

Northern Kentucky
Water District

March 15, 2010

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Franfort, KY 40602-0615

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COMMISSION

Subject: Case 2010-00038 Northern Kentucky
Water District (Construct)

Dear Mr. Derouen:

This letter pertains to the Memorial Parkway Treatment Plant (MPTP) Advanced Treatment project that was recently filed with the PSC. The bids are set to expire April 18, 2010, however, we would appreciate an accelerated review of this project that would enable the District to award the project earlier. We have based this request on recent discussions with the contractor that has emphasized the need to start construction as soon as possible.

The initial work of this project requires a total plant shutdown for 5 days in order to demolish the existing structure and to relocate large piping. Construction on the new advanced treatment building cannot proceed until this work is completed. It is imperative that we be able to perform this critical shutdown at the beginning of the project. The specifications do not allow the contractor to take the plant out of service between April 1st and October 31st. This timeframe was selected because system demands begin to increase in April as water use rises, and it does not subside until October. We will likely need to lift this constraint and allow the contractor to take the plant out of service after April 1st. However, the District is concerned with our ability to reliably meet water demands with the plant off-line in summer months.

The District installed piping interconnections in the distribution system to allow the MPTP to be taken out of service. However, we have only used the interconnections in winter months when the water demand was at its lowest level. We are more concerned with being able to meet system demands while operating on the interconnection in warmer months, as this has not been tested. An earlier project start will significantly improve our ability to reliably meet system demands.

The contractor hopes to be able to complete the structural concrete work before cold weather this Fall. Concrete placement in cold weather requires substantial measures to protect the concrete during curing. These protective measures are expensive and significantly slow down work productivity. In order to avoid construction in cold weather the contractor requests receiving Notice of Award from the District by March 29, 2010.

Another benefit of starting construction sooner is that greater flexibility for coordinating shut-downs between the MPTP and the Ft. Thomas Treatment Plant Advanced Treatment projects will be possible. Toward the end of construction it is likely that shut-downs will be requested simultaneously by each contractor. The District will not allow these shut-downs to occur at the same time. It is expected that an earlier construction start at MPTP will reduce the potential for conflicts between the contractors' projects.

By being able to award the MPTP project by March 29th, we anticipate the highest degree of contractor efficiency and shortest construction schedule. A shorter construction schedule will result in the lowest costs paid to the engineering firms involved in construction and other contract administration fees incurred by the District.

Bringing the new advanced treatment processes on-line earlier will also benefit our customers by having the improved water quality delivered to them sooner. An earlier completion puts the District in the best possible position for meeting the disinfection byproduct regulations that go into effect in April 2012.

We hope that you will consider these points in your review and make every attempt to accelerate your review. Should you need any additional information or have any questions, please let us know so that we may respond promptly.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Harrison', with a horizontal line extending to the right.

Richard Harrison, P.E.
Vice President of Engineering

akk

cc: Jerry Wuetcher