be laid a horizontal Distance $\geq 10$ ft from any existing or proposed sewer. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 foot separation, water lines may be installed closer to a sewer provided that the water lines shall be laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water line is at least 18 inches above the top of the sewer. [Recommended Standards for Water Works 8.6.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable. |

## Distribution-Major Construction

Letcher Co Water & Sewer District  
Facility Requirements

Activity ID No.: APE20070002

### PORT11 (continued):

#### Limitation Requirements:

| Condition No. | Parameter             | Condition   |
|---------------|-----------------------|---|
| L-9           | Distance              | <p>When water lines and sewers cross,</p> <ol style="list-style-type: none"> <li>1) water lines shall be laid such that either               <ol style="list-style-type: none"> <li>a) the top of the water line is a vertical Distance <math>\geq</math> 18 in below the bottom of the sewer line or</li> <li>b) the bottom of the water line is a vertical Distance <math>\geq</math> 18 in above the top of the sewer line,</li> </ol> </li> <li>2) 1 full length of the water pipe shall be located so that both joints of the water pipe will be as far from the sewer as possible, and</li> <li>3) special structural support for the water and sewer pipes may be required. [Recommended Standards for Water Works 8.6.3] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.</li> </ol> <p>The open end of an air relief pipe from automatic valves shall be extended a Distance <math>\geq</math> 1.0 ft above grade and provided with a screened, downward-facing elbow. The pipe from a manually operated valve shall be extended to the top of the pit. Use of manual air relief valves is recommended wherever possible. [Recommended Standards for Water Works 8.4.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.</p> |
| L-10          | Distance              | <p>Pipes shall not be installed unless all points of the distribution system remain designed for ground level Pressure <math>\geq</math> 20 psi under all conditions of flow. [Recommended Standards for Water Works 8.1.1] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.</p>   |
| L-11          | Pressure              | <p>Pressure <math>\geq</math> 30 psi must be available on the discharge side of all meters. [401 KAR 8:100 Section 4(2)] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.</p>  |
| L-12          | Pressure              | <p>New or relocated water lines shall be thoroughly disinfected (in accordance with AWWA Standard C651) upon completion of construction and before being placed into service. To disinfect the new or relocated lines use chlorine or chlorine compounds in such amounts as to produce an initial disinfectant concentration of at least 50 ppm and a Residual Disinfection <math>\geq</math> 25 ppm at the end of 24 hours. Follow the line disinfection with thorough flushing and place the lines into service if, and only if, Coliform monitoring applicable to the line does not show the presence of Coliform.</p> <p>If Coliform is detected, repeat flushing of the line and Coliform monitoring. If Coliform is still detected, repeat disinfection and flushing as if the line has never been disinfected. Continue the described process until monitoring does not show the presence of Coliform. [401 KAR 8:150 Section 4(1), Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.</p>   |
| L-13          | Residual Disinfection |   |



**Distribution-Major Construction**  
 Letcher Co Water & Sewer District  
 Facility Requirements

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**PORT11 (continued):**

**Limitation Requirements:**

| Condition No. | Parameter | Condition   |
|---------------|-----------|---|
| L-14          | Velocity  | Each blow-off, fire hydrant, or flush hydrant shall be sized so that Velocity $\geq 2.5$ ft/sec can be achieved in the water main served by the blow-off or hydrant during flushing. [Recommended Standards for Water Works 8.1.6.b, 401 KAR 8:100 Section 1(7)]<br>This requirement is applicable during the following months: All Year. Statistical basis: Minimum. |

**Monitoring Requirements:**

| Condition No. | Parameter | Condition   |
|---------------|-----------|---|
| M-1           | leaks     | The presence or absence of leaks monitored by physical testing as needed shall be determined in all types of installed pipe. Pressure testing and leakage testing shall be in accordance with the latest edition of AWWA Standard C600. [Recommended Standards for Water Works 8.5.5] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination. |

**Narrative Requirements:**  
**Asbestos (Friable):**

| Condition No. | Condition   |
|---------------|---|
| T-1           | Asbestos (Friable):<br>If the existing water line to be tapped is asbestos concrete, then the contractor shall conform to OSHA regulations governing the handling of hazardous waste during the process of tapping the asbestos concrete line. Pieces of asbestos concrete resulting from the tap shall be double bagged, placed in a rigid container and disposed of in an approved landfill. [401 KAR 8:100 Section 1(7)] |

