

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BULLITT UTILITIES, INC. FOR A )  
CERTIFICATE OF CONVENIENCE AND ) CASE NO. 2014-00255  
NECESSITY AND SURCHARGE FOR SAME )

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on June 9, 2015 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on June 9, 2015 in this proceeding;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on June 9, 2015.

A copy of this Notice, the certification of the digital video record, hearing log, and exhibits have been electronically served upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at: [http://psc.ky.gov/av\\_broadcast/2014-00255/2014-00255\\_09Jun15\\_Inter.aspx](http://psc.ky.gov/av_broadcast/2014-00255/2014-00255_09Jun15_Inter.aspx). Parties wishing an annotated digital video

recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 25<sup>th</sup> day of June 2015.

A handwritten signature in cursive script that reads "Linda Faulkner".

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Linda Faulkner  
Director, Filings Division  
Public Service Commission of Kentucky

Bullitt Utilities, Inc.  
dba Hunters Hollow Sewer Plant  
1706 Bardstown Road  
Louisville, KY 40205

Gregory T Dutton  
Assistant Attorney General  
Office of the Attorney General  
Utility & Rate Intervention Division  
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Frankfort, KENTUCKY 40601-8204

Honorable Robert C Moore  
Attorney At Law  
Hazelrigg & Cox, LLP  
415 West Main Street  
P.O. Box 676  
Frankfort, KENTUCKY 40602

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

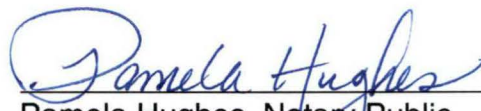
APPLICATION OF BULLITT UTILITIES, INC. )  
FOR A CERTIFICATE OF CONVENIENCE ) CASE NO.  
AND NECESSITY AND SURCHARGE FOR ) 2014-00255  
SAME )

CERTIFICATE

I, Pamela Hughes, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on June 9, 2015. Hearing Log, Exhibits, Exhibit List, and Witness List are included with the recording on June 9, 2015.
2. I am responsible for the preparation of the digital recording.
3. The digital recording accurately and correctly depicts the Hearing of June 9, 2015.
4. The "Exhibit List" attached to this Certificate correctly lists all exhibits introduced at the hearing of June 9, 2015.
5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the Hearing of June 9, 2015 and the time at which each occurred.

Signed this 12<sup>th</sup> day of June, 2015.



\_\_\_\_\_  
Pamela Hughes, Notary Public  
State of Large ID# 532522  
My Commission expires: April 22, 2019



# Session Report - Detail

2014-00255\_09JUN15

Bullitt Utilities, Inc.

Date:	Type:	Location:	Department:
6/9/2015	Other	Public Service Commission	Hearing Room 1 (HR 1)

Judge: David Armstrong; Jim Gardner; Dan Logsdon  
 Witness: Chris Cogan  
 Clerk: Pam Hughes

Event Time	Log Event
10:05:05 AM	Session Started
10:05:09 AM	Session Paused
10:12:09 AM	Session Resumed
10:12:14 AM	Vice Chairman Gardner Note: Hughes, Pam
	Preliminary remarks and introductions of Commissioners.
10:12:51 AM	Introductions Note: Hughes, Pam
	Robert Moore-Bullitt Utilities; Greg Dutton, Stephanie Kingsley-AG's office; Quang Nguyen-PSC.
10:13:43 AM	Vice Chairman Gardner asks for outstanding motions
10:14:53 AM	Vice Chairman Gardner asks for public comments
10:15:28 AM	Mayor Jim Eadens-Public comment Note: Hughes, Pam
	Mayor of the city of Hillview, Bullitt County, KY
10:18:00 AM	Mayor Linda Parker-Public comment Note: Hughes, Pam
	Mayor for Hunters Hollow, Bullitt Co KY
10:20:26 AM	Darren Casper-Public comment Note: Hughes, Pam
	Veolia Water technology, Inc.
10:27:36 AM	John Talbott-Public comment Note: Hughes, Pam
	Pecco, Inc.
10:29:33 AM	Vice Chairman Gardner Note: Hughes, Pam
	Asking about all the bills, and if anyone else is here to make public comment. No one else.
10:31:10 AM	Atty Moore-Bullitt Utilities Note: Hughes, Pam
	Handed out filings that were filed today. Certifications of compliance of Bullitt Utilities and supplemental exhibit list
10:35:13 AM	Atty Ramser-PSC Note: Hughes, Pam
	Asks for clarification of exhibit 44. This exhibit is not in the record prior to today.
10:38:30 AM	Atty Moore-Bullitt Utilities-calls Witness Chris Cogan to the stand Note: Hughes, Pam
	Mr. Cogan is the Durable POA for Carroll F. Cogan, President of Bullitt Utilities, Inc.
10:39:06 AM	Witness Cogan is sworn in
10:39:43 AM	Atty Moore-Bullitt utilities-Direct exam of Witness Cogan Note: Hughes, Pam
	Witness Cogan adopts his prefiled testimony
10:42:35 AM	Atty Moore-Bullitt utilities-Direct exam of Witness Cogan Note: Hughes, Pam
	Referencing invoices
10:44:40 AM	Atty Moore-Bullitt utilities-Direct exam of Witness Cogan Note: Hughes, Pam
	Referencing the \$32.19 monthly surcharge requested in the application.
10:46:07 AM	Atty Moore-Bullitt Utilities Note: Hughes, Pam
	Asking for exhibits to be entered.

