

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC SOUTHERN WATER & SEWER)	CASE NO.
DISTRICT METER REPLACEMENT)	2020-00121
SURCHARGE MONITORING)	

COMMISSION STAFF'S FIFTH REQUEST FOR INFORMATION
TO SOUTHERN WATER & SEWER DISTRICT

Southern Water & Sewer District (Southern District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on July 30, 2021. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, Southern District SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Southern District shall make timely amendment to any prior response if Southern District obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Southern District fails or refuses to furnish all or part of the requested information, Southern District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Southern District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the total cost of the AMR project that was filed into Case No. 2019-00328 on April 1, 2021, a copy of which is included as Attachment 1 to this Request, and the bid sheet from RG3 Meter Company (RG3) that was filed into Case No. 2019-00328 on September 6, 2019, a copy of which is attached to this Request as Attachment 2. Provide an explanation for the difference in the amount bid by RG3 and the actual amount dispersed to RG3.

2. Refer to Attachment 1.
 - a. Explain why \$19,068.82 was dispersed to RG3 in 2021, when Southern District reported the AMR project was completed on October 5, 2020.
 - b. Provide a justification for including an amount for postage in the total cost of the AMR project.
 - c. Provide a justification for including an amount for legal services in the total cost of the AMR project.
 - d. State whether an amount for legal services was included in the \$1,291,750 AMR project estimate provided to the Commission in Southern District's application in Case No. 2019-00328.
 - e. If an amount for legal services was not included in the AMR project estimate provided to the Commission in Case No. 2019-00328, state why it has been included in the total cost of the project.
3. State the total number of customer meters replaced in the AMR project. State whether this number is higher or lower than the 5,500 meters reflected in Southern District's application in Case No. 2019-00328, and state what impact the number of meters replaced had on the actual total cost of the project.
4. Refer to Attachment 1, items Laptop, Verison Hardware, and the two items entitled "Adapter," also refer to Attachment 2, Item 4, entitled "Panasonic Toughbook Laptop, Transceiver, Route Software, 3-Onsight Trainings and any other Hardware need for operating the AMR system."

a. Explain why the laptop referenced in Attachment 1 was not included in the \$19,500 total for Item 4 in Attachment 2 if it was hardware needed for operating the AMR system.

b. If the laptop referenced in Attachment 1 was not needed for operating the AMR system, explain why it has been included in the total cost for the system.

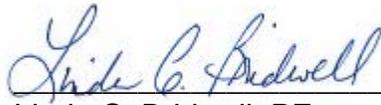
c. Explain why the Verison Hardware from Eclipse Data Solutions was not included in the \$19,500 total for Item 4 in Attachment 2 if it was hardware needed for operating the AMR system.

d. If the Verison Hardware referenced in Attachment 1 was not needed for operating the AMR system, explain why it has been included in the total cost for the system.

e. Explain why the adapters referenced in Attachment 1 were not included in the \$19,500 total for Item 4 in Attachment 2 if they were hardware needed for operating the AMR system.

f. If the adapters are not hardware needed for operating the AMR system, explain why they have been included in the total cost of the AMR system.

g. Explain why the motion filed in this proceeding by Southern District on January 25, 2021, and the application filed by Southern District in Case No. 2021-00046, the record of which was consolidated into the record of this proceeding by Order issued on February 16, 2021, each indicate Southern District had proceeds remaining from the Co-Bank Loan approved by the Commission in Case No. 2020-00114, when the total cost of the AMR project exceeded the amount of the Co-Bank Loan.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED JUL 09 2021

cc: Parties of Record

Case No. 2020-00121

ATTACHMENT 1

ATTACHMENT TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00121 DATED JUL 09 2021

ONE PAGE TO FOLLOW

Southern Water & Sewer District
 Meter Read Project
 4/1/2021

RG3 2020 DISBURSEMENTS	PER THE GENERAL LEDGER FOR YEAR END 12-31-20 ACTUAL METERS PURCHASES		1,354,579.80
2021 DISBURSEMNTS PER INVOICES RG3	METERS ALSO	368.82	-
		12,500.00	-
		6,200.00	19,068.82
ECLIPSE DATA SOLUTIONS	VERISON HARDWARE		358.40
UPS	POSTAGE		94.61
CONSOLIDATED PIPE	METER BOXES		1,260.00
CONSOLIDATED PIPE	METER BOXES		787.10
CONSOLIDATED PIPE	COUPLINGS ETC..		5,634.49
CONSOLIDATED PIPE	FORD BA13		1,144.00
CONSOLIDATED PIPE	METER BOXES GASKETS ETC		1,086.25
CONSOLIDATED PIPE	METER BOXES GASKETS ETC		699.39
CONSOLIDATED PIPE	CLAMPS ETC		5,728.35
CONSOLIDATED PIPE	3/4 FORD GT114		1,250.00
CONSOLIDATED PIPE	3/4 WILKINS #600		2,240.00
STEPHEN BAILEY	LEGAL		3,750.00
HAYES PIPE	SUPPLIES		6.30
AMAZON	ADAPTER		46.60
AMAZON	ADAPTER		31.40
RAM NO DRILL LAPTOP	LAPTOP		849.52
NORTHSIDE PLUMBING	NIPPLES ELS ETC		1,426.55
NORTHSIDE PLUMBING	NIPPLES ELS ETC		1,985.20
NORTHSIDE PLUMBING	NIPPLES ELS ETC		2,628.80
NORTHSIDE PLUMBING	NIPPLES ELS ETC		1,267.20
TOTALS			1,405,922.78

