

Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202-1410
Telephone (502) 569-7525 Telefax (502) 569-7555 www.rubinhays.com

CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

June 1, 2009

Mr. Jerr Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

RECEIVED

JUN - 2 2009
PUBLIC SERVICE
COMMISSION

2009-00206

Re: Breathitt County Water District - Public Service Commission Application for the
Water System Improvements Project - KY 1110 Waterline Extension, Phase II

Dear Mr. Derouen:

Enclosed please find the original and ten (10) copies of the Application of the Breathitt County Water District for a Certificate of Public Convenience and Necessity to construct a waterworks improvement project pursuant to KRS Chapter 278.

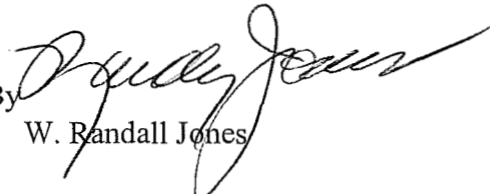
Also enclosed are eleven (11) copies of the required exhibits and three (3) copies of the Preliminary Engineering Report Amended to Final Engineering Report.

Plans and Specifications, as prepared by Nesbitt Engineering, Inc., were submitted to the PSC in Case No. 2008-00225. Those Plans and Specifications relate to both Phase I (Case No. 2008-00225) and Phase II (this Case) of the KY 1110 waterline extension project.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures
cc: Distribution List

SERVICE LIST

Re: 2009 Breathitt County Water District PSC Application - KY 1110 waterline extension project - phase II

Mr. John L. Smith, Chairman
Breathitt County Water District
1137 Main Street
Jackson, Kentucky 41339

Telephone: (606) 666-3800

Ora C. Main, P.E.
Nesbitt Engineering, Inc.
227 North Upper Street
Lexington, Kentucky 40507

Telephone: (859) 233-3111
Fax: (859) 259-2717

W. Randall Jones, Esq.
Rubin & Hays
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202

Telephone: (502) 569-7525
Fax: (502) 569-7555

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUN - 2 2009

PUBLIC SERVICE
COMMISSION

In the matter of:

APPLICATION OF THE BREATHITT COUNTY)
WATER DISTRICT FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
TO CONSTRUCT AN IMPROVEMENTS PROJECT)
PURSUANT TO KRS 278.020)

Case No. 2009 - 2009-00206

APPLICATION

The Breathitt County Water District (the "District"), by counsel, pursuant to KRS 278.020, petitions the Commission for a certificate of public convenience and necessity to construct a waterworks improvement project. The following information is filed in accordance with the Commission's regulations:

1. The District's office address is 1137 Main Street, Jackson, Kentucky 41339. Its principal officers are listed in its 2008 Annual Report, which is filed with the Commission;
2. The District is a non-profit water district organized under KRS Chapter 74 and has no separate articles of incorporation or by-laws;
3. A description of the District's water system and its property stated at original cost by accounts is contained in its Annual Report, which is incorporated by reference pursuant to 807 KAR 5:001 Section (5)(5). All required normal financial schedules and other data are in the Annual Report;

4. The water system improvements project consists of the construction and installation of (i) approximately 16.21 miles of 2 inch to 10 inch water lines and appurtenances; (ii) a hydro-pneumatic booster pumping station with telemetry; and (iii) a 150,000 gallon storage tank.

5. The project is in the public interest and is necessary in order to bring potable water to approximately 278 residents along KY 1110.

6. The total project cost is approximately \$3,000,000, as set forth in the Final Engineering Cost Estimate attached hereto as **Exhibit A**;

7. The District has obtained all easements are required for the Project;

8. This service will not compete with any other utility in the area;

9. Based on these facts, the District believes that it is in the public interest that this certificate of public convenience and necessity be granted;

10. Copies of the certified bid tabulations are included in the Preliminary Engineering Report amended to the Final Engineering Report filed with this Application;

11. The following information is provided in response to 807 KAR 5:001 Section (8)(3);

a. Articles of Incorporation - None, the District is a statutorily created water district under KRS Chapter 74;

12. The following information is supplied to 807 KAR 5:001 Section (9)(2);

a. Facts relied upon to show that the Project is in the public interest: the project will provide potable water service to approximately 278 residents along KY 1110.

b. No new franchises are required. Copies of the necessary permits are attached hereto as **Exhibit B**;

c. Diagrams of the proposed construction and construction specifications are contained in the Plans and Specifications on file with the Commission;

