)

)

)

)

)

)

)

THE APPLICATION OF THE CUMBERLAND COUNTY WATER DISTRICT, A WATER DISTRICT ORGANIZED PURSUANT TO CHAPTER 74 OF THE KENTUCKY REVISED STATUTES, IN CUMBERLAND COUNTY, KENTUCKY, FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY (CONSTRUCTION CERTIFICATE) AUTHORIZING AND PERMITTING SAID WATER DISTRICT TO CONSTRUCT WATER DISTRIBUTION SYSTEM EXTENSIONS AND IMPROVEMENTS, CONSISTING OF THE PROJECT HEREINAFTER IDENTIFIED AND (2) THE APPROVAL OF THE PROPOSED PLAN OF FINANCING FOR SAID PROJECT

# RECEIVED

MAY 28 2008 PUBLIC SERVICE COMMISSION

CASE NO. 2008-187

## PETITION

## **Index to Exhibit Addendum**

- 1. Petition of Cumberland County Water District ("District") for Certificate of Public Convenience and Necessity (Construction Certificate) pursuant to KRS 278.020.
- 2. Certification of Chairman of District regarding compliance with Public Service Commission requirements.
- 3. Proof of State Grants totaling \$700,000.

ر بریانی کارچ

- 4. Preliminary Engineering Report of Monarch Engineering, Inc., Lawrenceburg, Kentucky.
- 5. Revised Final Engineering Report of Monarch Engineering, Inc., Lawrenceburg, Kentucky.

Prepared by Henry M. Reed III, Reed & Johnson, Bond Counsel to District 2218 Frankfort Avenue, Louisville, Kentucky 40206 Phone: 502-899-3880, Fax: 502-899-3882 e-mail: hankreed@bellsouth.net

## COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

COUNTY, KENTUCKY, FOR (1) A CERTIFICATE)OF PUBLIC CONVENIENCE AND NECESSITY)(CONSTRUCTION CERTIFICATE) AUTHORIZING AND)PERMITTING SAID WATER DISTRICT TO CONSTRUCT)WATER DISTRIBUTION SYSTEM EXTENSIONS)AND IMPROVEMENTS, CONSISTING OF THE PROJECT)HEREINAFTER IDENTIFIED AND (2) THE)APPROVAL OF THE PROPOSED PLAN OF)	THE APPLICATION OF THE CUMBERLAND COUNTY WATER DISTRICT, A WATER DISTRICT ORGANIZED PURSUANT TO CHAPTER 74 OF THE KENTUCKY REVISED STATUTES, IN CUMBERLAND	) ) )	
PERMITTING SAID WATER DISTRICT TO CONSTRUCTCASE NO.WATER DISTRIBUTION SYSTEM EXTENSIONS)AND IMPROVEMENTS, CONSISTING OF THE PROJECT)HEREINAFTER IDENTIFIED AND (2) THE)APPROVAL OF THE PROPOSED PLAN OF)	COUNTY, KENTUCKY, FOR (1) A CERTIFICATE	)	
AND IMPROVEMENTS, CONSISTING OF THE PROJECT ) HEREINAFTER IDENTIFIED AND (2) THE ) APPROVAL OF THE PROPOSED PLAN OF )	PERMITTING SAID WATER DISTRICT TO CONSTRUCT	)	CASE NO
APPROVAL OF THE PROPOSED PLAN OF	AND IMPROVEMENTS, CONSISTING OF THE PROJECT	) )	
		)	

PETITION

Pursuant to KRS 278.020(1), this Petition of the Cumberland County Water District of Cumberland County, Kentucky ("District") respectfully states:

1. That the District is a water district of Cumberland County, Kentucky created pursuant to the provisions of KRS 65.810 <u>et seq.</u> and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes for the purpose of operating, maintaining and managing a water distribution system ("System") as same presently exists and as same is proposed to be improved and expanded as identified herein ("Project").

2. That the address of said District is "Cumberland County Water District, 133 Lower River Street, Burkesville, Kentucky 42717."

3. That the District was formed pursuant to the statutes cited, ordinances of the County of Cumberland, Kentucky, and an Order of the Public Service Commission entered on <u>February 24, 1995 (Case No. 94-437)</u> approving the merger of the former Marrowbone Water District and the former South Cumberland Water District, for the purpose of operating, managing, and maintaining the System.

1

4. That the boundaries of the District include substantially all of the County of Cumberland, Kentucky, except for those areas presently served (or to be served) by the City of Burkesville, Kentucky ("City").

5. That the District seeks a Certificate of Public Convenience and Necessity approving the construction of the Project and the approval of the plan of financing said Project by the District.

6. The Project shall be considered a two phase project with this initial phase consisting of water line extensions, with a second phase planned for system improvements such as water tank renovation and distribution system upgrades as more fully identified in the Preliminary Engineering Report and related data submitted by Monarch Engineering, Inc., Engineers for the District, submitted in support of this Petition. This petition seeks approval ONLY for the Phase I portion of the Project for which construction bids have been received.

7. Subject to the approval of the Commission, the District proposes to finance Phase I of the Project solely from the proceeds of a Grant from the Commonwealth of Kentucky (2006 Kentucky General Assembly Grant) in the amount of \$700,000. The District is not now seeking an increase in its rates and charges for water service.

8. That the District purchases a portion of its water supply for distribution through part of its System from the City of Burkesville, Kentucky.

9. That it is not necessary that the District seek increases in the schedule of water rates and charges previously approved by the Commission presently being charged.

