

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

**ELECTRONIC APPLICATION OF COLUMBIA/ADAIR)
UTILITIES DISTRICT FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY TO)
CONSTRUCT A SYSTEM IMPROVEMENTS PROJECT)Case No. 2025-00394
AND AN ORDER AUTHORIZING THE ISSUANCE)
OF SECURITIES PURSUANT TO 278.300)**

** *** *** ***** *** *** **

RESPONSE TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION

The Applicant, Columbia/Adair Utilities District ("Columbia/Adair District"), by Counsel, files this Response to the January 12, 2026 Commission Staff's First Request for Information set forth below.

Witness to all of the Responses: James C. Thompson, P.E., Kentucky Engineering Group, PLLC.

Request No. 1. Refer to the Application, Exhibit A, Public Necessity, Need and Alternatives.

1(a). Explain whether the proposed construction would result in any interruption of service to customers.

Response No. 1(a). There will be minimal service interruptions to customers (see Response 1(b) below).

1(b). If interruption of service is expected, explain the extent, including number of interruptions, the duration of the interruptions and the estimated number of customers impacted.

Response No. 1(b). With both the Majestic Yacht and Burkesville Road lift stations staying in service until gravity lines and force mains are constructed and in operation, there will be only minimal service interruption for four existing customers while switching their service over to the new mains. Those customers may also have a brief interruption in service during the conversion. The total number of customers that could have a possible interruption in service is approximately eight.

1(c). Explain how the District would minimize any interruption of water service related to the Project.

Response No. 1(c). Water service will not be affected by this Project.

Request No. 2. Refer to the Application, Exhibit A, generally providing a bullet point summary of the work that will be completed on the proposed Project for which a CPCN is requested (Proposed Project) and describing the alternatives considered. Refer also to the Application, Exhibit J, providing the bid tabs for work under two separate contracts - Contract 1 - WWTP Improvements and Contract 2 - System Improvements.

2(a). Identify which contract identified in Exhibit J includes each item of work listed for the Proposed Project in Exhibit A.

Response No. 2(a).

Contract No. 1

- Grit Removal System.

Contract No. 2

- Eliminating the Burkesville Road Lift Station
- Modify the Majestic Yacht Lift Station
- Construct a gravity line from the original lift station site to the Majestic Yacht lift station and then construct a force main from the Majestic Yacht lift station to the main interceptor sewer near the original lift station location.

2(b). Explain the requirement of the Kentucky Division of Water for a large wet well in more detail including what is specifically required and the basis for the requirement (i.e., is it something specifically required by regulation), required by Columbia/Adair District's permit, or required through some other mechanism.

Response No. 2(b). The Kentucky Division of Water requires two hours of emergency storage. The storage in the wet well is the primary storage with gravity lines coming into the station added back to the point where a manhole would overflow or begin to backup in a residence. The growth near the Burkesville Road lift station since it was constructed is such that two hours of storage is no longer achievable.

2(c). Explain in more detail what portions of the Proposed Project are necessitated by the Kentucky Division of Water's requirement for a large wet well.

Response No. 2(c). The Burkesville Road lift station is in need of immediate repair (pumps, guide rails, interior piping, controls, etc.). With the wet well inadequately sized, rehabilitating the station is not an acceptable alternative, therefore, replacing the station (wet well) is necessary. Since replacement is the only option, alternative locations were evaluated to better serve the area. A new location requires extending the gravity lines to the new location and then a new force main from the

new location to connect back to the existing force main. All of these items stem from the need for a complete new lift station.

2(d). Explain whether the additional lift station considered as an alternative to modifying the Majestic Yacht lift station would have had the same remaining useful life when placed in service as the modified Majestic Yacht lift station will have when the modifications are complete and explain the response.

Response No. 2(d). The modified Majestic Yacht lift station is basically a new lift station, the only component being reused is what is now the wet well being converted into a manhole. Therefore, the useful life is the same as a new lift station.

Request No. 3. Refer to the Application, Exhibit J, providing, among other things, the bid tabulation charts for work under the two contracts, and the November 18, 2025 letters indicating that the winning bidders provided revised bids for a reduced scope of work. Refer also to the Application, Exhibit A, noting that the scope of work was reduced due to the unavailability of funds.