10:46:28 AM	Objections to documents from Atty Moore Note: Hughes, Pam	Vice Chairman Gardner is going to give a time period in which to object to these documents being accepted.
10:48:57 AM	Atty Moore-Bullitt Utilities Note: Hughes, Pam	#34 on exhibit list was filed on 6/5/15. Included as exhibit #45. Clarifies other exhibits
10:51:00 AM	Vice Chairman Gardner to Atty Moore Note: Hughes, Pam	Clarification of exhibits---not entering exhibit 41
10:52:30 AM	Atty Moore-Bullitt Utilities-direct exam of Witness Cogan Note: Hughes, Pam	Referencing the reports from Chris Crumpton and his prefiled testimony. Witness Cogan did receive and accepts them to be accurate.
10:53:14 AM	Atty Dutton-AG-Objection	
10:54:25 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Regarding the date the facility collapsed
	Note: Hughes, Pam	Has there been a public meeting held?
10:56:35 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Regarding when organizations will begin treating the flow.
10:57:33 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Regarding long term plan to treat the flow starting January 2017.
11:00:05 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Referencing the \$26.83 monthly charge to customers and the \$32.19 monthly surcharge Bullitt Utilities is asking for.
11:02:34 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Referencing Witness Cogan's previous response to the rate increase.
11:05:10 AM	AG's Exhibit 1 Note: Hughes, Pam	Answers of Bullitt Utilities to AG's 1st data request.
11:09:12 AM	AG's exhibit 2 Note: Hughes, Pam	3 pages from the Answers of Bullitt Utilities to Commission Staff's 1st request for information. 1st full paragraph of page 3.
11:10:50 AM	AG's exhibit 3 Note: Hughes, Pam	Answers to Commission Staff's Supplemental Request for Information to Bullitt Utilities. (3 pages) section B on page 3...the amount of time it will take 6-9 months
11:12:39 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Approximate price looking to invest in a used WWTP
11:14:55 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Approximately what time period in looking for another used WWTP
11:15:40 AM	AG exhibit 4 Note: Hughes, Pam	Price quote on new WWTP
11:17:46 AM	Atty Dutton-AG-cross exam of Witness Cogan Note: Hughes, Pam	Asking about tangible assets received from the investment
11:18:58 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Clarification of how many customers Bullitt Utilities has, and how many are currently paying their bills. Is service being provide to those not paying bills? Would like to have this information in a post data hearing request.
11:21:45 AM	Atty Moore clarifies questions from Atty Ramser Note: Hughes, Pam	Louisville Water sends bills to 701 customers in the Hunter's Hollow Collection System.
11:23:46 AM	New Event	
11:24:25 AM	Atty Ramser-PSC Note: Hughes, Pam	Asking clarification of customers being billed, who is paying their bills and is it for past areears or current bills? Audit

