



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 1, 2010

Ms. Nancy Mieure
South 641 Water District
P. O. Box 126
Hazel, Kentucky 42049

Ms. Kim DeRenard
Purchase Area Development District
P.O. Box 588
Mayfield, Kentucky 42066

Re: Case No. 2009-00349
South 641 Water District

Dear Ms. Mieure and Ms. DeRenard:

The enclosed electronic mail message between Commission Staff and South 641 Water District and its attachments have been placed in the record of the above-referenced proceeding.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Detouen".

Jeff Detouen
Executive Director

4 Enclosures

Wuetcher, Jerry (PSC)

From: Kim DeRenard [kim.derenard@purchaseadd.org]
Sent: Wednesday, February 24, 2010 2:35 PM
To: Wuetcher, Jerry (PSC)
Cc: South 641Water District
Subject: South 641 Water District Case No. 2009-00349
Follow Up Flag: Follow up
Due By: Monday, March 01, 2010 9:00 AM
Flag Status: Red

Mr. Wuetcher:

Attached you will find the South 641 Water District bid tabulation, engineer recommendation letter, letter from the commissioner's stating bidder approval, and revised budget. The original copy will be mailed to the PSC.

The Water District Board met Monday evening to approve the bidder. Please note the two commissioners present and voting at the meeting signed the approval letter. Last week, the Water District Chairman, Max Parks, passed away suddenly.

Thank you,

Kim DeRenard
Purchase Area Development District
P.O. Box 588
Mayfield, KY 42066
270-251-6188
Fax: 270-251-6110
Kim.derenard@purchaseadd.org

South 641 Water District

P.O. BOX 126
Hazel, KY 42049
(270) 492-8857

February 22, 2010

Jeff DeRouen
Executive Director
Kentucky Public Service Commission
P.O. Box 165
211 Sower Blvd.
Frankfort, KY 40602-0615

RE: South 641 Water District – Case No. 2009-00349
Application for a CPCN for a Sewer Improvements Construction Project:
Wastewater Treatment Plant Improvements and Lift Station Construction

Dear Mr. DeRouen:

Enclosed please find the bid tabulation and engineer recommendation letter for the South 641 Water District WWTP Improvements and Lift Station Construction project. The low bidder is Brown General Contracting, Inc. with a bid amount of \$352,325.27.

On February 22, 2010, at a meeting of the South 641 Water District Board, the low bidder Brown General Contracting, Inc. was approved. These improvements are necessary to address Notice of Violations the wastewater system has received. The funding agencies involved in the project are aware of the as-bid cost being higher than the original cost estimate. Being there is nothing that can be removed from the project; the funding agency has permitted the Water District to move money from the Part II Sewer Rehabilitation. When the Part II Sewer Rehabilitation is bid there will be deductive alternatives added to the project specifications to ensure that the project stays within budget.

Thank you for your assistance with this project. If you have questions or need additional information, please feel free to contact the wastewater operator, Hank Stanfield, at the Water District at (270) 492-8857 or the project administrator, Kim DeRenard at the Purchase Area Development District (270) 251-6188.

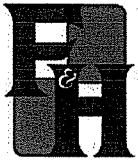
Sincerely,



Nancy Mieure, Secretary/Commissioner



Hillis Farris, Commissioner



Florence & Hutcheson

CONSULTING ENGINEERS

February 18, 2010

Mr. Hank Stanfield
South 641 Water District
P.O. Box 126
Hazel, Kentucky 42049

RE: Wastewater Treatment Plant Improvements
South 641 Water District

Dear Hank:

On February 10, 2010, sealed bids were accepted and opened for the above referenced project. Four (4) competitive bids were received using unit prices. The bids are tabulated as follows for your use and review:

- | | |
|--|---------------------------|
| • Brown General Contracting, Inc. | Bid Amount = \$352,325.27 |
| • Ivitts Plumbing Contractors, Inc. | Bid Amount = \$387,156.00 |
| • Murtco, Inc. | Bid Amount = \$389,087.00 |
| • W.D. Steele Construction Services, LLC | Bid Amount = \$439,929.09 |

In reference to the bid results from the above referenced project, Brown General Contracting, Inc. is the low bidder on the project. As a firm, we have not had experiences working with Brown General Contracting on water / wastewater projects. F&H contacted references provided by Brown General Contracting regarding previous construction projects.

Based on our conversations with the above noted references, it appears that they are a reputable general contractor. We feel that Brown General Contracting along with their subcontractors are capable of installing the systems associated with the Wastewater Treatment Plant Improvements. We recommend Brown General Contracting be awarded the contract for this project. As with many contractors, we feel that they must be observed frequently to confirm the proper installation of all materials and systems. F&H is currently under contract to provide periodic inspection of the project.

If you have any questions, or wish to discuss further, please call.

Sincerely,

FLORENCE & HUTCHESON, INC.