3(a). Explain the reduced scope of work for Contract 1 discussed in the November 18, 2025 letter pertaining to Contract 1, and how Columbia/Adair District determined what work would be eliminated from the scope.

Response No. 3(a). Columbia/Adair District prioritized the items bid and determined the replacement of the grit system was the most urgent.

3(b). Explain the reduced scope of work for Contract 2 discussed in the November 18, 2025 letter pertaining to Contract 2, and how Columbia/Adair District determined what work would be eliminated from the scope.

Request No. 3(b). Columbia/Adair District prioritized the items bid and determined the replacement of the Burkesville lift station was the most important as well as the associated items required for full operation (new gravity line, force main, etc.). The one single grinder pump being installed was also determined to be the most important of the ones bid.

3(c). Confirm that Columbia/Adair District is requesting a CPCN for the revised scope of work for Contract 1 in the amount of \$406,000, and if it cannot be confirmed, explain why it cannot be confirmed.

Response No. 3(c). It is confirmed that \$406,000 is the amount of the revised quote for Contract No. 1 and is therefore the amount of the requested CPCN.

3(d). Confirm that Columbia/Adair District is requesting a CPCN for the revised scope of work for Contract 2 in the amount of \$1,872,176, and if it cannot be confirmed, explain why it cannot be confirmed.

Response 3(d). It is confirmed that \$1,872,176 is the amount of the revised quote for Contract No. 2 and is therefore the amount of the requested CPCN.

Request 4. Refer to the Application, PDF page 102, Exhibit J.

4(a). State whether the Proposed Project was opened for bids again for all parties or were only presented to those that already had the lowest bid.

Response No. 4(a). The Proposed Project was not re-bid. Only the contractors that submitted bids were presented the revised scope.

4(b). Provide an updated bid tabulation chart for Contract 1 using the revised bid amount of \$406,000.

Response No. 4(b). See attached **Exhibit “A”**.

4(c). If not provided in response to Item 3(a) of this Request, provide an itemized bid tabulation chart for Contract 1, like that provided as part of Exhibit J for Contract 2, using the revised bid amount of \$406,000.

Response No. 4(c). See attached **Exhibit “A”**.

4(d). For each item included in the chart, provide the following:

- (1) The NARUC depreciation life;
- (2) The expected date the property will be placed in service; and
- (3) The date when the first full year of depreciation is expected for each item listed

in the exhibit.

Response No. 4(d)(1). Contract 1 - treatment equipment - 20 years.

Response No. 4(d)(2). Contract 1 - October, 2026.

Response No. 4(d)(3). Contract 1 - October, 2027.

Request No. 5. Refer to the Application, PDF page 106, Exhibit J.

5(a). State whether the Proposed Project was opened for bids again for all parties or were only presented to those that already had the lowest bid.

Response No. 5(a). The Proposed Project was not re-bid. Only the contractors that submitted bids were presented the revised scope.

5(b). Provide an updated itemized bid tabulation chart for Contract 2 using the revised bid amount of \$1,872,176.

Response No. 5(b). See attached **Exhibit “B”**.

5(c). For each item included in the chart, provide the following:

- (1) The NARUC depreciation life;

(2) The expected date the property will be placed in service; and
(3) The date when the first full year of depreciation is expected for each item listed in the exhibit.

Response No. 5(c)(1). This is listed in the added column to the revised bid tabulation (Exhibit "B").

Response No. 5(c)(2). This is listed in the added column to the revised bid tabulation (Exhibit "B").

Response No. 5(c)(3). This is listed in the added column to the revised bid tabulation (Exhibit "B").

Request No. 6. Refer to the Application, Exhibit E, Estimated Annual Cost of Operation.

6(a). State the incremental operating and maintenance expenses of the project compared to Columbia/Adair District's current operating and maintenance expenses.

Response No. 6(a). The annual operation and maintenance expenses when the Proposed Project is complete will be less than current expenses by eliminating a lift station and associated power and equipment replacement costs due to normal operation.