11:26:51 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding the amended application 12-10-14, that Bullitt Utilities did seek a monthly surcharge for \$32.19 for 7 years.
11:27:28 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding any action currently being taken to collect outstanding amounts owed by customers.
11:28:35 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding the amount Bullitt Utilities pays Louisville Water to provide billing service.
11:29:26 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding where the money has been spent from customer bills over past year.
11:30:05 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding the cost prior to the WWTP collapse.
11:32:29 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Referencing response filed on 6-5-15, 3rd supplement to post data request of PSC - Did Bullitt Utilities connect to Bullitt Sanitation District on May 27, 2015
11:34:51 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	What expenses are incurred now between Bullitt Utilities to Bullitt Sanitation that will not be incurred once the lift station is completed.
11:37:03 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding additional costs of 7,500 to 10,000 a month
11:37:30 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Questions if the Division of Water approved this and what if any permits are required. The Commission needs to know if other approvals or permits are required.
11:38:01 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Permits or approvals required to construct the lift station
11:40:32 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Wants an explanation for the delay on breaking ground on the lift station.
11:41:46 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Estimate of time when the lift station will be completed once ground is broken.
11:42:23 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding the agreement entered into for Bullitt Utilities to purchase meters.
11:43:09 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding pumps purchased being variable rate.
11:43:43 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Regarding continuing to follow-up for long term solutions. Louisville Metro or Bullitt Sanitation.
11:44:54 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Clarifying that the IC held at the PSC was not for the general public, if this was the public meeting that Witness Cogan referred to earlier.
11:45:35 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Referencing the Covered Bridge invoices being marked paid. Where are the funds coming from to pay these?
11:48:26 AM	Atty Ramser-PSC-cross exam of Witness Cogan Note: Hughes, Pam	Clarifications as to how payments are being separated.
11:49:16 AM	Commissioner Logsdon cross exam of Witness Cogan Note: Hughes, Pam	Asking about funds for pumps and revenue to Bullitt Co Sanitation and if Bullitt Utilities is operating at a loss.

11:54:45 AM	Vice Chairman Gardner cross exam of Witness Cogan Note: Hughes, Pam	Are any invoices being disputed
11:55:11 AM	Atty Moore-Bullitt Utilities- redirect to Witness Cogan Note: Hughes, Pam	Questions if a home that has WWT is more valuable than a home without it.
11:56:31 AM	Atty Moore-Bullitt Utilities- redirect to Witness Cogan Note: Hughes, Pam	Regarding locating a used WWTP and who was undertaking that search.
11:57:22 AM	Atty Moore-Bullitt Utilities- redirect to Witness Cogan Note: Hughes, Pam	As of January 2015, has any suitable plant been identified
11:58:30 AM	Atty Moore-Bullitt Utilities- redirect to Witness Cogan Note: Hughes, Pam	Regarding if the DOW is interested in a regional solution
12:00:28 PM	Atty Moore-Bullitt Utilities- redirect to Witness Cogan Note: Hughes, Pam	Clarifying that no long term solution has been arrived at by Bullitt Utilities in respect to the Hunters Hollow failure.
12:01:11 PM	ChairmanArmstrong cross exam of Witness Cogan Note: Hughes, Pam	Regarding conversations with MSD concerning this issue.
12:03:26 PM	ChairmanArmstrong cross exam of Witness Cogan Note: Hughes, Pam	Regarding purchase discussions with MSD if any
12:06:59 PM	Atty Dutton-AG-redirect to Witness Cogan Note: Hughes, Pam	Regarding conversations with the DOW concerning period of time to make this connection.
12:09:12 PM	Atty Moore-Bullitt Utilites Note: Hughes, Pam	Asking to attach into evidence Mr. Crumpton's pre-filed testimony.
12:09:22 PM	Atty Dutton-AG-objection Note: Hughes, Pam	objects to Mr. Crumpton;s pre-filed testimony being entered.
12:10:07 PM	Vice Chairman Gardner Note: Hughes, Pam	Gives Atty Moore 7 days to file a motion pertaining to Mr. Crumpton's pre-filed testimony. Only that of which Mr. Crumpton offered responses to requests.
12:12:12 PM	Atty Moore-Bullitt Utilities Note: Hughes, Pam	Asks to continur hearing after lunch to give him time to locate Witness Crumpton
12:12:30 PM	Atty Dutton-AG-objection Note: Hughes, Pam	Objects to continuing hearing based on fact that hearing has been scheduled for a long time.
12:12:48 PM	Atty Ramser-PSC Note: Hughes, Pam	Atty Ramser agrees to take a break to see if Witness Crumpton can be located.
12:13:30 PM	Commissioners agree to 15 minute break	
12:14:04 PM	Timeline for upcoming filings Note: Hughes, Pam	Brief's to be filed no later than Monday, July 20, 2015
	Note: Hughes, Pam	4 exhibits submitted by AG's office
	Note: Hughes, Pam	Atty Moore-Bullitt utilities to send letter within 7 days to all vendors and/or creditors to set a final date in which to get bills in.
	Note: Hughes, Pam	Post Hearing Data Requests due on June 23, 2015 1.
		Customer counts and audits of who is being billed, who is paying and who is not paying bills.
		2. Specify as to when connection was made (specifically to Staff's 3rd request. Item 6a)
	Note: Hughes, Pam	Parties to have 7 days in which to object to the exhibits offered by Atty moore of Bullitt Utilities
12:22:02 PM	Break	



