

# North Logan Water District

3118 Lewisburg Road  
Russellville, Kentucky 42276  
270-725-8050  
[northloganwater@att.net](mailto:northloganwater@att.net)

RECEIVED  
JAN 06 2014  
PUBLIC SERVICE  
COMMISSION

January 3, 2014

Jeff Derouen

Executive Director

Kentucky Public Service Commission

P.O. Box 615

Frankfort, Kentucky 40602-0615

Dear Mr. Derouen,

North Logan Water District application for a Certificate of Public Convenience and Necessity to install radio read meters has been completed under your guidance. North Logan Water District has submitted the original copy and eleven copies, with the eleventh copy to be returned to us with stamp of remittance. We would really like approval as soon as possible as bids have a time limit. If you require more information contact us at number listed below.

Thank you,



Billy Harper

North Logan Water District

270-725-8050

270-725-2884

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTH LOGAN WATER DISTRICT FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO INSTALL RADIO READ METERS	) ) CASE NO. 2013-_____ ) )
---	--------------------------------------

APPLICATION

North Logan Water District ("North Logan District"), by counsel, pursuant to KRS 278.020, applies to the Commission for a Certificate of Public Convenience and Necessity to replace its existing water meters with a radio read metering system.

In support of its Application, North Logan District states:

1. North Logan District's mailing address is: 3118 Lewisburg Road, Russellville, Kentucky 42276.
2. North Logan District is a water district that is organized pursuant to the provisions of KRS Chapter 74 and that has no separate articles of incorporation.
3. A description of North Logan District's water system and property and a statement of the original cost of its property is contained in its financial and statistical report for the calendar year ending December 31, 2012, which has been previously filed with the Commission. North Logan District incorporates by reference that report into this Application.
4. North Logan District proposes to purchase a radio read meter system at a cost of \$135,460 to replace its existing metering system. The proposed purchase will include replacement of 560 meters and all necessary computing equipment and

software. Under the purposed purchase arrangement, North Logan will be required to pay an annual service fee of \$1,500.

5. North Logan District has advertised for and received bids for the proposed purchase. It proposes to purchase the meters and associated services from Construction Site Services, LLC. Copies of the bids are attached as Exhibit A.

6. North Logan District has prepared a cost-benefit study of the proposed purchase, which is attached at Exhibit B. The results of this study indicate that the proposed purchase will result in an annual savings of \$19,756.

7. No other regulatory approvals for the purchase are required.

8. North Logan District will not adjust its rates for water service as a result of the proposed purchase.

9. North Logan District will not issue any debt or other evidences of indebtedness to finance the proposed purchase, but will use internal funds.

10. The proposed metering equipment will not enable North Logan District to compete for service with any other utility.

11. The estimated annual cost of operating the proposed metering equipment is set forth in Exhibit B.

12. The proposed purchase and installation of radio read meters for North Logan District will not result in the wasteful duplication of existing utility facilities, will not result in excessive investment, and is in the public interest.

13. The public convenience and necessity require the proposed purchase and installation of radio read meters for North Logan District.

WHEREFORE, North Logan District respectfully requests that the Public Service Commission issue a Certificate of Public Convenience and Necessity for the proposed purchase and installation of radio read meters for its water distribution system.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Joseph E. Ross', is written over a horizontal line.

Joseph E. Ross  
Ross & Williams, LLP  
200 West 4<sup>th</sup> Street  
P. O. Box 905  
Russellville, KY 42276  
270-726-7800 Telephone  
270-726-8458 Fax  
[joeross210@yahoo.com](mailto:joeross210@yahoo.com)

# **EXHIBIT A**

**BID #1**



# The C. I. Thornburg Co., Inc.

740 Enterprise Drive - Lexington, KY 40510

( 859 ) 255-0852 - FAX ( 859 ) 259-1171

Date: 8/22/2013

To: North Logan County

Re: Automatic Meter Reading System

We are pleased to propose the following material for the above referenced project:

<u>BID ITEM</u>	<u>BID QTY.</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>
<b>Mobile Collection Hardware</b>				
1	1	Drive-By Reading Equipment Package to include: (1) vehicle gateway base station (VGB) (1) dell laptop computer (1) mapping module with county streets map	18,000.00 \$	18,000.00
<b>Computer hardware for software Operation</b>				
2	1	AutoRead Software for route processing	1,250.00 \$	1,250.00
	1	AutoVu Software w/ mapping for vehicle based reading equipment	5,000.00 \$	5,000.00
<b>Handheld Modbile Reading/ Programming Device</b>				
3	1	AR5501 with charging stand, command link & GPS receiver	0.00 \$	-
<b>Residential Water Meter</b>				
4	560	5/8" x 3/4" Sensus SR11 meter Sensus Loyalty Program (SLP) or	96.00 \$	53,760.00
	560	5/8" x 3/4" Sensus accuStream Sensus Loyalty Program (SLP)	89.00 \$	49,840.00
<b>Sensus Radio Transmitter</b>				
5	560	520M single port radio	132.00 \$	73,920.00
<b>Installation</b>				
9	560	installation of meter and radio transmitter **	42.00 \$	23,520.00
<b>Maintenance &amp; Technical support</b>				
10	1	Sensus Remote software & technical support (1st year free)	1,905.75 \$	1,905.75

22500

# **EXHIBIT A**

**BID #2**

Run Date 7/08/13 HD SUPPLY WATERWORKS, LTD.