THESE AMOUNTS WERE FROM INVOICES ASSOCIATED WITH THE PROJECT AS SUPPLIED BY THE DISTRICT

ATTACHMENT 2

ATTACHMENT TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00121 DATED JUL 09 2021

FIVE PAGES TO FOLLOW

4. "coercive practice" means harming or threatening to harm, directly or indirectly persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5- BASIS OF Bid

Bidder will complete the Work in accordance with the Contract Documents for the following price (s):

Complete the following pricing schedule. Include all applicable taxes and fees. Amounts should be shown in both words and figures. If discrepancy, words shall govern.

Item No.	Estimated Quantity And Units	Description	Unit Price	Total
1.	5,500 Each	Furnish and Install New 5/8" X 3/4" Water Meters With MTR Register (AMR Registers)		
		Two hundred twenty	\$ 220.00	\$ 1,210,000.00
2.	50 Each	Furnish and Install New 1" Water Meters With MTR Register (AMR Registers)		
		Two hundred eighty five	\$ 285.00	\$ 14,250.00
3.	50 Each	Furnish and Install New 2" Water Meters With MTR Register (AMR Registers)		
		Seven hundred eighty	\$ 780.00	\$ 39,000.00
4.	2 Each	Panasonic Toughbook Laptop, Transceiver, Route Software, 3-Onsight Trainings and any other Hardware need for operating the AMR System		
		Nine thousand seven hundred fifty	\$ 9,750.00	\$ 19,500.00
5.	1 L.S	Bonds and insurance		
		Twenty five six fifty five	\$ 6,500.00	\$ 6,500.00
6.	1 L.S	1-Year Maintenance Fee		
		Twenty five hundred	\$ 2,500.00	\$ 2,500.00
		First year maintenance fee no charge!		
TOTAL PRICE				\$ 1,291,750.00

One million two hundred ninety one thousand seven hundred fifty dollars

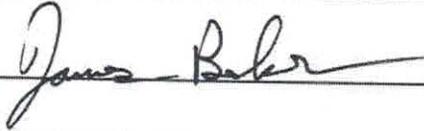
Bidder acknowledges that (1) each Bid Unit Price Includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item, and (2) that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid Items will be based on actual quantities, determined as provided in the Contract Documents.

BIDDER

Meter Install Group

By:

(Signature)



Title: Territory Manager

(Print name) James Baker

Submittal Date: 7/10/2019

ARTICLE 7- Attachments to this Bid

The following documents are submitted with and made a condition of this Bid:

- A. Basis of Bid;
- B. Receipt of Addenda;
- C. Product Spec Sheets;
- D. Finance Options For Project by Bidder;

AMR Meter Reading System Specifications

1. SCOPE OF WORK

Southern Water and Sewer District issues this RFP to procure a Meter Reading System capable of meeting the current and future meter reading needs within our service area. The scope of work involves, but is not limited to, providing and installing a Meter Reading System which includes software, hardware, and all necessary training and installation support. The reading equipment shall be capable of receiving meter readings while utilizing a Mobile AMR Collector and/or a Fixed Network Collector.

The system must utilize radio frequency (RF) technology to improve meter reading efficiency, access "hard-to-read" or "difficult access" meters, and increasing meter reader safety. The vendor shall describe the requirements to incorporate RF technology.

The system shall allow manual entry within the same route without detaching the Meter Transceiver Register (MTR). The proposed system must be manufactured by the same company (specifics must be submitted with the proposal). All meter reading equipment and absolute encoder registers with integrated RF transceivers furnished shall be manufactured entirely in the United States.

1.1 Communications

The contractor shall coordinate all work through the Owner and UMG.

1.2 Meter Replacement

The contractor shall replace all meters by billing cycle.

The contractor shall not replace inactive meters.

The contractor shall not subcontract installation of meters.

The contractor shall return old meters to the Owner.