12:22:14 PM Session Paused  
12:32:59 PM Session Resumed  
12:33:05 PM Atty Moore-Bullitt utilities  
Note: Hughes, Pam States he is unable to contact his next witness  
12:33:48 PM Adjourned  
12:33:51 PM Session Paused  
12:37:53 PM Session Ended



## Exhibit List Report

2014-00255\_09JUN15

Bullitt Utilities, Inc.

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Judge: David Armstrong; Jim Gardner; Dan Logsdon

Witness: Chris Cogan

Clerk: Pam Hughes

<b>Name:</b>	<b>Description:</b>
AG Exhibit 01	Answers of Bullitt Utilities to AG's 1st data request.
AG Exhibit 2	Answer's of Bullitt utilities to Commission staff's 1st request for information. (only 3 pages)
AG exhibit 3	3 pages of Answers to Commission staff's Supplemental request for information to Bullitt utilities.
AG exhibit 4	Price quote on new WWTP

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MAR 26 2015

In the Matter of:

PUBLIC SERVICE  
COMMISSION

APPLICATION OF BULLITT UTILITIES, INC. )  
FOR A CERTIFICATE OF CONVENIENCE AND )  
NECESSITY AND SURCHARGE FOR SAME )

CASE NO 2014-00255

**ANSWERS OF BULLITT UTILITIES, INC., TO ATTORNEY GENERAL'S FIRST  
INFORMATION REQUESTS**

Comes Bullitt Utilities, Inc. ("Bullitt Utilities"), and for its Answers to the Attorney General's First Information Requests, states as follows:

**Request for Information No. 1:** Reference the Application generally. Explain how Bullitt Utilities determined the monthly surcharge amount of \$32.19 per month. Please provide all worksheets in native format with calculations and cells intact.

**Answer:** As set forth in the Amended Application for Surcharge of Bullitt Utilities, the total amount of costs incurred by Bullitt Utilities due to the catastrophic failure of the Hunters Hollow Wastewater Treatment Plant ("WWTP") is estimated to be \$1,881,956.10. The surcharge was determined by dividing these estimated total costs of \$1,881,956.10 by seven (7), which is the number of years the surcharge is requested so that the amount to be paid by the customer would not be unduly burdensome, and then dividing that number by the number of customers of Bullitt Utilities (696). This number was then divided by twelve to arrive at a requested monthly surcharge of \$32.19.

Bullitt Utilities has continued to incur expenses from the date of the filing of the Amended Application on December 10, 2014.

**Witness:** Chris Cogan.

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MAR 25 2015

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NECESSITY AND SURCHARGE FOR SAME )

PUBLIC SERVICE  
COMMISSION  
CASE NO 2014-00255

**ANSWERS OF BULLITT UTILITIES, INC., TO COMMISSION STAFF'S FIRST  
INFORMATION REQUESTS**

Comes Bullitt Utilities, Inc. ("Bullitt Utilities"), and for its Answers to Commission Staff's First Information Requests, states as follows:

**Information Request No. 1:** At pages 2-3 of the Amended Application, Bullitt Utilities explains that in accordance with the requirements of the Kentucky Pollutant Discharge Elimination System permit, it was required to take immediate action, and that Bullitt Utilities therefore entered into a contract with Pecco, Inc. ("Pecco") to install a mobile wastewater treatment plant ("Temporary Plant").

a. Describe the process that Bullitt Utilities used in evaluating the alternatives that were initially considered and explain how it ultimately chose the Pecco mobile wastewater treatment plant alternative. The response should include the following:

- (1) A description of each alternative that was considered, with a list of the pros and cons of each alternative.
- (2) A breakdown of the installation and operational costs of each alternative.
- (3) The reason (s) each alternative was rejected and the reason(s) the Pecco alternative was chosen.

**ANSWER:** On Saturday March 29, 2014, Bullitt Utilities was notified by the local Fire Department that the Hunters Hollow wastewater treatment plant ("WWTP") located on Bluelick Road, Bullitt County, Kentucky had suffered a total failure and breach of the primary treatment tanks, resulting in a discharge of wastewater. Immediately upon receiving this information, the appropriate regulatory agencies were notified of the WWTP's failure, and the certified plant operator responded on the scene to assess the situation. Bullitt Utilities began to assess the options that were available to it to deal with catastrophic failure of the WWTP.