10. That the District has observed the appropriate legal procedure in employing Monarch Engineering, Inc., Lawrenceburg, Kentucky as engineers ("Engineers") to prepare the plans and specifications for the construction of the Project. The plans and specifications as to said Project have been approved by the Natural Resources and Environmental Protection Cabinet.

2

11. That the approval of the Public Service Commission is required in order to enable the District to proceed to accept construction bids for Phase I of the Project and proceed with the construction of the Project in order to provide for the water needs of the residents of the District.

12. 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 278.020.

13. That prior to any hearing in this matter, the District will furnish to the Commission any further

documentation pertaining to said Project, to the extent that same are requested and are available.

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

the following:

- A Certificate of Public Convenience and Necessity (Construction Certificate), permitting the A. Petitioner District to construct Phase I of the Project as described in the Engineer's Reports filed herewith as an Exhibit needed to provide additional water service to said District.
- An Order approving the financing arrangements made by the District through the utilization of a Β. Grant from the Commonwealth of Kentucky in the amount of \$700,000 (2006 Kentucky General Assembly Grant) to finance the completion of Phase I of the Project.

Dated at Burkesville, Kentucky this  $2\partial^{nd}$  day of May, 2008.

CUMBERLAND COUNTY WATER DISTRICT

y <u>Stylen L. Com</u> Chairman, Board of Water Commissioners

Henry M. Reed III, Esquire Reed & Johnson Bond Counsel 2218 Frankfort Avenue Louisville, Kentucky 40206-2408

STATE OF KENTUCKY	)
	)
COUNTY OF CUMBERLAND	)

The undersigned, Stephen L. Capps, being first duly sworn, deposes and states: That he is the Chairman of the Board of Water Commissioners of the Cumberland County Water District of Cumberland 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 states 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  $22^{44}$  day of May, 2008.

Styles L. Com Chairman, Cumberland County Water District

Acknowledged before me by Stephen L. Capps, Chairman of the Board of Water Commissioners of the Cumberland County Water District, on this  $22^{n/2}$  day of May, 2008.

My Commission expires 8/21/2011 <u>Chabita Cornwall</u> Notary Public, <u>at larg</u> Kentucky

(Seal of Notary)

.

.

.

## 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 Cumberland 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 (Construction Certificate) in connection with the construction of additions, extensions, and improvements to the District's water distribution system, consisting of water line extensions (the "Project").

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

The undersigned states that the proposed plans and specifications for the 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 Project is to be financed solely through the application of a \$700,000 Grant from the Commonwealth of Kentucky (2006 Kentucky General Assembly Grant).

Based upon the information supplied by the Engineers, it is estimated that construction of the Project will commence on or about June 15, 2008 and end on or about September 15, 2008.

Based upon the advice of the Engineers, the undersigned believes that no increase in water rates will be required by the District, as existing rates are estimated to be sufficient 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.

Dated this 22 day of May, 2008.

#### CUMBERLAND COUNTY WATER DISTRICT

Stephen L. Capps

Chairman

,

.

. .

.

·

. .

## CUMBERLAND COUNTY WATER DISTR

OFFICE: 133 Lower River Street, Burkesville, KY 42717-9622 PHONE 270/864-3133 FAX 270/864-3865 EMAIL ccwdoffice@alltel.net WATER TREATMENT PLANT: 210 Leslie Road, Burkesville, KY 42717

March 22, 2007

Ms. Amy Hellard Kentucky Infrastructure Authority 1024 Capital Center Drive, Suite 340 Farnkfort, KY 40601

Grant ID# 268N-2007 Re: Cumberland County

Dear Ms. Hellard:

Please find attached the following documents for the above referenced grant.

Grant Assistance Agreement

Estimated Project Budget

Water Project Profile

Schedule of Rates

Electronic Deposit Form

Exhibit 2 Resolution

Certificate

Should you need additional information, please advise.

Sincerely,

Elizabeth Cornwall And

Elizabeth Cornwall Project Administrator

## KENTUCKY INFRASTRUCTURE AUTHORITY

## 2006 GENERAL ASSEMBLY HOUSE BILL 380

## **GRANT ASSISTANCE AGREEMENT**

WRIS NUMBER:

WX21057010

GRANT ID #:

268N-2007

\$600,000

GRANT AMOUNT:

GRANTEE:

Cumberland County Water District

DATE OF AGREEMENT:

## CUMBERLAND COUNTY WATER DISTRICT

OFFICE: 133 Lower River Street, Burkesville, KY 42717-9622 PHONE 270/864-3133 FAX 270/864-3865 EMAIL ccwdoffice@alltel.net WATER TREATMENT PLANT: 210 Leslie Road, Burkesville, KY 42717

March 22, 2007

Ms. Amy Hellard Kentucky Infrastructure Authority 1024 Capital Center Drive, Suite 340 Farnkfort, KY 40601

Grant ID# 528CD-2007 Re: Cumberland County

Dear Ms. Hellard:

Please find attached the following documents for the above referenced grant.

Grant Assistance Agreement

Estimated Project Budget

Water Project Profile

Schedule of Rates

Electronic Deposit Form

Exhibit 2 Resolution

Certificate

Should you need additional information, please advise.

Sincerely,

Elizabeth Cornwall

Project Administrator

## KENTUCKY INFRASTRUCTURE AUTHORITY

## 2006 GENERAL ASSEMBLY HOUSE BILL 380

## **GRANT ASSISTANCE AGREEMENT**

WRIS NUMBER:

WX21057010

528CD-2007

\$100,000

GRANT ID #:

**GRANT AMOUNT:** 

GRANTEE:

**Cumberland County Water District** 

DATE OF AGREEMENT:

#### · ·

.