Michael K. Jones, P.E.
Project Engineer

07206

Cc: Kim DeRenard - PADD

WASTEWATER TREATMENT PLANT IMPROVEMENTS

for
SOUTH 641 WATER DISTRICT
BID TABULATION
FEBRUARY 10, 2010

ITEM	DESCRIPTION	UNIT	QTY.	BROWN GENERAL CONTRACTING, INC.		IVITTS PLUMBING CONTRACTORS, INC.		MURTKO, INC.		W.D. STEELE CONSTRUCTION SERVICES, LLC	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	Influent Duplex Lift Station & Force Main with Electrical	L.S.	1.00	\$118,019.00	\$118,019.00	\$120,000.00	\$120,000.00	\$91,820.00	\$91,820.00	\$118,742.80	\$118,742.80
2	Convert Exist Lift Station to Manhole	L.S.	1.00	\$6,050.00	\$6,050.00	\$5,500.00	\$5,500.00	\$9,800.00	\$9,800.00	\$6,050.00	\$6,050.00
3	Influent Flow Meter, Vault and Recorder	Ea.	1.00	\$11,407.00	\$11,407.00	\$15,600.00	\$15,600.00	\$13,775.00	\$13,775.00	\$16,309.70	\$16,309.70
4	DGA at Lift Station	TON	175.00	\$29.08	\$5,075.38	\$25.00	\$4,375.00	\$32.00	\$5,600.00	\$24.37	\$4,264.75
5	Lift Station Fencing & Gate	L.F.	154.00	\$29.08	\$4,478.32	\$62.00	\$9,548.00	\$50.00	\$7,700.00	\$36.71	\$5,653.34
6	Temporary Bypass Pumping	L.S.	1.00	\$5,280.00	\$5,280.00	\$48.00	\$48.00	\$3,940.00	\$3,940.00	\$5,280.00	\$5,280.00
7	Remove existing Lift Station Shelter	L.S.	1.00	\$550.00	\$550.00	\$1,400.00	\$1,400.00	\$2,950.00	\$2,950.00	\$1,375.00	\$1,375.00
8	Valve Extension in Control Structure	Ea.	1.00	\$550.00	\$550.00	\$500.00	\$500.00	\$320.00	\$320.00	\$550.00	\$550.00
9	Grating and Handrail at Control Structure	L.S.	1.00	\$9,944.00	\$9,944.00	\$11,500.00	\$11,500.00	\$15,400.00	\$15,400.00	\$9,900.00	\$9,900.00
10	Cast in Place Manhole	Ea.	1.00	\$4,675.00	\$4,675.00	\$4,250.00	\$4,250.00	\$3,360.00	\$3,360.00	\$4,675.00	\$4,675.00
11	8" Effluent Piping	L.F.	90.00	\$27.50	\$2,475.00	\$25.00	\$2,250.00	\$26.00	\$2,340.00	\$27.50	\$2,475.00
12	Disinfection Chamber	L.S.	1.00	\$31,696.00	\$31,696.00	\$43,000.00	\$43,000.00	\$46,780.00	\$46,780.00	\$48,125.00	\$48,125.00
13	Effluent Headwall	Ea.	1.00	\$1,100.00	\$1,100.00	\$1,000.00	\$1,000.00	\$1,370.00	\$1,370.00	\$1,100.00	\$1,100.00
14	Abandon Existing Chamber & Headwall	L.S.	1.00	\$660.00	\$660.00	\$600.00	\$600.00	\$1,620.00	\$1,620.00	\$660.00	\$660.00
15	Chemical Feed Building	S.F.	475.00	\$110.97	\$52,710.75	\$127.00	\$60,325.00	\$188.00	\$89,300.00	\$136.32	\$64,752.00
16	Chemical Feed Equipment	L.S.	1.00	\$38,170.00	\$38,170.00	\$34,700.00	\$34,700.00	\$27,685.00	\$27,685.00	\$29,700.00	\$29,700.00
17	Electrical @ Building	L.S.	1.00	\$9,570.00	\$9,570.00	\$11,600.00	\$11,600.00	\$9,570.00	\$9,570.00	\$4,902.70	\$4,902.70
18	Effluent Flow Meter & Recorder	Ea.	1.00	\$6,358.00	\$6,358.00	\$5,750.00	\$5,750.00	\$6,360.00	\$6,360.00	\$10,615.00	\$10,615.00
19	1" Waterline	L.F.	100.00	\$9.35	\$935.00	\$8.50	\$850.00	\$6.00	\$600.00	\$9.35	\$935.00
20	Frost Free Yard Hydrant	Ea.	1.00	\$1,375.00	\$1,375.00	\$1,250.00	\$1,250.00	\$1,080.00	\$1,080.00	\$1,375.00	\$1,375.00
21	DGA Walkway	TON	30.00	\$29.00	\$870.00	\$50.00	\$1,500.00	\$43.00	\$1,290.00	\$21.84	\$655.20
22	DGA Access Drive	TON	155.00	\$24.84	\$3,850.20	\$35.00	\$5,425.00	\$38.00	\$5,890.00	\$24.37	\$3,777.35
23	36" Storm Drain	L.F.	45.00	\$40.89	\$1,840.05	\$64.00	\$2,880.00	\$89.00	\$4,005.00	\$49.06	\$2,207.70
24	Earthwork	C.Y.	400.00	\$24.75	\$9,900.00	\$42.00	\$16,800.00	\$30.00	\$12,000.00	\$31.52	\$12,606.00
25	Silt Fence	L.F.	525.00	\$4.03	\$2,115.75	\$4.00	\$2,100.00	\$3.00	\$1,575.00	\$1.93	\$1,013.25
26	Class II Channel Lining & Fabric at Effluent	TON	42.00	\$44.00	\$1,848.00	\$73.00	\$3,066.00	\$36.00	\$1,512.00	\$1,287.00	\$54,054.00
27	Class II Channel Lining & Fabric in Creek	TON	385.00	\$44.00	\$16,940.00	\$28.00	\$10,780.00	\$36.00	\$13,860.00	\$30.64	\$11,796.40
28	Regrade Creek Channel	C.Y.	185.00	\$8.92	\$1,650.20	\$27.00	\$4,995.00	\$16.00	\$2,960.00	\$15.24	\$2,819.40
29	Gate at Access Drive	Ea.	1.00	\$870.00	\$870.00	\$1,964.00	\$1,964.00	\$1,620.00	\$1,620.00	\$1,210.00	\$1,210.00
30	Staff Gauge	Ea.	1.00	\$100.00	\$100.00	\$1,200.00	\$1,200.00	\$90.00	\$90.00	\$137.50	\$137.50
31	Remove Equipment from Existing Chemical Building	L.S.	1.00	\$200.00	\$200.00	\$400.00	\$400.00	\$1,310.00	\$1,310.00	\$5,170.00	\$5,170.00
32	Abandon existing 8" effluent line, fill chamber with DGA	L.S.	1.00	\$100.00	\$100.00	\$500.00	\$500.00	\$1,105.00	\$1,105.00	\$6,050.00	\$6,050.00
33	8" plug on existing gravity line	L.S.	1.00	\$605.00	\$605.00	\$550.00	\$550.00	\$100.00	\$100.00	\$605.00	\$605.00
34	Temporary Construction Sign	Ea.	1.00	\$358.00	\$358.00	\$950.00	\$950.00	\$400.00	\$400.00	\$385.00	\$385.00
TOTAL					\$352,325.27		\$387,156.00		\$389,087.00		\$439,929.09