6(b). Explain whether the incremental annual operation and maintenance expense on any alternatives would be materially different than the incremental operation and maintenance expense of the Proposed Project.

Response No. 6(b). The annual operation and maintenance expenses when the Proposed Project is complete will be less than current expenses as well as less than if alternatives were constructed. The Proposed Project eliminates a lift station which in itself is a significant reduction in cost.

Request No. 7. State, individually, the need for the following components of the project:

(a). Eliminating the Burkesville Road lift station;

Response No. 7(a). The Burkesville Road lift station has reached the end of its useful life and is undersized.

(b). Modifying the Majestic Yacht lift station;

Response No. 7(b). Flow from the Burkesville Road lift station is being diverted to the Majestic Yacht lift station requiring it to be modified to accept and pump the new flow.

(c). Constructing a gravity line from the original lift station site to the Majestic Yacht lift station and then construct a force main from the Majestic Yacht lift station to the main interceptor sewer near the original lift station location.

Response No. 7(c). This is required due to the removal of the Burkesville Road lift station. The gravity line is extended to transfer flow to the Majestic Yacht lift station then a force main will take flow from Majestic to the existing force main.

(d). Replacing one individual grinder pump with duplex style lift station and eliminating one existing individual grinder station; and

Response No. 7(d). This grinder station was originally installed by a developer and has reached the end of its useful life. The new station will meet the Columbia/Adair District's standardization of this type of station.

(e). Replacing the grit removal system at the waste treatment plant.

Response No. 7(e). The existing grit removal system has outlived its useful life and has severely deteriorated over the years.

Request No. 8. Provide the remaining estimated useful life of the following:

(a). Burkesville Road Lift Station.

Response No. 8(a). Zero to two years.

(b). The individual grinder pump that will be replaced with duplex style lift station.

Response No. 8(b). Zero to two years.

(c). The current grit removal system at the waste treatment plant.

Response No. 8(c). One year.

Request No. 9. Identify any alternatives that were considered regarding the duplex style lift station, and the new grit removal system.

Response No. 9. The alternative for the duplex grinder station would be to take flow directly to a gravity system, thus removing the need for the station. Given the topography of the area, this is not cost effective. The pista grit style grit system is a direct replacement to avoid significant infrastructure improvements (modifications to the concrete basin, piping, etc.). Other grit removal systems were considered but eliminated as a possibility because of these additional infrastructure improvements that would be required which would significantly increase the cost of the Proposed Project.

Request No. 10. State how bids were solicited, and if through publication, provide a copy of the publication.

Response No. 10. An advertisement for bids was placed in the newspaper and published on the plan distributor's website. See the advertisement attached as **Exhibit "C"**.

Request No. 11. State whether there were any reasons, besides it submission of the lowest cost proposal, that were considered in the selection of NAC Heavy Highway, Inc., Lexington,

Kentucky, or Cumberland Pipeline, LLC, Columbia, Kentucky, as the contractor for the respective bids.

Response No. 11. Columbia/Adair District officials and the Engineers are familiar with each contractor and have found their references and previous work experience acceptable.

Request No. 12. Provide the anticipated journal entries using the Uniform System of Accounts (UsoA) Account Numbers to record the financing transactions.

Response No. 12.

<i>General Ledger Account</i>	<i>Description</i>	<i>Debit</i>	<i>Credit</i>
224-10.30.80	<i>Loan A24-007</i>		\$2,939,475
125 (account not set up yet)	<i>Construction Fund</i>	\$2,939,475	

Request No. 13. Provide the anticipated journal entries by UsoA Account Numbers to record the construction completion transactions.

Response No. 13.

<i>UsoA Account No.</i>	<i>Description</i>	<i>Debit</i>	<i>Credit</i>
352.1	<i>Force Main</i>	\$360,246	
352.2	<i>Gravity Sewer</i>	\$850,850	
353	<i>Other Collection Plant Facilities</i>	\$2,400	
354	<i>Services to Customers</i>	\$86,360	
363A	<i>Pumping Equipment – Electric</i>	\$572,320	
373	<i>Treatment & Disposal Equip.</i>	\$406,000	
107	<i>Construction in progress</i>		\$2,278,176
<i>TOTAL:</i>		\$2,278,176	

Request No. 14. Provide the current net book value for any assets being replaced.