.

## PRELIMINARY ENGINEERING REPORT FOR THE CUMBERLAND COUNTY WATER DISTRICT CUMBERLAND COUNTY, KENTUCKY

# COUNTY WIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS

· \* \*\*\*



**MARCH 2005** 

## PRELIMINARY ENGINEERING REPORT FOR THE CUMBERLAND COUNTY WATER DISTRICT CUMBERLAND COUNTY, KENTUCKY

## COUNTY WIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS

## I. <u>GENERAL</u>

This Preliminary Engineering Report is intended to analyze the proposed water distribution system extensions and improvements that are being planned by the Cumberland County Water District to serve 23 first time customers with potable drinking water and to upgrade or replace undersized water lines in six areas of Cumberland County. The new customers to be served are all residential. In addition, this project proposes upgrade four water storage tanks; install a new 300,000 gallon elevated water storage tank, and five new master meters and appurtenances.

The Cumberland County Water District provides water service to nearly 2,200 residential and nonresidential customers throughout Cumberland County. The District owns and operates a water treatment plant which is located near the Leslie community.

Included in this report are maps of the proposed service area showing the intended routes of the water lines, and the location of major appurtenances. In addition, project cost estimates are included which outline all costs associated with the water plant and water line improvements that are planned. Rural Development "Kentucky Guide 7" will be submitted at a later date and the information that will be contained in the guide will analyze the capability of the Water District to execute this project by evaluating the financial status of the District along with a review of the operation of the District.

## II. PROJECT PLANNING AREA

The Cumberland County Water District owns and operates a water distribution system that serves all of Cumberland County with the exception of the City of Burkesville. Formed by the merger of the old South Cumberland Water District which served the southern portion of Cumberland County along with the old Marrowbone Water District which served the northern portion, parts of the water system have been in operation for over 40 years. The project proposes to install a new 300,000 gallon elevated water storage tank to be constructed along an existing 100,000 gallon tank at the Kentucky Highway 449 location. Renovation in the form of painting the interior and exterior surfaces of the remaining four storage tanks is planned. These tanks are referred to and located at Marrowbone, Allens Creek, Highway 1880, and Highway 61. Along with the tank improvements, six areas are slated to be upgraded with larger water lines to replace the undersized existing 2-inch lines. Those areas are Leatherwood Road, Highway 100 Connector, Highway 449 Transmission Main that will connect to the new water tank, Dutch Creek, Pitman Creek, and Mud Camp Community. In addition, 23 new customers will be receiving water for the first time and they reside in the Dug Hollow Road, Williams Creek, West Fork Road, and Howard Spears Road communities. The final portion of work planned is the installation of five master meters to be strategically placed to assist the District in the maintaining water loss at an acceptable level. These areas are outlined on the attached maps.

Topography of the area near the Cumberland River is typically river bottom with a steep ridge that overlooks these river areas. The land use in these areas is mainly agricultural with some light timber harvesting in the steeper sloped areas. Within the proposed water line extension and improvement areas there are no commercial or industrial businesses expected.

The residents in the communities that have never been served by a public water system mostly rely on creeks, or community springs, which are known to be contaminated. There are no cisterns and thus there is no possibility that these residences can transport their water by commercial water haulers. People in these areas carry water to their homes by means of barrels, buckets, jugs, old milk cartons, or other containers. They often make daily trips to the nearest water source, none of which are monitored by an approved health agency. It is not anticipated that a significant growth pattern will emerge as a result of the implementation of a domestic water supply but rather that the standard of living for those residents will be greatly improved.

## III. EXISTING FACILITIES

The water treatment plant which is owned and operated by the Cumberland County Water District serves nearly 2,200 residential and nonresidential customers that reside throughout Cumberland County. The formation of the Cumberland County Water District is the result of a merger between the Marrowbone Water District and the South Cumberland Water District. The Cumberland River which lies generally east to west along center of the county served as the general boundary between the two water districts. The service area of the Marrowbone Water District was in the northern portion of the county and the South Cumberland Water District served the southern area of Cumberland County. The merger was completed in 1996 and as a part of the project that linked the two Districts together was a transmission water line that extended through the Jackson Hollow. Also included was an expansion at the water treatment plant which is located in the Marrowbone service area. The Water Districts were formed in 1960s and at that time the Marrowbone system constructed a water treatment plant to provide them water for their service area. The South Cumberland system opted to purchase all of its water for resale from the City of Burkesville.

As a result of the merger, the water treatment plant located near the Leslie community continues to provide water to all of the old Marrowbone system which is located north of the Cumberland River, and also to a portion of the old South Cumberland system. In addition, the old South Cumberland area continues to be supplied by the City of Burkesville. As a result of the merger of the two water districts, a new water purchase contract was negotiated between the City of Burkesville and the new Cumberland County Water District. The contract specified a maximum daily amount that could be purchased by the Water District.

The Water District operates the water system through a Board of Commissioners which consists of the chairman and four commissioners which are appointed by the Cumberland County Fiscal Court.

Information regarding the current rate structure, annual operation and maintenance data and a tabulation of the users for an annual period by monthly usage categories and revenue, will be analyzed in the Summary Addendum which will be included in the Kentucky Guide 7 (to be submitted at a later date).