NORTH LOGAN WATER DISTRICT	HDSWW - BOWLING GREEN KY
STOCK #113 BOWLING GREEN	3352 Industrial Dr
3118 LEWISBURG RD	Bowling Green KY 42102
RUSSELLVILLE KY 42276	Telephone: 270-783-8721
Telephone: 270-725-8050	Fax: 270-783-8723
Fax: 270-725-8050	

7/08/13 Bid ID: 3514064 PH1 NORTH LOGAN AMR Page 1

Line	Quantity	Sell Per	Description	Net Price	Extended Price
------	----------	----------	-------------	-----------	----------------

\*\*\*\*\*  
 HDS - BOWLING GREEN  
 3352 INDUSTRIAL DRIVE  
 BOWLING GREEN, KENTUCKY 42101  
 CONTACT:  
 MOBILE:  
 TOLL FREE: 888-490-1944  
 PHONE: (270) 783-8721  
 FAX: (270) 783-8723  
 \*\*\*\*\*  
 BID DATE: 07/08/13  
 \*\*\*\*\*  
 CONDITIONS AS FOLLOWS:  
 THE FOLLOWING PRICES ARE FIRM  
 UNTIL: 12/31/13  
 \*\*\*\*\*

Bid Item 1

ORION ME START UP

180	1	EA	ORION ME MOBILE START UP. INCLUDING: 24 5/8X3/4 ORION ME ENDPOINTS PRE-WIRED TO ADE ENCODER, (1) ORION MOBILE READING SYSTEM WITH PANASONIC TOUGHBOOK, ORION READING SOFTWARE, READCENTER ANALYTICS SOFTWARE, DATA PROFILING VIEWER SOFTWARE, TWO DAYS OF ON-SITE TRAINING.	17,216.67 <i>3,747.54</i>	17,216.67
-----	---	----	--	------------------------------	-----------

Bid Item Sub-total: 17,216.67

Bid Item 2

LP METERS W/ ADE & ME ENDPOINT

290	560	EA	BADGER LP METER BRONZE CI BOT	156.16	87,449.60
-----	-----	----	-------------------------------	--------	-----------

Date 7/08/13 HD SUPPLY WATERWORKS, LTD.

NORTH LOGAN WATER DISTRICT  
STOCK #113 BOWLING GREEN  
3118 LEWISBURG RD  
RUSSELLVILLE KY 42276  
Telephone: 270-725-8050  
Fax: 270-725-8050

HDSWW - BOWLING GREEN KY  
3352 Industrial Dr  
Bowling Green KY 42102  
Telephone: 270-783-8721  
Fax: 270-783-8723

7/08/13 Bid ID: 3514064 PH1 NORTH LOGAN AMR

Page 2

Line	Quantity	Sell Per	Description	Net Price	Extended Price
			ADE ENCODER PRE WIRED TO ORION ME ENDPOINT, USG, PIT, 6 DIAL, 3' LEAD, THROUGH LID KIT.		

Bid Item Sub-total: 87,449.60

\*\*\*\*\*  
ESTIMATED METER INSTALLATION  
PER UNIT: 45.00  
\*\*\*\*\*  
ANNUAL MAINTENANCE AGREEMENT  
AFTER FIRST YEAR: 4474.56  
\*\*\*\*\*

Subtotal: 104,666.27  
Tax: .00  
Bid Total: 104,666.27

Estimated 45.00 x 560 =

\$25,200.00

134,340.83  
- 3,747.54  
-----  
130,593.29

with HANDHELD  
NO LAPTOP

# **EXHIBIT A**

**BID #3**

# CONSTRUCTION SITE SERVICES

# QUOTATION

**dba - CSS PIPE & METER**  
**552 S.R. 69 --- P. O. BOX 83**  
**HARTFORD, KY 42347**

**OFFICE 270-298-4545, FAX 270-298-4363**

Phone #	Date
270-298-4545	7/10/2013
Fax #	Quote #
270-298-4363	6951

**QUOTATION TO:**

North Logan Water District  
 3118 Lewisburg Road  
 Russellville, KY 42276

Ship To:  
 North Logan Water  
 3118 Lewisburg Road  
 Russellville, KY 42276  
 C/O BILLY HARPER