During the initial discussions with personnel from the Kentucky Division of Water, Charles Roth and Kevin Strohmeier, concerning the need to stop the discharge of untreated wastewater from the Hunters Hollow collection system, Mr. Roth and/or Mr. Strohmeier informed Bullitt Utilities that PECCO, Inc. ("PECCO"), may be able to provide a temporary WWTP to treat the wastewater discharging from the Hunters Hollow collection system. Mr. Roth is the Supervisor of the Louisville Regional Office of the Kentucky Division of Water ("DOW"). Mr. Strohmeier is a member of the DOW's Emergency Response Team. Bullitt Utilities immediately contacted PECCO to determine whether it could provide assistance in responding to the failed WWTP.

On March 31, 2014, Kevin Stanfield, MPH, the Special Projects Manager for PECCO, provided a quote for the installation, set-up and operation of the PECCO mobile WWTP.

The advantages to the installation of the PECCO WWTP were that it was available, could be transported to the Hunters Hollow site within a very short period of time, could be installed and be operational within several days, could treat most if not all of the dry weather flow from the Hunters Hollow collection system, PECCO would provide the personnel to operate the

WWTP on a daily basis, excluding the certified operator, and the Kentucky DOW personnel were aware of PECCO and its capabilities and agreed with the decision to implement this option.

Bullitt Utilities also considered the option of installing a used WWTP at the site of the failed WWTP. This option was ruled out as it would take approximately six (6) months to locate and install a used WWTP capable of treating the flow from the Hunters Hollow collection system.

Bullitt Utilities also considered connecting its line to the sanitary sewer system owned and operated by the Bullitt County Sanitation District ("BCSD"). This option was ruled out due to the amount of time it would take to connect the Hunters Hollow collection system to BCSD's collection system, and at that time BCSD said it could only accept approximately 60,000 gpd of wastewater flow. Again, the options of locating, purchasing and installing a used WWTP and connecting to BCSD's sanitary sewer system were ruled out due to the length of time it would take to implement same.

b. Describe in detail the Kentucky Division of Water's ("DOW") involvement in Bullitt Utilities' evaluation and its decision to enter into the contract with Pecco for the installation of the Temporary Plant.

**ANSWER:** See Answer to Request for information No. 1.

**Information Request No. 2:** At page 3 of the Amended Application, Bullitt Utilities states that the Pecco Temporary Plant was originally designed to treat approximately 160,000 gallons per day ("gpd") of wastewater, but was modified to increase its treatment capacity to 200,000 gpd.

a. Given that the Hunters Hollow wastewater treatment plant's treatment capacity

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APR 17 2015

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NECESSITY AND SURCHARGE FOR SAME )

**ANSWERS TO COMMISSION STAFF'S  
SUPPLEMENTAL REQUEST FOR INFORMATION TO BULLITT UTILITIES**

Comes Bullitt Utilities, Inc. ("Bullitt Utilities"), and for its Answers to Commission Staff's Supplemental Request for Information, states as follows:

Bullitt Utilities objects to the Commission Staff's Supplemental Request for Information to the extent that they seek to impose requirements in addition to the requirements of the applicable rules and/or regulations.

**Information Request No. 1:** In its response to Commission Staffs First Request for Information to Bullitt Utilities (Staffs First Request"), Item I.a., Bullitt Utilities states that "it would take approximately six (6) months to locate and install a used WWTP capable of treating the flow from the Hunters Hollow collection system."

a. Indicate what activity would need to occur during the six-month period.

**ANSWER:** The following is a listing of the steps that would need to be performed to locate and install a used WWTP capable of treating the flow from the Hunters Hollow collection system: 1) There is no store that sells used WWTPs. Accordingly, a region-wide search would need to be conducted to attempt to locate a used WWTP with a capacity of at least 300,000 gpd. This search would be conducted by persons with industry-wide knowledge gained by working in