## IV. <u>NEED FOR THE PROJECT</u>

This project is intended to eliminate a serious health hazard in the communities in which it will serve by providing first time potable water service to those residents that reside within those communities. As mentioned earlier, the use of unsafe and potentially contaminated water for drinking and other vital human needs is prevalent. It is well known and confirmed by the local health agency that ground water, springs, and surface water from creeks and streams is unfit for human consumption.

This project is also intended to resolve deficiencies in the distribution system that have resulted in lower than expected supply pressures. An evaluation revealed that six areas of the water distribution system were being supplied with 2-inch water lines which were serving as transmission mains. In these areas and during peak demand, water pressures are extremely low and in some cases negative pressures could result which could lead to contamination by allowing ground water to enter into the system. It is not anticipated that a significant growth pattern will emerge as a result of a water line replacement but rather that the quantity and quality of the water supply will be greatly improved. By replacing the 2-inch water lines with 8-inch, 6-inch, 4-inch, and 3-inch water lines, the Water District will be able to supply a sufficient amount of water to meet the demands of their customers and reduce the risk of a potential health threat.

In order for the Water District to maintain the proper level of operation a new 300,000 gallon elevated water tank is to be constructed alongside an existing 100,000 gallon tank at the Highway 449 location. This existing tank is one of the first tanks built in the system and is strategically located such that a large portion of the water system depends

on water that is supplied from this tank. The existing tank indicates evidence that major repairs are eminent but with the development of a new tank at this site the expensive renovation could be avoided.

The four water storage tanks that are owned and operated by the Water District have begun to show signs of deterioration of the interior and exterior surfaces. The surface coatings have begun to show signs of weathering and require painting of the interior and the exterior.

Finally, in a continuing effort to address the water loss that the District experiences the project intends to install five master meters located at strategic points throughout the water system. These master meters will be used to obtain knowledge as to which portions of the water system are in satisfactory physical shape and which need further attention.

## V. <u>ALTERNATIVES CONSIDERED</u>

Based on the fact that there are no other major potable water suppliers that are situated to serve the four areas in need of new water lines, the Cumberland County Water District is the only logical entity that is in position to provide water service. The Water District is regulated by the Kentucky Division of Water and also the Kentucky Public Service Commission, The City of Burkesville supplies water to the District and they along with the Water District are the only major public water suppliers in Cumberland County. Therefore, based on these factors, the proposed method of service is the only alternative that exists to adequately serve these residences that reside within the Dug Hollow Road, Williams Creek, West Fork Road, and Howard Spears Road communities.

In regard to the 2-inch water line replacements, which have resulted in low water pressures and potential health threats, the only alternative is to replace the these undersized lines with the proposed 8-inch, 6-inch, 4-inch, and 3-inch water lines.

## VI. <u>PROPOSED PROJECT</u>

The proposed project consists of the installation of 52,000 LF of 3-inch water line to serve approximately 23 new customers. The project also includes the installation of 67,000 LF of 8-inch, 6-inch, 4-inch, and 3-inch water lines to upgrade existing service lines as well as the renovation of four existing water storage tanks, one new 300,000 gallon water storage tank, and the installation of five new master meters and appurtenances. An itemized cost estimate is included in this report and it outlines all of the individual construction items along with their associated estimated unit costs. A summary cost estimate summarizes all of the project costs and outlines the funding scheme for the project which is also included in this report.

This project proposes to serve new and existing customers with a sufficient and safe water supply in the areas in need of new water lines as well as those in need of water line replacement as shown on the attached maps. The current water system will continue to serve the Water District without over extending the capacity of the water supply and distribution system. The proposed water lines and water line replacements are planned to be installed adjacent to the public rights of ways and all residences interested in obtaining water service will be served by the new water lines.

The project cost has been estimated to be \$1,634,000 and the total project cost will be \$1,887,000. The Water District is proposing to finance the project through the upcoming proposed Kentucky State House Bill 395 which outlines an amount of \$1,177,000 for water system improvements to the District's system along with funds from the U.S.D.A.'s Rural Development program in the form of a grant in the amount of \$335,000 and also as a loan in the same amount of \$335,000.

## VII. <u>CONCLUSIONS AND RECOMMENDATIONS</u>

Based on the desperate need for the residents in the communities to have a potable water supply it is recommended that the Cumberland County Water District pursue the financial assistance as outlined above in order that this unhealthy situation can be corrected. The Cumberland County Water District is the only major supplier of potable water within this rural area of Cumberland County and their system is situated such that these extensions and line replacements as proposed could be made without affecting service to their existing customers.

Consequently, once the extensions and improvements are completed, the availability of a quality water supply shall be increased, water purchases from the City of Burkesville will be in compliance with the Water Purchase Contract, and the replacement of the existing undersized services to the Leatherwood Road, Highway 100 Connector, Highway 449 Transmission Main that will connect to the new water tank, Dutch Creek, Pitman Creek, and Mud Camp areas shall provide a sufficient and safe water source for the area residents.

.

.

## PRELIMINARY COST ESTIMATE COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS ITEMIZED SUMMARY CUMBERLAND COUNTY WATER DISTRICT DECEMBER 2004

	······	
ITEM	NEW USERS	COST
Leatherwood Road Replacement		\$95,000.00
Highway 100 Connector		72,000.00
Highway 449 Transmission Main		177,000.00
Dutch Creek Replacement		74,000.00
Pitman Creek Replacement		83,000.00
Mudcamp Replacement	· · · · · · · · · · · · · · · · · · ·	80,000.00
,	<u> </u>	
Dug Hollow Road	5	\$26,000.00
Williams Creek	4	66,000.00
West Fork Road	9	158,000.00
Howard Spears Road	5	59,000.00
· ·		
Highway 449 Water Storage Tank		\$388,000.00
Master Meters		48,000.00
Storage Tank Renovation		308,000.00
Total Construction & Contingency		\$1,634,000.00

0400/CumberlandCo/CostEstimates

ł

?

