

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 16 2018

PUBLIC SERVICE
COMMISSION

In the Matter of:

AIRVIEW UTILITIES, LLC'S NOTICE OF
SURRENDER AND ABANDONMENT OF
UTILITY PROPERTY

CASE NO. 2016-00207

**RESPONSE OF AIRVIEW UTILITIES, LLC TO THE PUBLIC SERVICE
COMMISSION'S ORDER OF JULY 17, 2018**

Comes Airview Utilities, LLC ("Airview"), by counsel, and for its Response to the Public Service Commission's ("Commission") Order of July 17, 2018, states as follows:

1. The Commission's Order of July 17, 2018, required Airview to file its responses to the Commission's Interim Order within 30 days of July 17, 2018. Pursuant to numerical paragraph 1 of the Commission's Interim Order, Airview has continued to operate the Airview WWTP during the pendency of this case.

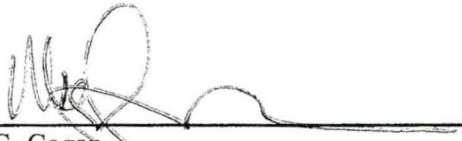
2. The following engineering firms, with engineers registered in Kentucky, are acceptable to the City of Elizabethtown: Kenvirons, Inc., 452 Versailles Road, Frankfort, Kentucky; Strand Associates, Inc., 325 West Main Street, Suite 710, Louisville, Kentucky; Howard K. Bell Consulting Engineers, Inc., 2480 Fortune Drive, Lexington, Kentucky; and Hdr Engineering, Inc., 2517 Sir Barton Way, Lexington, Kentucky. A letter from Airview to Charlie Bryant, Executive Assistant, City of Elizabethtown, confirming that these engineering firms are acceptable to the City of Elizabethtown is attached as Exhibit A.

3. The Commission's February 9, 2017 Interim Order required Airview to "have prepared and filed into the record in the instant case detailed engineering plans for an interconnection between the Airview system and the Elizabethtown wastewater system." By

letter dated March 9, 2017, Strand Associates, Inc., advised Airview Utilities of the engineering work required to prepare plans for the interconnection between the Airview system and the Elizabethtown wastewater system. (See Exhibit B) The fee to perform these services was stated to be \$25,500. This fee was for design services only. Airview does not have sufficient monies to pay for the cost of these engineering plans.

4. The Commission's Interim Order of February 9, 2017, required Airview to ascertain the status of its property rights of the Lease of the real property upon which Airview's WWTP is located and to obtain and file into the record written consent of the Lessor for a transfer of Airview's benefits under the Lease. Paragraph 1.1 of the Lease entered into between Fred H. Schlatter and Ruby Schlatter and Airview states that the term of the Lease is for 50 years beginning on October 4, 2005, and ending on October 3, 2054. The Lease does not preclude its assignment by Airview. Accordingly, written consent for a transfer of Airview's benefits under the Lease is not required. The subject Lease has previously been filed in the record of this case. (See Airview's Answers to Commission Staff's Supplemental Request for Information, Attachment C.)

I have read the foregoing Responses and hereby state and affirm that the answers contained herein are true and correct to the best of my knowledge and belief.



Martin G. Cogan

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FRANKLIN)

Subscribed, sworn to and acknowledged before me this 16th day of August, 2018, by
Martin G. Cogan.

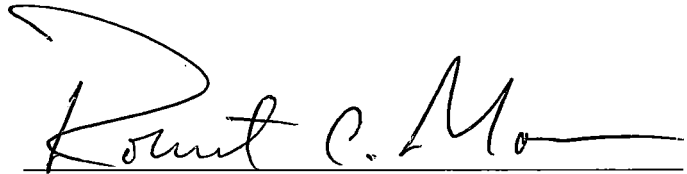
My commission expires:

11/31/2019


NOTARY PUBLIC

PEGGY JO TIPTON
NOTARY PUBLIC
STATE AT LARGE, KENTUCKY
COMM. #526003
MY COMMISSION EXPIRES 01/21/2019

Respectfully submitted,



Robert C. Moore
Katie M. Glass
STITES & HARBISON PLLC
421 West Main Street
P.O. Box 634
Frankfort, KY 40602-0634
Telephone: (502) 223-3477
Email: rmoore@stites.com
Email: kglass@stites.com
COUNSEL FOR AIRVIEW UTILITIES, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic mail, on this 16th day of August, 2018 upon:

Justin M. McNeil
Kent A. Chandler
Rebecca W. Goodman
Assistant Attorneys General
700 Capital Avenue, Suite 20
Frankfort, KY 40601-8204

Deborah Shaw
City Attorney
City of Elizabethtown
P.O. Box 550
Elizabethtown, KY 42702