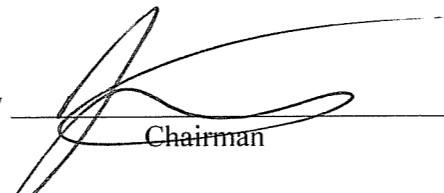
d. Three (3) maps of suitable scale showing location of the proposed facilities are included in the Preliminary Engineering Report amended to the Final Engineering Report filed with this Application;

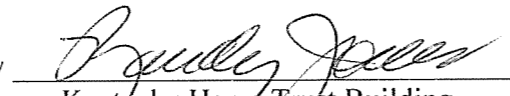
e. The construction costs will be funded by an Abandoned Mine Land ("AML") grant in the amount of \$3,000,000 (see the Memorandum of Agreement attached to the Preliminary Engineering Report amended to the Final Engineering Report);

f. The estimated cost of operation of the system after construction is completed is attached hereto as **Exhibit C**;

WHEREFORE, the Applicant, Breathitt County Water District requests that the Public Service Commission of Kentucky grant to the Applicant a Certificate of Public Convenience and Necessity permitting the Applicant to construct the water system improvement project.

Breathitt County Water District


By  _____
Chairman
Rubin & Hays

By  _____
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
(502) 569-7525

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF BREATHITT)

The undersigned, John L. Smith, being duly sworn, deposes and states that he is the Chairman of the Breathitt County Water District, Applicant; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true.

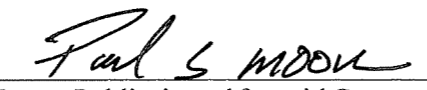
IN TESTIMONY WHEREOF, witness the signature of the undersigned on this May 28, 2009.



John L. Smith, Chairman
Breathitt County Water District

Subscribed and sworn to before me by John L. Smith, Chairman of the Breathitt County Water District, on this May 26, 2009.

My Commission expires 10/4/09.



Notary Public, in and for said County and State

Breathitt County Water District

KY 1110 Phase II Waterline - AML Project
Opinion of Probable Project Cost - Post Bid 4-15-09
Breathitt County, Kentucky

Contract # 1 - Base Bid received 4-15-09 (see Certified Bid Tab) =	\$ 1,753,497.41
Contract # 2 - Base Bid (150K tank and appurtenances) received 4-15-09 (see Certified Bid Tab) =	\$ 296,050.00
Subtotal - Construction Cost Bid 4-15-09 =	\$ 2,049,547.41
Other Project Related Costs	
Legal and Administrative	\$ 50,000
Land and Rights (Acquisition for Tank Site)	\$ 15,000
Interest during construction	\$ -
Engineering	
Preliminary Engr.	\$ 15,000
Design and Contract Admin.	\$ 215,863
Resident Observation	\$ 93,670
Hydraulic Analysis	\$ 17,500
Operation & Maintenance Manual	\$ 5,000
Surveying	\$ 7,500
Permits, environmental, DOT, CSX permit, etc.	\$ 15,000
Project Contingencies	\$ 515,920
Total Opinion of Probable Project Cost	\$ 3,000,000
Sources of Funding	
AML Grant	\$ 3,000,000.00
Total of Possible Project Funding Sources	\$ 3,000,000



STEVEN L. BESHEAR
GOVERNOR



ROBERT D. VANCE
SECRETARY

ENVIRONMENTAL AND PUBLIC PROTECTION CABINET

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

14 REILLY ROAD

FRANKFORT, KENTUCKY 40601

www.kentucky.gov

April 30, 2008

Mr. John Smith, Chairman
Breathitt Co Water District
1137 Main St
Jackson (Breathitt), KY 41339

RE: Breathitt Co Water District
AI # 45303, APE20080001
PWSID # 0131012-08-001
Cont. # 1-KY 1110 WLE, Cont. #2 150,000 Gallon Water
Storage Tank
Breathitt County, KY

Dear Mr. Smith:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 39 miles of 10, 8, 6, 4, & 2 inch PVC & DIP waterlines; 30 HP, 180 GPM booster pump station; 10 HP, 26 GPM hydropneumatic pump station; and 150,000 gallon water storage tank. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the attached construction permit.

Construction shall include the "red line" addition as shown to replace Plan Sheet D-6 for Contract No. 1 with Plan Sheets D-6A & D-6B of the approved plans pursuant to the conversation with Mr. Ken Reid of Nesbitt Engineering on 4/18/08.

Additionally, prior to connecting potable water to existing structures in areas served by the above referenced new waterline, provide the names and addresses of the described customers to the Division of Plumbing, Department of Housing, Bldg. 127, US 127 South, Frankfort, KY 40601.

If you have any questions concerning this project, please contact Mr. Jonathan Reynolds at 502-564-8158 extension 595.