 ${\rm Iee}$ 

السا

нç

## PRELIMINARY COST ESTIMATE COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS CUMBERLAND COUNTY WATER DISTRICT CUMBERLAND COUNTY, KENTUCKY DECEMBER 2004

PROJECT COSTS	
DEVELOPMENT	\$1,483,500.00
CONTINGENCY	150,500.00
ENGINEERING	123,000.00
INSPECTION	65,000.00
LEGAL	20,000.00
INTEREST	20,000.00
ADDITIONAL ENGINEERING	25,000.00
TOTAL PROJECT COSTS	\$1,887,000.00
PROJECT FINANCING	
TOBACCO SETTLEMENT FUND	\$1,177,000.00
USDA GRANT	355,000.00
USDA LOAN	355,000.00
TOTAL PROJECT FINANCING	\$1,887,000.00

÷

\*\*\*\*

÷...

Į.

1



























ł






## FINAL ENGINEERING REPORT

# WATER SYSTEM IMPROVEMENTS & EXTENSIONS

PHASE 1 COUNTY WIDE WATER LINE EXTENSIONS

### CUMBERLAND COUNTY WATER DISTRICT CUMBERLAND COUNTY, KENTUCKY

PROJECT 0668

APRIL 2008





April 4 2008

Mr. Steve Capps, Chairman Cumberland County Water District 133 Lower River St. Burkesville, KY 42717

Re: Cumberland County Water District County Wide Water System Improvements & Extensions

Dear Mr. Capps:

On April 7, 2008 bids were received by the Cumberland County Water District for the first phase of the water system improvements and extension. This phase consists of the extension of water lines located throughout Cumberland County. Seven bids were received and the lowest was by United Pipeline, Inc. in the amount of \$548,660.00. Attached please find a copy of all of the bids received along with a Final Budget. A review of the budget reveals that the total project cost including a ten percent contingency is \$737,511.46 leaving an amount of \$679,388.54 for the phase 2 improvements. The intent is for this project to be considered to be a two phased project with this initial phase for water line extensions and the second phase is planned for system improvements such as water tank renovation and distribution system upgrades.

Based on the competitiveness of the bids, we recommend that you consider using a combination of the grant funds from the Kentucky General Assembly and grant and loan funds from USDA to complete the financing for this phase and consider awarding a contract to United Pipeline Inc. in the amount of \$548,660.00. In addition, we recommend that you now finalize the plan to undertake the system improvements now that the amount of available funds is known. This recommendation is contingent upon approval from the Kentucky Public Service Commission and USDA.

Should you need additional information, please advise.

Sincerely,

in Ban la

David M. Bowles, P.E.

/dmb

#### FINAL COST ESTIMATE COUNTY WIDE WATER SYSTEM EXTENSIONS CUMBERLAND COUNTY WATER DISTRICT CUMBERLAND COUNTY, KENTUCKY APRIL 2008

#### **PROJECT COSTS**

DEVELOPMENT	\$548,660.00
CONTINGENCY	54,866.00
ENGINEERING DESIGN	54,975.73
CONSTRUCTION INSPECTION	39,009.73
INTEREST	20,000.00
LEGAL & ADMINISTRATION	20,000.00
TOTAL PROJECT COSTS - PHASE 1	\$737,511.46
CONTINGENCY - PHASE 2	679,388.54
TOTAL PROJECT COSTS	\$1,416,900.00
PROJECT FINANCING	
2006 KENTUCKY GENERAL ASSEMBLY GRANT	\$700,000.00