Response No. 14. The assets being replaced are: Burkesville Road lift station; one single grinder pump station; and the grit removal system at the treatment plant. To the best of my knowledge, the new book value of the three assets are: Burkesville Road lift station - \$115,145;

Single Grinder lift station - \$2,742.48; and grit removal system - unable to determine as this asset is included in the value of the treatment and disposal equipment and is not broken out separately.

Request No. 15. State whether Columbia/Adair District expects to file for a rate increase to account for the annual operating/maintenance expense, depreciation expense, and debt service charges from the project proposed in this case and provide an explanation for this decision. If Columbia/Adair District does expect to file a rate increase, provide the expected timeline for the filing.

Response No. 15. Columbia/Adair District does not expect to file for a rate increase at this time. Revenues are sufficient to cover operation, maintenance and depreciation expenses and debt service charges.

Request No. 16. Provide the WRIS project profile numbers for these projects.

Response No. 16. SX21001019 - only one WRIS number; all activities are listed in this one profile.

Sworn Verification of Response to Commission Staff's First Request for Information

COMMONWEALTH OF KENTUCKY

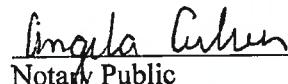
COUNTY OF WOODFORD

The undersigned, James C. Thompson, P.E., being first duly sworn, deposes and states that he is a registered professional engineer with the firm of Kentucky Engineering Group, PLLC, the consulting engineer to the Columbia/Adair Utilities District, and that he has personal knowledge of the matters set forth in the Responses for which he is identified as the witness, and the answers contained in said Responses are true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry. Further, he certifies that he has supervised the preparation of this Response as required by 807 KAR 5:001, Section 4(12)(d)(2)(b), and that this Response is true and accurate to the best of his knowledge, information and belief formed after a reasonable inquiry.



James C. Thompson, P.E.
Kentucky Engineering Group, PLLC
Registered Professional
Engineer, State of Kentucky
No. 24022

Subscribed, sworn to and acknowledged before me, a Notary Public in and for said County and State, this 14th day of January, 2026.



Notary Public

My Commission Expires 7-1-2028

Notary ID # KYNP8974

Respectfully Submitted,
Rubin & Hays

By 

W. Randall Jones, Esq.
Rubin & Hays
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7534
Fax: (502) 569-7555
Counsel for Columbia/Adair Utilities
District
wrjones@rubinhays.com

CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that the Columbia/Adair Utilities District's electronic filing of the foregoing Response is a true and accurate copy of the same document being electronically transmitted to the Kentucky Public Service Commission on January 16 2026; that there are currently no parties that the Kentucky Public Service Commission has excused from participation by electronic means in this proceeding.

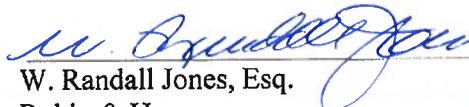

W. Randall Jones, Esq.
Rubin & Hays
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7534
Fax: (502) 569-7555
Counsel for Columbia/Adair Utilities
District
wrjones@rubinhays.com

EXHIBIT A

Updated Bid Tabulation Chart - Contract 1



BID TABULATION

Phase 24 Wastewater System Improvements

Contract 1 - WWTP Improvements

Columbia-Adair Utilities District

Columbia, Kentucky

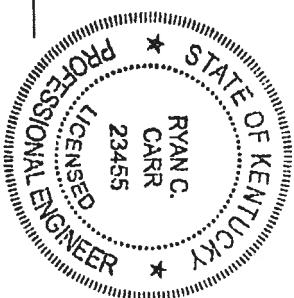
KEG Project No. 24006

REVISED BID AMOUNT

BID OPENING: Tuesday, September 30, 2025, 10:00 am CST

				NAC Heavy Highway Inc. Lexington, KY	Herrick Company, Inc. Lexington, KY
Item No.	Description	Quantity	Unit	Bid Amount	
1	Base Bid Contract Price	1	LS	\$ 406,000.00	\$ 498,000.00
TOTAL CALCULATED BASE BID AMOUNT				\$ 406,000.00	\$ 498,000.00

KENTUCKY ENGINEERING GROUP, PLLC



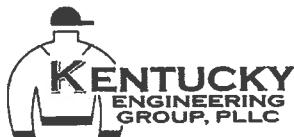
By:

A handwritten signature of 'Ryan Carr'.