*04 964 666*

Qty	Description	Unit	TOTAL
1	NORTH LOGAN CO., KY MASTER METER AMR DRIVE-BY LAPTOP SYSTEM  MASTER METER DIALOG 3G -- RADIO METER READING SYSTEM WITH Panasonic Semi-Rugged Tough Notebook 5200 (latest version) Laptop, complete and ready for use. Includes: Two (2) days of training D-MMR Receiver All vehicle reading software One full year-software maint. agreement All hardware/wiring for components Rugged storage case OR vehicle mount stand Master Meter Systems (formally Greentree Applied Systems) out of Lexington is your daily support from the office.	21,500.00	21,500.00
560	NO LEAD PLASTIC BOTTOM RADIO-READ WATER METER--DIALOG-3G AMR 5/8 x 3/4, Bottom Load, U.S. Gallons-mechanical register, Plastic bottom, Plastic top, Code 39, (Please note there are two self-stick labels with each individual radio id # (RFID) to assist identification and documentation of your customers and they are attached to each water meter) (PLEASE NOTE: YOUR TEST RESULTS ARE UNDER THE METER REGISTER LID - 2 REUSABLE STICKERS)	187.00	104,720.00
<i>Install is \$16.50 per meter \$ 9,240.<sup>00</sup></i>			

Thank you for the opportunity to quote your hudgetary needs. Pipe is firm for 10 days, copper & wire is daily, and all else is 30 days, unless otherwise noted. All materials quoted shall be per the manufacturer's website submittals and information. Warranties shall be limited to the Manufacturers offerings. Any sales shall be per Construction Site Services, LLC Terms Agreement, separate from this document. All sales are taxable without proper exemption certificate. CSS is a D.O.T. certified DBE/WBE. We appreciate the opportunity to quote.

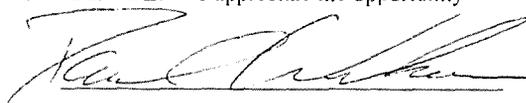
**Subtotal** \$126,220.00

**Sales Tax...** \$0.00

**TOTAL** \$126,220.00

*Installation* 9,240.00

*\$ 135,460*

  
 Signature/CSS Rep

# **EXHIBIT B**

North Logan Water District Estimated savings for Installation of Radio Read Meters:

- Mileage cost at present time \$678.00 per year, with radio read meters cost would be \$202.00 per year. Savings of \$476.00 per year.
- Salaries reading meters at \$4500.00 per year, \$375.00 per month, which could be put toward other projects. Radio read meters cost to read would be \$470.00 year and \$39.00 month. Saving of \$4030.00 per year.
- Maintenance on current Touch Read System currently about \$100.00 dollars to repair damaged wiring on meter installations. New Radio Read Meters have no wiring, so this would eliminate problem with wiring repairs. North Logan Water District usually repairs 25 to 50 a year. Costs per year could run \$2500.00 To \$5000.00 per year. New Radio Read system would not have this cost. Savings of \$2500.00 to \$5000.00 per year.
- Water loss through meters could be as high as 5% which could be costing water District \$10,000.00 per year. Savings of \$10,000.00 per year possible.
- New Radio Read Meters would help save on Leak Detection man hours due to ease of reading meters while isolating sections of meters for testing. This could be done with one operator, while at present time it takes two. Possible saving 50 man hours per year, approximately \$1200.00 to \$1500.00 per year.
- Current equipment is old and need of replacement at this time. Replacement costs could run \$7000.00 or more.
- New Radio Read Meters have reverse flow sensors which would work for North Logan Water District tampering with meter or theft of water. The customer would be kept from paying for water twice.

Mileage	Present Cost \$678/year	New Meter Cost \$202/year	Savings \$476/year
Salaries	Present Cost \$4500/year	New meter Cost \$470/year	Savings \$4,030/year
5% water Loss			Savings \$10,000/year
Maintenance	Present Cost \$3750/year	New Meter Cost \$ 0	Savings \$3,750/year
Leak Detection	Present Cost \$3000/year	New Meter Cost \$1500	<u>Savings \$1,500/year</u>
			Total Savings \$19,756/year

North Logan Water District Bids for Radio Read Water Meter System including Software/Hardware and installation.

CI Thornburg	\$177,355.00	Annual Service Fee	\$1905.75/year
HDS WaterWorks	\$129,866.00	Annual Service Fee	\$4475.56/year
Construction Site Services	\$135,460.00	Annual Service Fee	\$1500.00/year

North Logan Water District has examined the bids and have decided to go with Construction Site Services.

There Radio Read Meters have no wiring in box, or attachments to box lid, so installation and repair so much easier.

Their Software service agreement less expensive per year. The cost in savings in 5 year period would more than pay for difference in bids.