RURAL DEVELOPMENT GRANT 295,000.00

RURAL DEVELOPMENT LOAN

CUMBERLAND COUNTY WATER DISTRICT

TOTAL PROJECT FINANCING

\$1,416,900.00

415,000.00

6,900.00

		COUNTYWIDE WATED SYSTEM EXTENSIONS & MUDDOWENTS	EVTENCIONO 2.	IN DO OVENENTO			rage toro
Lawrenceddig, 171 +00+2 Phone (502) 839-1310 Fax (502) 839-1373	BID D	CUMBERLAND COMBERLAND CO	D COUNTY, KENTUCKY 2008 @ 2:00P.M. LOCA	INT NOVEMENTS KY CAL TIMF			
		United Pipeline,	ine, Inc. Souther	Southern Backhoe, Inc.	oe, Inc.	Stotts Construction	ion Co., Inc.
		Tompkinsville, F	le, KY 42167	Campbellsville, KY 42718	ы. КҮ 42718	Columbia, KY 42728	:728
		UNIT	TOTAL	UNIT	TOTAL		TOTAL
DESCRIPTION	QUANTITY	PRICE	COST	PRICE	COST	PRICE	COST
BASE CONTRACT							
8-Inch PVC SDR 21 Water Line	14,700 LF	\$8.00	\$117,600.00	\$8.60	\$126,420.00	\$8.60	\$126,420.00
6-Inch PVC SDR 21 Water Line	4,450 LF	6.00	26,700.00	6.50	28,925.00		29,815.00
4-Inch PVC SDR 21 Water Line	24,700 LF	4.50	111,150.00	3.90	96,330.00	5.25	129,675.00
3-Inch PVC SDR 21 Water Line	21,100 LF	3.90	82,290.00	3.60	75,960.00	4.80	101,280.00
3-Inch PVC SDR 17 Water Line	12,530 LF	. 4.00	50,120.00	3.77	47,238.10	5.00	62,650.00
Bore & Case for 8-Inch WL	80 LF	60.00	4,800.00	85.00	6,800.00	100.00	8,000.00
Bore & Case for ô-Inch WL	30 LF	50.00	1,500.00	85.00	2,550.00	80.00	2,400.00
Bore & Case for 4-Inch WL	70 LF	50.00	3,500.00	65.00	4,550.00	70.00	4,900.00
Bore & Case for 3-Inch WL	200 LF	50.00	10,000.00	60.00	12,000.00	60.00	12,000.00
Creek Crossing for 4-Inch WL	310 LF	40.00	12,400.00	75.00	23,250.00	20.00	6,200.00
Creek Crossing for 3-Inch WL	170 LF	40.00	6,800.00	70.00	11,900.00	20.00	3,400.00
8-Inch Gate Valve	3 EA	800.00	2,400.00	725.00	2,175.00	825.00	2,475.00
6-Inch Gate Valve	1 EA	650.00	650.00	200.00	500.00	625.00	625.00
4-Inch Gate Valve	1 EA	450.00	450.00		440.00	540.00	540.00
3-Inch Gate Valve	12 EA	350.00	4,200.00	400.00	4,800.00	450.00	5,400.00
2-Inch Gate Valve	1 EA	300.00	300.00	300.00	300.00	425.00	425.00
Air Release Valve	2 EA	575.00	1,150.00	670.00	1,340.00	850.00	1,700.00
Flush Hydrant Assembly	4 EA	2,500.00	10,000.00	2,250.00	9,000.00	2,350.00	9,400.00
Blowoff Assembly	10 EA	650.00	6,500.00	650.00	6,500.00	550.00	5,500.00
Connection	12 EA	800.00	9,600.00	975.00	11,700.00	1,000.00	12,000.00
Meter Setting	25 EA	400.00	10,000.00	525.00	13,125.00	290.00	14,750.00
Meter Reconnection	50 EA	100.00	5,000.00	200.00	10,000.00	250.00	12,500.00
3/4-Inch Service Tubing	3,700 EA	1.50	5,550.00	3.00	11,100.00	3.20	11,840.00
Pressure Reducing Station	2 LS	24,000.00	48,000.00	14,000.00	28,000.00	15,000.00	30,000.00
Master Meter	1 LS	18,000.00	18,000.00	19,000.00	19,000.00	15,000.00	15,000.00
TOTAL RASE RID			\$548 660 00		8222 002 10		

CUMBERLAND COUNTY WATER DISTRICT

BID I ABULATIONS

וייטואצרכם באפואבבעואפי ואכי

556 Carlton Drive

\*DENOTES AN ARITHMETIC ERROR WAS MAADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED.

1) 1) 1)

N HA

A. David M-Bowles BY: Leand M.

Project No. 0668

Page 2 of 6	ction Co., Inc. 12728	TOTAL	COST		\$30,480.00	5,400.00	450.00	550.00	1,000.00	590.00	2,750.00	1,920.00	\$43,140.00
	Stotts Construction Co., Inc. P.O. Box 1689 Columbia, KY 42728	UNIT	PRICE		\$4.80	20.00	450.00	550.00	1,000.00	590.00	250.00	3.20	
	<u></u>	TOTAL	CÓST		\$22,860.00	18,900.00	400.00	650.00	975.00	525.00	2,200.00	1,800.00	\$48,310.00
RICT APROVEMENTS Y AL TIME	Southern Backhoe, Inc. 808 West Main St. Campbellsville, KY 42718	TINU	PRICE		\$3.60	70.00	400.00	650.00	975.00	525.00	200.00	3.00	
TABULATIONS COUNTY WATER DISTRICT STEM EXTENSIONS & IMPR( ND COUNTY, KENTUCKY , 2008 @ 2:00P.M. LOCAL T	167	TOTAL	COST		\$24,765.00	10,800.00	350.00	650.00	800.00	400.00	1,100.00	900.006	\$39,765.00
BID TABULATIONS CUMBERLAND COUNTY WATER DISTRICT COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS CUMBERLAND COUNTY, KENTUCKY BID DATE: APRIL 7, 2008 @ 2:00P.M. LOCAL TIME	United Pipeline, Inc.* 48 Hagan St. Tompkinsville, KY 42167	UNIT '	PRICE		\$3.90	40.00	350.00	. 650.00	800.00	400.00	100.00	1.50	
COUNTYWIDE COUNTYWIDE BID DA			QUANTITY		6,350 LF	270 LF	1 EA	1 EA	1 EA	1 EA	11 EA	600 LF	
MCNARCH ENGINEERING, INC. 556 Carlton Drive Lawrenceburg, KY 40342 Phone (502) 539-1373 Fax (502) 839-1373		ITEM	NO. DESCRIPTION	ALTERNATE NO. 1	1 3-Inch PVC SDR 21 Water Line	2 Creek Crossing for 3-Inch WL	3 3-Inch Gate Valve	4 Blowoff Assembly	5 Connection	6 Meter Setting	7 Meter Reconnection	8 3/4-Inch Service Tubing	TOTAL ALTERNATE NO. 1

а.