Ryan Carr, PE
Project Manager

EXHIBIT B

Updated Bid Tabulation Chart - Contract 2


BID TABULATION

Phase 24 - Wastewater System Improvements

Contract No. 2 - System Improvements

Columbia-Adair Utilities District

KEG Project No. 24006

BID OPENING: Tuesday, September 30, 2025, 10:00 am Local Time

REVISED BID TAB

Item No.	Description	Quantity	Unit	Cumberland Pipeline Columbia, Kentucky		Norris Brothers Excavating Crossville, TN		NARUC Depreciated Life	Date to placed into service	Date of 1st Full Year of Depreciation
				\$ / Unit	Bid Amount	\$ / Unit	Bid Amount			
1	8" Gravity Sewer	2,072	LF	\$238.00	\$493,136.00	\$285.00	\$590,520.00	50	1/27	2028
2	8" HDPE Force Main	2,580	LF	\$85.00	\$219,300.00	\$185.00	\$477,300.00	40	1/27	2028
3	16" Roadbore for 8" Gravity Sewer	225	LF	\$531.00	\$119,475.00	\$750.00	\$168,750.00	50	1/27	2028
4	16" Roadbore for 8" Force Main	235	LF	\$531.00	\$124,785.00	\$750.00	\$176,250.00	40	1/27	2028
5	Connection to Exist. Manhole	2	EA	\$7,865.00	\$15,730.00	\$5,500.00	\$11,000.00	N/A	1/27	2028
6	Standard 4' Manhole	13	EA	\$9,734.00	\$126,542.00	\$8,950.00	\$116,350.00	50	1/27	2028
7	Additional Verticle Foot 4' Manhole	14	LF	\$743.00	\$10,402.00	\$450.00	\$6,300.00	50	1/27	2028
8	Residential FM Service Line Connection	4	EA	\$6,615.00	\$26,460.00	\$3,200.00	\$12,800.00	50	1/27	2028
9	Reconnect Residential Service Laterals	-	EA	\$3,850.00	\$0.00	\$2,800.00	\$0.00	-	-	-
10	6" PVC Laterals	-	LF	\$66.00	\$0.00	\$120.00	\$0.00	-	-	-
11	Connection to Exist. 6" Force Main	1	EA	\$9,908.00	\$9,908.00	\$5,500.00	\$5,500.00	N/A	1/27	2028
12	Cut & Plug Exist. 6" Force Main	1	EA	\$6,253.00	\$6,253.00	\$5,500.00	\$5,500.00	N/A	1/27	2028
13	Clean, Quick Pull & TV Gravity Sewer	-	LF	\$9.00	\$0.00	\$10.00	\$0.00	-	-	-
14	Install 8" Pipe Liner	-	LF	\$75.00	\$0.00	\$135.00	\$0.00	-	-	-
15	Replace Exist. Manhole	5	EA	\$13,241.00	\$66,205.00	\$8,500.00	\$42,500.00	50	1/27	2028
16	Majestic PS Rehabilitation & Upgrades	1	LS	\$526,320.00	\$526,320.00	\$650,000.00	\$650,000.00	25	1/27	2028
17	Removal of Exist. Burkesville LS	1	LS	\$46,000.00	\$46,000.00	\$75,000.00	\$75,000.00	N/A	1/27	2028
18	Grider Apartments Grinder - Convert to Manhole	1	LS	\$13,700.00	\$13,700.00	\$55,000.00	\$55,000.00	50	1/27	2028
19	Replace Exist. Grinder - DOW Building	1	LS	\$46,200.00	\$46,200.00	\$55,000.00	\$55,000.00	25	1/27	2028
20	Replace Exist. Grinder - El Maguay Bldg	-	LS	\$58,773.00	\$0.00	\$50,000.00	\$0.00	-	-	-
21	Replace Exist. Grinder - United Citizens Bank	-	LS	\$46,200.00	\$0.00	\$50,000.00	\$0.00	-	-	-
22	Replace Exist. Grinder - Adair Family Med Center	-	LS	\$47,773.00	\$0.00	\$50,000.00	\$0.00	-	-	-
23	Replace Exist. Grinder - Pyles Recycling	-	LS	\$46,200.00	\$0.00	\$50,000.00	\$0.00	-	-	-
24	Traffic Control	1	LS	\$19,360.00	\$19,360.00	\$75,000.00	\$75,000.00	N/A	1/27	2028
25	12" PVC Casing for WM Crossing	40	LF	\$60.00	\$2,400.00	\$80.00	\$3,200.00	50	1/27	2028
Total Base Bid					\$1,872,176.00		\$2,525,970.00			