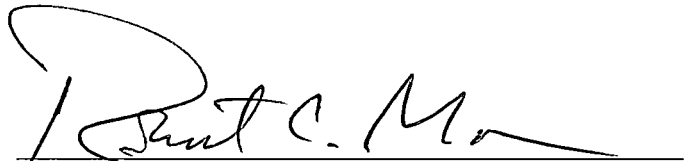

Robert C. Moore

EXHIBIT A

August 16, 2018

Charlie Bryant
Executive Assistant
City of Elizabethtown
P.O. Box 550
200 West Dixie Avenue
Elizabethtown, KY 42701

Re: Airview Utilities, LLC

Dear Mr. Bryant:

Thank you for advising that the following engineers are acceptable to the City of Elizabethtown:

Kenvirons, Inc.
452 Versailles Road
Frankfort, Kentucky

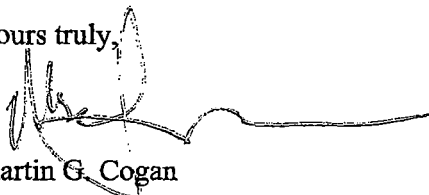
Strand Associates, Inc.
325 West Main Street, Suite 710
Louisville, Kentucky

Howard K. Bell Consulting Engineers, Inc.
2480 Fortune Drive
Lexington, Kentucky

Hdr Engineering, Inc.
2517 Sir Barton Way
Lexington, Kentucky

Please contact me immediately if my understanding is incorrect.

Yours truly,

A handwritten signature in black ink, appearing to read "M. Cogan", with a long horizontal flourish extending to the right.

Martin G. Cogan

EXHIBIT B



Strand Associates, Inc.[®]
Waterfront Plaza
325 West Main Street, Suite 710
Louisville, KY 40202
(P) 502-583-7020
(F) 502-583-7026

March 9, 2017

Marty Cogan
Airview Utilities
P.O. Box 5247
Louisville, KY 40255-0247

Re: Proposal for Engineering Services for
the Airview Estates Pump Station and Force Main Project

Dear Mr. Cogan:

On behalf of Strand Associates, Inc.[®], thank you for the opportunity to provide our proposal for engineering services to Airview Estates for the Airview Estates Pump Station and Force Main Project. This letter discusses our *Project Understanding*, *Scope of Services*, *Project Schedule*, and *Proposed Fees*.

Project Understanding

Based on our past studies from the Elizabethtown Perimeter Sewer Study we understand the need to replace the existing Airview Estates Package Treatment Plant with a new Pump Station and force main to tie into the City of Elizabethtown wastewater collection system. Based on our past study the City of Elizabethtown has the capacity for this additional flow into their wastewater system. Our *Scope of Services* section below is based on our project understanding from the Elizabethtown Perimeter Sewer Study and will outline our approach to this project.

Scope of Services

Our proposed Scope of Services is as follows:

Design Services

- Perform topographic survey of the proposed lift station site. Based on preliminary sizing the pump station will be 175 gallons per minute (gpm) pump station.
- Prepare drawings for the new pumping station. We propose locating the lift station next to the existing wastewater treatment plant (WWTP) so that the existing flow into the WWTP can be rerouted into the new pump station.
- Prepare plan and profile drawings for the force main alignment. Based on our preliminary study we have estimate approximate 2,200 linear feet of 4-inch force main is needed. We will base our design fees on the assumption that existing LIDAR data from the county can be utilized for the creation of the plan and profile. If this is not available, the force main route will have to be surveyed which will affect our fees.
- Prepare and submit permit application to the Kentucky Division of Water.
- Prepare bidding documents for new pump station and force main using Engineers Joint Contract Documents Committee C-700 Standard General Conditions of the Construction Contract, 2007 edition, technical specifications, and engineering drawings.
- Submit bidding documents for review and input.
- Prepare opinion of probable construction cost for project.

Marty Cogan
Airview Utilities
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March 9, 2017

- Review the draft documents with Airview Utilities and the City of Elizabethtown, incorporate review comments, and submit two copies of the final bidding documents to Airview Utilities and the City of Elizabethtown.

Project Schedule

We are prepared to start immediately on the project and to meet any reasonable schedule proposed by Airview Utilities.

Proposed Fees

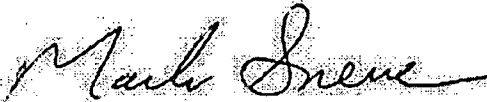
The services defined above will be provided on a lump-sum fee basis. Our fee for the services described is \$25,500. This fee is for design services only; bidding services, construction administration services, and easement acquisition services can be added as needed for this project.

This letter is not to be considered an agreement between Strand Associates, Inc.® and Airview Utilities, but, rather, as a general discussion of the type of tasks and magnitude of costs Airview Utilities may expect for a project of this nature. If we are selected, we will prepare an Engineering Services Agreement and submit to the Airview Utilities for review and signature. Once the Engineering Services Agreement is executed, work on the project will begin.


We sincerely thank you for the opportunity to submit this proposal. We look forward to working with Airview Utilities. If you have any questions, comments, or need additional information, please call me at (502) 583-7020.

Sincerely,

STRAND ASSOCIATES, INC.®



Mark Sneve, P.E., BCEE



Mark Askin, P.E.