Phone (502) 839-1310 Fax (502) 839-1373	BID D	CUMBERLAND COUNTY, KENTUCKY BID DATE: APRIL 7, 2008 @ 2:00P.M. LOCAI	ID COUNTY, KENTUCKY 2008 @ 2:00P.M. LOCAL TIME	KY Cal Time			
		D.F. Bailey, Inc. P.O. Roy 439		Garrison Construction Co., Inc.	uction Co., Inc		tion, Inc.
-		Owingsville, KY	KY 40360	Greensburg, KY 4274	9 Nu. 42743	Tompkinsville, KY 42167	ru. (Y 42167 -
17EM		UNIT	TOTAL	UNIT	TOTAL	UNIT	TOTAL
NO. DESCRIPTION		PRICE	COST	PRICE	COST	PRICE	COST
BASE CONTRACT							
1 8-Inch PVC SDR 21 Water Line	14,700 LF	\$9.90	\$145,530.00	\$11.30	\$166,110.00	\$12.70	\$186,690.00
2 6-Inch PVC SDR 21 Water Line	4,450 LF	7.29	32,440.50	8.80	39,160.00	7.00	31,150.00
3 4-inch PVC SDR 21 Water Line	24,700 LF	5.26	129,922.00	6.75	166,725.00	6.90	170,430.00
4 3-Inch PVC SDR 21 Water Line	21,100 LF	4.45	93,895.00	5.75	121,325.00	6.20	130,820.00
5 3-Inch PVC SDR 17 Water Line	12,530 LF	4.66	58,389.80	6.00	75,180.00	6.40	80,192.00
6 Bore & Case for 8-Inch WL	80 LF	152.64	12,211.20	105.00	8,400.00	96.00	7,680.00
7 Bore & Case for 6-Inch WL	30 LF	141.18	4,235.40	95.00	2,850.00	81.00	2,430.00
8 Bore & Case for 4-Inch WL	70 LF	129.73	9,081.10	90.00	6,300.00	74.00	5,180.00
9 Bore & Case for 3-Inch WL	200 LF	117.64	23,528.00	70.00	14,000.00	72.00	14,400.00
10 Creek Crossing for 4-Inch WL	310 LF	39.09	12,117.90	20.00	15,500.00	42.00	13,020.00
11 Creek Crossing for 3-Inch WL	170 LF	34.80	5,916.00	50.00	8,500.00	41.00	6,970.00
12 8-Inch Gate Valve	3 EA	865.19	2,595.57	902.00	2,715.00	900.006	2,700.00
13 6-Inch Gate Vaive	1 EA	599.63	599.63	635.00	635.00	650.00	650.00
14 4-Inch Gate Valve	1 EA	490.92	490.92	525.00	525.00	200.00	500.00
15 3-Inch Gate Valve	12 EA	444.51	5,334.12	465.00	5,580.00	450.00	5,400.00
16 2-Inch Gate Valve	1 EA	368.26	368.26	395.00	395.00	380.00	380.00
17 Air Release Valve	2 EA	2,010.16	4,020.32	590.00	1,180.00	450.00	00.006
18 Flush Hydrant Assembly	4 EA	2,682.26	10,729.04	2,457.00	9,828.00	2,400.00	9,600.00
19 Blowoff Assembly	10 EA	1,130.40	11,304.00	750.00	7,500.00	700.00	7,000.00
20 Connection	12 EA	1,764.01	21,168.12	1,375.00	16,500.00	1,200.00	14,400.00
21 Meter Setting	25 EA	712.02	17,800.50	687.00	17,175.00	515.00	12,875.00
22 Meter Reconnection	50 EA	451.80	22,590.00	525.00	26,250.00	225.00	11,250.00
23 3/4-Inch Service Tubing	3,700 EA	4.05	14,985.00	3.75	13,875.00	4.00	14,800.00
24 Pressure Reducing Station	2 LS	17,373.53	34,747.06	15,625.00	31,250.00	14,700.00	29,400.00
25 Master Meter	1 LS	19,580.60	19,580.60	19,150.00	19,150.00	18,000.00	18,000.00
TOTAL BASE BID			\$693,580.04		\$776,608.00		\$776,817.00

Project No. 0668

Page 3 of 6

MONARCH ENGINEERING, INC. Lawrenceburg, KY 40342 556 Carlton Drive

COUNTYWIDE WATER DISTRICT COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS **BID TABULATIONS** 

s, INC.	
EERING	
H ENGINE	1 Drive
NARCH	Carlton I
NOW	556.0

bbis Cariton Drive Lawrenceburg, KY 40342

<sup>2</sup>hone (502) 839-1310

# BID TABULATIONS CUMBERLAND COUNTY WATER DISTRICT COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS CUMBERLAND COUNTY, KENTUCKY BID DATE: APRIL 7, 2008 @ 2:00P.M. LOCAL TIME