I certify that this is true and accurate tabulation of the bids.

The above is a true and complete tabulation of the bids received at 10:00 A.M. local time, Tuesday September 30, 2025

at CAUD Office

KENTUCKY ENGINEERING GROUP, PLLC

 By: James C. Thompson

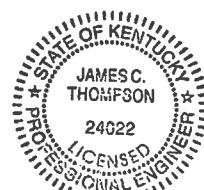
 James C. Thompson, PE
 Project Manager/Engineer


EXHIBIT C

Advertisement for Bids - Affidavit and Tearsheet

NOTARIZED PROOF OF PUBLICATION

STATE OF KENTUCKY

COUNTY OF ADAIR

Before me, a Notary Public, in and for said County and State, this

11th day of September, 2025, came Donna Hancock, personally known to me, who being duly sworn, states as follows:

That she is Publisher of The Adair Progress Inc., which publishes THE ADAIR PROGRESS NEWSPAPER and
(Name of Publication)
that said publications of

September 11, 2025

carried the legal advertisement for:

Sealed Bids
Phase 24

Columbia/Adair Utilities District

Donna Hancock

(Signature)

Michelle Lewis

(Notary Public)

My Commission expires: 04/30/2026

A mandatory pre-bid conference is scheduled for Contract No. 2 ONLY on September 23, 2025 at 11:00 am CST at the Columbia-Adair Utility District's office located at 221 Dohoney Trace, Columbia, KY 42728.

Bids will be received for a single prime Contract. Bids shall be on a unit price basis for Contract No. 2 and lump sum basis for Contract No. 1 as indicated in the Bid Forms.

The Contract Documents may be examined at the following locations:

KENTUCKY ENGINEERING GROUP, PLLC, 101 High Street, Versailles, Kentucky 40383
Phone: (859) 251-4127

COLUMBIA-ADAIR UTILITIES DISTRICT, 221 Dohoney Trace, Columbia, Kentucky 42728.
Phone: (270) 384-2181

Copies of the Contract Documents may be obtained from LYNN IMAGING - Lexington located at 328 Old Vine Street, Lexington, KY 40507, 859-255-1021. Website: www.lynnimaging.com. Printed copies of the Contract Documents may be obtained upon receipt of a non-refundable amount of \$350.00 for each complete set of documents. Included with the printed copy of the contract documents is an electronic download (as portable document format PDF) upon request.

All bids must be made on required Bid Form and must be fully completed and executed with original signatures and corporate seals. All bidders must be listed as plan holder by the plan distributor.

This project may be partially or entirely funded by the Kentucky Infrastructure Agency State Revolving Fund Loan.

Bidders must comply with President's Executive Orders No. 11246 and No. 11375 and any amendments or supplements to those Executive Orders. Attention of bidders is particularly called to the requirements as to conditions of employment to be observed under the contract, Section 3, Segregated Facility, Section 109 and E.O. 11246.

Bidders must certify they do not and will not maintain or provide for their employees any facilities that are segregated or based on race, color, creed, or national origin. Bidders must comply with 41 CFR 60-4 in regard to affirmative action and to insure equal opportunity to females and minorities, and all that are applicable. Minorities and small businesses are encouraged to submit bids on this project.

Bidders must comply with Title VI of the Civil Rights Act of 1964 Anti-Kickback Act, and the