ARTICLE 1- BID RECIPIENT

1.01

Sealed Bid Proposals for Water Meter AMR System will be received by the Southern Water and Sewer District, 245 Kentucky Route 680, McDowell, Kentucky until July 10th, 2019 at 3:00 p.m. at which time the Proposals received will be publicly opened and prices read. Bid packets shall be labeled: Southern Water and Sewer District Water Meter AMR System Proposal, Attention: Donald Compton – Project Manager. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid shall be enclosed in a separate package plainly marked on the outside with notion "Bid Enclosed".

1.02

The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2- BIDDER'S ACKNOWLEDGEMENTS

2.01

Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3- BIDDER'S REPRESENTATIONS

3.01

In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, and any data and reference items identified in the Bidding Documents, and hereby acknowledges receipt of the following Addenda:

<u>Addendum No.</u>	<u>Addendum, Date</u>
_____	_____
_____	_____
_____	_____

B.

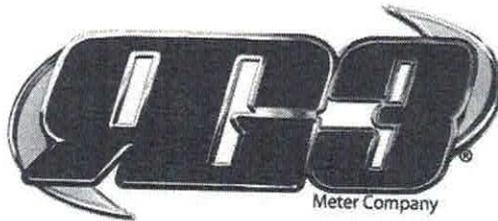
Bidder has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and satisfied it self as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C.

Bidder is familiar with and has satisfied itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D.

Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and any Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder's safety precautions and programs.



Meter Installation Price does not include Hard Surfaces or removal and replacement of asphalt or concrete!

Meter Installation Price does not include replacement of curb stops or broken shut off valves!

Meter Installation Price does not include Box Replacement!

In order to facilitate a meter replacement and/or protect the utilities investment, most systems require 10% of the meter boxes to be Removed & Reset or Removed & Replaced (new box provided by utility). This occurs when existing boxes are broken or in cases where the original box was set on a meter nut, the shut off is currently outside of the confines of the meter box, roots of some kind have grown around the meter, etc.

In most systems that are 20+ years old, roughly 1% or 2% of the curb stops or shut off valves that have not been actuated in some time will break upon movement or are already in disrepair before the installers arrival. Meter Install Group strongly recommends the Utility budgets an additional 7% of the total bid price for contingency. The 7% \$93,000.00 will help the Utility cover the above issues that may occur.

Breakdown of Project Cost by Line Item

Item #1	5/8"x3/4" Meter with MTR	\$165.00 ea
	<u>5/8"x3/4" Meter Installation</u>	<u>\$ 55.00 ea</u>
		\$220.00 ea
Item #2	1" Meter with MTR	\$230.00 ea
	<u>1" Meter Installation</u>	<u>\$ 55.00 ea</u>
		\$285.00 ea
Item #3	2" Meter with MTR	\$630.00 ea
	<u>2" Meter Installation</u>	<u>\$150.00 ea</u>
		\$780.00 ea

Project Notes:

Unfortunately we cannot offer any financing options at this time. The Utility would need to provide our lenders with 3 years audited financials in order for them to consider facilitating a loan.

Meter Install Group (MIG) Qualification Statement

As a company, MIG has a very concentrated emphasis. Everything we do surrounds AMI / AMR and meter installation. We specialize in upgrading systems in the most efficient manner possible and in the least amount of time that is practical. This focus allows the utility to realize their return on investment as quickly as possible with the fewest headaches.

This level of expedition and professionalism weighs heavily because execution is often just as important to the overall success of a project as the utility's choice of meter system to invest in. Installation expedited by a competent and experienced company not only pays for itself quickly, but also enables the utility to realize the greatest potential of the system they have purchased.

MIG NEVER uses temporary labor to replace meters or collect meter data. Our personnel are highly trained and travel from project to project producing the most experienced crews in the industry, hands down. We use a "Crews & Systems" approach to meter replacement. Our efforts are streamlined, our assets are used to their most efficient capability, and a great emphasis is placed on quality control. We hold these systems and controls responsible for our perfect OSHA safety record, unmatched ½% error rate, and a production rate that is always far above expectation.

Project scopes have ranged from simple meter change outs to complex customer side rebuilds, requiring every meter box to be excavated. In many instances, we have been charged with incorporating new customer side shut off valves, backflow valves, leak detection devices, and installing AMR/AMI systems. We have successfully completed projects in extreme terrains covering the frozen ground and 9 foot meter depths of Kansas and Colorado, to the solid rock of the Texas hill country.

Although MIG is a Texas based company, our firm holds authority and meter specific contractor licenses to operate throughout most of the southern United States. In addition, MIG has been specially trained on every automated meter reading system in North America and has earned installation certifications for every manufacture that has a designation including Master Meter, Elster, Neptune, Badger, Itron, as well as PC such as Johnson Controls.

Minimized error, safety, and high production are achieved through refined systems that are proven to work. Efficiency is enhanced through consistent customer interface provided by our dedicated staff. We treat every project as a gift from God. Intrinsicly, integrity and excellence comprise the core of our business practices; all principals proudly verifiable through the references of our previous customers.

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