				AL	ير ا		\$39,370.00	11.070.00	450.00	. 00.007	1,200.00	515.00	2,475.00	2,400.00	\$58.180.00
	stion, Inc	Rd.	KY 42167	TOTAL	COST		\$36								\$58
	Garrison Construction Co., Inc Cleary Construction, Inc.	2006 Edmonton Rd.	Tompkinsville, KY 42167	UNIT	PRICE		\$6.20	41.00	450.00	700.00	1,200.00	515.00	225.00	4.00	
	uction Co., Inc	g Rd.	42743	TOTAL	COST		\$36,512.50	13,500.00	465.00	750.00	1,375.00	687.00	5,775.00	2,250.00	\$61,314.50
AL TIME	Garrison Constr	6960 Greensburg Rd.	Greensburg, KY 42743	UNIT	PRICE		\$5.75	50.00	465.00	750.00	1,375.00	687.00	525.00	3.75	
3 @ 2:00P.M. LOC				TOTAL	COST		\$28,257.50	9,396.00	444.51	1,130.40	1,764.01	712.02	4,969.80	2,430.00	\$49,104.24
BID DATE: APRIL 7, 2008 @ 2:00P.M. LOCAL TIME	D.F. Bailey, Inc.	P.O. Box 439	Owingsville, KY 40360	UNIT	PRICE		\$4.45	34.80	444.51	1,130.40	1,764.01	712.02	451.80	4.05	
					QUANTITY		6,350 LF	270 LF	1 EA	1 EA	1 EA	1 EA	11 EA	600 LF	
(502) 339-1373			•		DESCRIPTION	ALTERNATE NO. 1	3-Inch PVC SDR 21 Water Line	Creek Crossing for 3-Inch WL	3-Inch Gate Valve	Blowoff Assembly	Connection	Meter Setting	Meter Reconnection	3/4-Inch Service Tubing	TOTAL ALTERNATE NO. 1
rax				ITEM	Ň		~	~	Ċ	4	S	9	7	ω	

•

MONARCH ENGINEERING, INC. 556 Carlton Drive

Lawrenceburg, KY 40342

Phone (502) 839-1310

CUMBERLAND COUNTY WATER DISTRICT COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS CUMBERLAND COUNTY, KENTUCKY BID DATE: APRIL 7, 2008 @ 2:00P.M. LOCAL TIME

**BID TABULATIONS** 

450.00 550.00 40,050.00 172,900.00 137,150.00 83,951.00 8,000.00 2,400.00 4,550.00 11,000.00 15,500.00 8,500.00 880.00 2,400.00 330.00 4,800.00 10,000.00 8,000.00 15,600.00 13,000.00 13,750.00 \$183,750.00 20,350.00 34,000.00 20,000.00 TOTAL COST **Twin States Utilities, Inc.** Mt. Hermon, KY 42157 7.00 55.00 9.00 6.50 6.70 100.00 80.00 65.00 50.00 50.00 800.00 550.00 450.00 330.00 440.00 800.00 520.00 400.00 5.50 \$12.50 2,500.00 1,300.00 275.00 17,000.00 20,000.00 P.O. Box 14 PRICE UNIT 80 LF 30 LF 70 LF 3 EA 1 EA 1 EA 12 EA 10 EA 12 EA 1 EA 2 EA ЧU 25 EA 4,450 LF 24,700 LF 21,100 LF 12,530 LF 14,700 LF 200 LF 310 LF 170 LF പ്പ പ്പ 50 EA 3,700 EA QUANTITY 4 2 <del>، -</del> 3-Inch PVC SDR 21 Water Line 8-Inch PVC SDR 21 Water Line 6-Inch PVC SDR 21 Water Line 4-Inch PVC SDR 21 Water Line 3-Inch PVC SDR 17 Water Line 10 Creek Crossing for 4-Inch WL 11 Creek Crossing for 3-Inch WL Bore & Case for 8-Inch WL Bore & Case for 4-Inch WL Bore & Case for 3-Inch WL Bore & Case for 6-Inch WL 24 Pressure Reducing Station DESCRIPTION 18 Flush Hydrant Assembly 23 3/4-Inch Service Tubing 22 Meter Reconnection BASE CONTRACT 8-Inch Gate Valve 13 6-Inch Gate Valve 14 4-Inch Gate Valve 15 3-Inch Gate Valve 16 2-Inch Gate Valve Air Release Valve 19 Blowoff Assembly 21 Meter Setting 25 Master Meter Fax (502) 839-1373 20 Connection 2 ITEM Ő 7 **~**~~ 2 က 4 ഗ c ω တ 1

\$811,861.00

TOTAL BASE BID

MONARCH ENGINEERING, INC. 556 Carlton Drive

Lawrenceburg, KY 40342 Phone (502) 839-1310

Fax (502) 839-1373

COUNTYWIDE WATER SYSTEM EXTENSIONS & IMPROVEMENTS CUMBERLAND COUNTY, KENTUCKY

CUMBERLAND COUNTY WATER DISTRICT

**BID TABULATIONS** 

BID DATE: APRIL 7, 2008 @ 2:00P.M. LOCAL TIME Twin States Utilities, Inc. P.O. Box 14 Mt Hermon VV 10157

			Mt. Hermon, KY 42157	42157
ITEM			UNIT	TOTAL
NO.	DESCRIPTION	QUANTITY	PRICE	COST
	ALTERNATE NO. 1			
-,	3-Inch PVC SDR 21 Water Line	6,350 LF	\$6.50	\$41,275.00
~	Creek Crossing for 3-Inch WL	270 LF	50.00	13,500.00
m	3-Inch Gate Valve	1 EA	400.00	400.00
**	Blowoff Assembly	1 EA	800.00	800.00
10	Connection	1 EA	1,300.00	1,300.00
0	Meter Setting	1 EA	520.00	520.00
2	Meter Reconnection	11 EA	275.00	3,025.00
8	3/4-Inch Service Tubing	600 LF	5.50	3,300.00
	TOTAL ALTERNATE NO. 1			\$64,120.00