the WWTP field for over thirty (30) years. <sup>1</sup> (30 to 60 days); 2) If a used WWTP with at least 300,000 gpd capacity is located, the used WWTP would need to be inspected to determine its condition, to determine if has all of the necessary parts, including but not limited to blowers, pumps, etc, and to see if it is possible to transport it to the Hunters Hollow site located in Bullitt County, Kentucky (30 to 45 days); 3) If the used WWTP is in acceptable condition, a Contract including price and other relevant terms, would need to be negotiated, finalized and signed. The price would then need to be paid, and financing by a third party may need to be obtained, (30 to 60 days); 4) Arrangements would need to be made to transport the used WWTP to the Hunters Hollow site and then the WWTP would need to be transported to Kentucky (30 days); 5) An engineer would need to be hired to inspect the Hunters Hollow site and to determine the soil and rock conditions at the site. A geotech firm would also need to be hired to perform tests to determine the actual conditions at the site. (60 days); 6) The engineer would need to design and prepare the plans for the foundation for the WWTP and the connection(s) to the Hunters Hollow collection system. (30 to 60 days); 7) The engineer would also need to review and or modify the design and plans of the used WWTP as it would be installed. These plans would need to be submitted to the Kentucky Division of Water (“DOW”) for review and approval. (30 to 60 days); 8) The DOW may have questions or comments concerning the proposed plans and responses to these questions and/or comments would need to be provided to the Cabinet. (30 days); 9) If the plans for the installation of the used WWTP have been reviewed and approved by

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<sup>1</sup>Because the demand for used WWTPs has diminished in the last few years, and not as many used WWTPs are being offered for sale, the search to locate an acceptable used WWTP could take longer than the estimated time period. In this case a 300,00 gpd used WWTP could not be located prior to Bullitt Utilities entering into an Agreement with the Bullitt County Sanitation District to treat the wastewater from the Hunters Hollow collection system through December 31, 2016.



the DOW, a bid package would need to be prepared by the engineer and then advertised for bids on the site work, construction of the foundation and the installation/construction of the WWTP. (30 to 45 days); 10) Bids responding to the advertisement for bids would then be reviewed by the engineer. (15 days); 11) After the engineer has determined if responsive bids have been received, the engineer may recommend the award of the bid to the most responsive bidder or can recommend that the job be rebid. (15 days); 12) Once a successful bidder is identified, the contract with the successful bidder can be signed and a Notice to Proceed can be issued. (15 days); and, 13) The site work, construction of the foundation and the WWTP would then be completed. (90 to 120 days)

The above description does not include the steps and time needed to obtain Public Service Commission approval of the construction of the used WWTP. This description also does not include the steps and time needed to negotiate an agreement to provide treatment for the wastewater generated by the Hunters Hollow collection system during the location and installation of the used WWTP.

**b.** Identify the amount of time required for each activity listed in Item 1.a of this request.

**ANSWER:** See Answer to Request 1.a. Because some of the steps set forth in the Answer to Request 1.a. can be performed at the same time, the total amount of time to complete the construction/installation of the used WWTP is estimated to be 6-9 months. This does not include delays due to weather, unavailability of supplies and other unforeseen circumstances.

**Witnesses:** Chris Cogan, Chris Crumpton and Lawrence W. Smither.

**Information Request No. 2.** While using the Pecco, Inc. ("PECCO") wastewater treatment plant ("WWTP") during dry weather, did the water discharged from the PECCO

3.5. Detail civil engineering, mechanical and electrical design are excluded from this proposal.

3.6. Cost of performance testing and analytical work associated with start-up, commissioning and testing is excluded from the above proposal. Performance testing is in scope of OTHERS.

3.7. Power Requirements: 230 volt, 3 phase, 60 Hz.

3.8. Performance and payment bonds are by OTHERS.

**4. Pricing, FOB Freight allowed to Jobsite, Bullitt County, KY, not offloaded**

<p><b>Selling Price:</b></p> <p><b>Including the following:</b></p> <ol style="list-style-type: none"> <li>One (1) Tipton Series Model TEII-3000-SHUV prefabricated A-36 grade steel extended aeration packaged wastewater treatment system.</li> </ol>	<p><b>\$828,779.00</b></p>
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**4.1. Taxes**

The quoted price does not include any Clearance through customs, Custom duties, local, state, federal, or country taxes local, state or federal taxes, permits or other fees. Any taxes or fees that may apply must be added to the quoted price and paid by the buyer, Fees or charges for permits, letters of credit, or other finance or related charges and fees.

**4.2. Proposal Acceptance**

This proposal is offered for acceptance within thirty (30) days from date of this quotation or date of bid opening, whichever is the later date. Prices are subject to review thereafter. Prices are firm, based upon receipt of a Letter of Intent or Purchase

**AG Exhibit** 4



\*Bullitt Utilities, Inc. dba Hunters Hollow Sewer  
1706 Bardstown Road  
Louisville, KY 40205

\*Gregory T Dutton  
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