I hereby certify that the foregoing figures are as submitted by bids received this date.

Michael Jones

Mike Jones, PE, KY PE No. 23657

Error in Calculation

Project Funding	
Community Development Block Grant	\$ 440,000.00
EPA Special Appropriation Grant	\$ 240,600.00
Kentucky Infrastructure Authority HB 380 Grant	\$ 200,000.00
Kentucky Infrastructure Authority HB 608 Grant	\$ 60,000.00
Total Project Funding	\$ 940,600.00

ESTIMATED BREAKDOWN OF PROJECT COSTS

	8/1/2009 submitted to PSC	2/10/2010
PART 1: Wastewater Treatment Plant Improvements and Lift Station Construction (Current Application for CPNC)		
Construction	\$ 278,690.00	\$ 352,325.27 (As-bid amount)
Contingency 10%	\$ 27,869.00	\$ 874.73
Design and Inspection	\$ 60,100.00	\$ 60,100.00
Groundwater protection plan report fee	\$ 2,900.00	\$ 2,900.00
Subsurface investigation	\$ 2,500.00	\$ 2,500.00
Total Estimated Cost	\$ 372,059.00	\$ 418,700.00
 PART 2: Sewer Rehab (Currently in design) Water District will submit application for CPNC to the PSC at later date)		
Construction	\$ 379,400.00	\$ 337,000.00
Contingency 10%	\$ 37,941.00	\$ 33,700.00
Design and Inspection	\$ 58,500.00	\$ 58,500.00
Flow Monitoring	\$ 9,900.00	\$ 9,900.00
Smoke Testing	\$ 12,200.00	\$ 12,200.00
Sewer Cleaning and CCTV Inspection	\$ 29,300.00	\$ 29,300.00
Total Estimated Cost	\$ 527,241.00	\$ 480,600.00
 Kentucky Infrastructure Authority (KIA) Administration Costs		
Kentucky Infrastructure Authority HB 380 - \$1,000	\$ 1,000.00	\$ 1,000.00
Kentucky Infrastructure Authority HB 608- \$300	\$ 300.00	\$ 300.00
Total KIA Admin Costs	\$ 1,300.00	\$ 1,300.00
 Purchase Area Development District Administration Costs		
Community Development Block Grant Admin - \$25,000	\$ 25,000.00	\$ 25,000.00
HB 380 Admin	\$ 10,000.00	\$ 10,000.00
HB 608 Admin	\$ 3,000.00	\$ 3,000.00
Total PADD Admin Costs	\$ 38,000.00	\$ 38,000.00
Environmental Review Notices	\$ 216.75	\$ 216.75
Easements, Legal Fees - Miscellaneous Project Contingency	\$ 1,783.25	\$ 1,783.25
Total Estimated Project Costs	\$ 940,600.00	\$ 940,600.00