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### PORT11 (continued):

#### Narrative Requirements:

##### Additional Limitations:

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

**Distribution-Major Construction**

Letcher Co Water & Sewer District  
Facility Requirements

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**PORT11 (continued):**

**Narrative Requirements:**

**Additional Limitations:**

Condition  
No. Condition

T-10 Additional Limitations:

No water pipe shall pass through or come in contact with any part of a sewer manhole. [Recommended Standards for Water Works 8.6.6]

T-11 Additional Limitations:

If a fire sprinkler system is to be installed, a double check detector assembly approved for backflow prevention shall be utilized. The double check detector assembly of the system shall be accessible for testing. [401 KAR 8:100 Section 1(7)]

T-12 Additional Limitations:

If water lines cross a stream or wetland, the provisions in the attached Water Quality Certification shall apply. If you have any questions please contact the Water Quality Certification Supervisor of the Water Quality Branch at (502) 564-2225. [401 KAR 8:100 Section 1(7)]

**Subfluvial Pipe Crossings:**

Condition  
No. Condition

T-13 Subfluvial Pipe Crossings:

For subfluvial pipe crossings, a floodplain construction permit will not be required pursuant to KRS 151.250 if the following requirements of 401 KAR 4:050 Section 2 are met.

- 1) No material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc. during construction of pipe crossings.
- 2) Crossing trenches shall be backfilled as closely as possible to the original contour.
- 3) All excess material resulting from construction displacement in a crossing trench shall be disposed of outside the flood plain.
- 4) For erodible channels, there shall be at least 30 inches of backfill on top of all pipe or conduit points in the crossing.
- 5) For nonerodible channels, pipes or conduits in the crossing shall be encased on all sides by at least 6 inches of concrete with all pipe or conduit points in the crossing at least 6 inches below the original contour of the channel. [401 KAR 8:100 Section 1(7)]

**Distribution-Major Construction**  
Letcher Co Water & Sewer District  
Facility Requirements

Activity ID No.: APE20070002

**PORT11 (continued):**

**Narrative Requirements:**  
**Subfluvial Pipe Crossings:**

| Condition No. | Condition  |
|---------------|--|
| T-14          | <p>Subfluvial Pipe Crossings:<br/>For subfluvial pipe crossings greater than 15 feet in width,</p> <ol style="list-style-type: none"><li>1) the pipe shall be of special construction, having flexible, restrained, or welded watertight joints, and</li><li>2) valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair.</li></ol> <p>Valves shall</p> <ol style="list-style-type: none"><li>a) be easily accessible,</li><li>b) not be subject to flooding, and</li><li>c) if closest to the supply source, be in a manhole with permanent taps made on each side of the valve to allow insertion of a small meter to determine leakage and for sampling purposes. [Recommended Standards for Water Works 8.7.2]</li></ol> |

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**LECHER COUNTY WATER AND SEWER DISTRICT**  
**PROJECTED O&M COST AFTER COMPLETION OF**  
**CRAFTS COLLY PHASE 3 WATER IMPROVEMENTS PROJECT**

| <u>DESCRIPTION</u>              |    | <u>AVERAGE<br/>MONTHLY<br/>COST</u> | <u>AVERAGE<br/>YEARLY<br/>COST</u> |
|---------------------------------|----|-------------------------------------|------------------------------------|
| Electrical Cost @ Pump Stations | \$ | 550.00                              | \$ 6,600.00                        |
| Electrical Cost @ Tank          | \$ | 25.00                               | \$ 245.00                          |
| Postage                         | \$ | 525.00                              | \$ 6,300.00                        |
| Labor                           | \$ | 11,178.00                           | \$ 134,136.00                      |
| Supplies                        | \$ | 560.00                              | <u>\$ 6,720.00</u>                 |
| <br><b>Total</b>                |    |                                     | <br><b>\$ 154,001.00</b>           |

Note 1: Assumes existing District employees will be utilized for project related activities.

Note 2: Does not include purchase cost of water.

Note 3: Calculation of O&M Costs associated with first year of operation when the project is still under warranty.