Sincerely,

A handwritten signature in cursive script, appearing to read "DMarlin".

for Donna S. Marlin, Manager
Drinking Water Branch
Division of Water

MR:JR

Enclosures

C: Nesbitt Engineering Inc
Breathitt County Health Department
Public Service Commission
Division of Plumbing
City of Jackson
Bob Scott, Division of Abandoned Mine Lands



**ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR NATURAL RESOURCES**

Steven L. Beshear
Governor

Division of Mine Permits
2 Hudson Hollow
Frankfort, Kentucky 40601
Phone (502) 564-2320
Fax (502) 564-6764
www.minepermits.ky.gov
July 31, 2008

Leonard K. Peters
Secretary

Carl E. Campbell
Commissioner

ORA C. MAIN, PE
NESBITT ENGINEERING, INC.
227 NORTH UPPER STREET
LEXINGTON, KENTUCKY 40507

RE: WQC Application No. 813-AML-WQC-1
Breathitt County Water District KY 1110
Waterline Project
USACE #: LRL-2008-865-jlt
Breathitt County, KY

Dear Mr. Main:

Enclosed is a Water Quality Certification with standard conditions for Nationwide Permit #12, Utility Line Activities. Be advised that the applicant also must receive the appropriate Nationwide Permit #12 from the U.S. Army Corps of Engineers and all conditions of the attached Water Quality Certification must be met.

All future correspondence on this project should reference 813-AML-WQC-1. If you should have any questions concerning this letter, please contact Danita LaSage at (502) 564-2320.

Sincerely,

Susan Wind, Supervisor
CRRS/SOAP/401 WQC
Division of Mine Permits

SMW/dml

c: James Thomas, USACE: Sassafra
USACE#: LRL-2008-865-jlt
MR. STEVE HOHMANN-DIRECTOR
DIVISION OF ABANDONED MINE LANDS
2521 LAWRENCEBURG ROAD
LAWRENCEBURG KY 40601
File No. 813-AML-WQC-1
London Regional Office (e)
Danita LaSage (e)

Condition No.	Condition
3.	<p>The provisions of 401 KAR 5:005 Section 8 are hereby incorporated into this General Water Quality Certification. Namely, "Sewer lines shall be located at least 50 feet away from a stream which appears as a blue line on a USGS 7 ½ minute topographic map except where the sewer alignment crosses the stream. The distance shall be measured from the top of the stream bank. The cabinet may allow construction within the 50' buffer if adequate methods are used to prevent soil from entering the stream. Gravity sewer lines and force mains that cross streams shall be constructed by methods that maintain normal stream flow and allow for a dry excavation. Water pumped from the excavation shall be contained and allowed to settle prior to re-entering the stream. Excavation equipment and vehicles shall operate outside of the flowing portion of the stream. Spoil material from the sewer line excavation shall not be allowed to enter the flowing portion of the stream." The provisions of this condition shall apply to all types of utility line stream crossings</p>
4.	<p>The activities do not result in any permanent changes in pre-construction elevation contours in waters or wetlands or stream dimension, pattern or profile.</p>
5.	<p>Utility line construction projects through jurisdictional wetlands shall not result in conversion of the area to non-wetland status.</p>
6.	<p>Stream impacts covered under this nationwide permit and undertaken by those persons defined as an agricultural operation under the Agricultural Water Quality Plan must be completed in compliance with the Kentucky Agricultural Water Quality Plan.</p>
7.	<p>The activity will not occur within waters of the Commonwealth identified by the Kentucky Division of Water as Outstanding State or National Resource Waters, Cold Water Aquatic Habitat, or Exceptional Waters.</p>
8.	<p>Activities that do not meet the conditions of this general certification require an individual Section 401 water quality certification</p>
9.	<p>Activities qualifying for coverage under this general water quality certification are subject to the following conditions:</p> <ul style="list-style-type: none"> • Measures shall be taken to prevent or control spills of fuels, lubricants, or other toxic materials used in construction from entering the watercourse. • Removal of riparian vegetation in the utility right-of-way shall be limited to that necessary for equipment access. Effective erosion and sedimentation control measures must be employed at all times during the project to prevent degradation of waters of the Commonwealth. Site regrading and reseeding will be accomplished within 14 days after disturbance. • To the maximum extent practicable, all in stream work under this certification shall be performed during low flow. • Heavy equipment, e.g. bulldozers, backhoes, draglines, etc., if required for this project, should not be used or operated within the stream channel. In those instances where such in stream work is unavoidable, then it shall be performed in such a manner and duration as to minimize turbidity and disturbance to substrates

Distribution-Major Construction

Breathitt Co Water District

Subject Item Inventory

Activity ID No.: APE20080001

Subject Item Inventory:

ID	Designation	Description
AIOO45303		
PORT10	Booster Pump Station	30 HP, 430 TDH, 180 gpm booster pump station
PORT11	Hydropneumatic Pump Sta	10 hp, 500 TDH, 26 gpm hydropneumatic pump
PORT12	Water Lines	39 miles of 10, 8, 6, 4, and 2 inch PVC and DIP waterlines
STOR8	Ground Storage Tank	150,000 gallon Ground Storage Tank
STOR9	Hydropneumatic Tank	2-158 gallon hydropneumatic tanks

Subject Item Groups:

ID	Description	Components
GACT6	Contract #1-KY 1110 WLE, Contract #2-150,000 gallon Water Storage Tank	PORT11 10 hp, 500 TDH, 26 gpm hydropneumatic pump PORT12 39 miles of 10, 8, 6, 4, and 2 inch PVC and DIP waterlines STOR8 150,000 gallon Ground Storage Tank STOR9 2-158 gallon hydropneumatic tanks PORT10 30 HP, 430 TDH, 180 gpm booster pump station

KEY

ACTV = Activity

AREA = Area

EQPT = Equipment

PERS = Personnel

AIOO = Agency Interest

COMB = Combustion

MNPT = Monitoring Point

PORT = Transport

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

GACT6 (KY 1110 WLE, 150,000 tank) Contract #1-KY 1110 WLE, Contract #2-150,000 gallon Water Storage Tank:

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1	Coliform	The presence or absence of total Coliform monitored by sampling and analysis as needed shall be determined for the new or relocated water line(s). Take samples at connection points to existing lines, at 1 mile intervals, and at dead ends without omitting any branch of the new or relocated water line. Sample bottles shall be clearly identified as "special" construction tests. [401 KAR 8:100 Section 1(7), 401 KAR 8:150 Section 4, Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.
M-2	Coliform	The presence or absence of total Coliform monitored by sampling and analysis as needed shall be determined for the new storage structure(s). With at least 1 sample taken at least 24 hours after the first construction complete sample(s), take 2 or more samples from the yard hydrant, the outlet piping from the storage structure, or a sample tap directly connected to the storage structure. Sample bottles shall be clearly identified as "special" construction tests. [Recommended Standards for Water Works 7.0.18, 401 KAR 8:150 Section 4] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.
M-3	Coliform	The presence or absence of total Coliform monitored by sampling and analysis as needed shall be determined for the new pump(s). If the pump(s) are independent of (not directly connected to) the new or relocated lines, take at least 1 sample at the discharge side pitecock. Otherwise, no additional sampling beyond the sampling required for new or relocated lines shall be required in association with the pump(s). Sample bottles shall be clearly identified as "special" construction tests. [401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.

Submittal/Action Requirements:

Coliform:

Condition No.	Condition
S-1	Coliform For new construction projects, the distribution system, using the most expedient method, shall submit Coliform test results to the Cabinet. Due immediately following disinfection and flushing. [401 KAR 8:150 Section 4(2)]

Distribution-Major Construction
Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

GACT6 (continued):

Page 3 of 32

Narrative Requirements:

Condition No.	Condition
T-4	During construction, a set of approved plans and specification shall be available at the job site at all times. All work shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 1(7)(a)]

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT10 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-6	Height	Pumping stations shall not be subject to flooding. To this end, 1) grading around stations shall lead surface drainage away and 2) stations shall be elevated or protected to a Height ≥ 3 ft above the highest of the following: a) the 100-year flood elevation, or b) the highest recorded flood elevation. [Recommended Standards for Water Works 6.1.1, Recommended Standards for Water Works 6.0] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-7	Height	When a pump station has pits or compartments which must be entered, stairways or ladders shall be provided between all floors. Stairs shall have risers with a Height ≤ 9 in, handrails on both sides, and treads with non-slip material wide enough for safety. [Recommended Standards for Water Works 6.2.3] This requirement is applicable during the following months: All Year. Statistical basis: Maximum.

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-1	Additional Limitations: Pumping stations shall be so located that the proposed site will meet the requirements for hydraulics of the system. [Recommended Standards for Water Works 6.1]
T-2	Additional Limitations: Pumping stations shall be readily accessible at all times for servicing and repairs. [Recommended Standards for Water Works 6.1.1.b, Recommended Standards for Water Works 6.4.3]
T-3	Additional Limitations: Pumping stations shall be designed to prevent vandalism and protect against entrance of animals or unauthorized persons. [Recommended Standards for Water Works 6.1.1.d]
T-4	Additional Limitations: Pumping stations shall be of durable construction with outward-opening doors. [Recommended Standards for Water Works 6.2.b]

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT10 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-15	<p>Additional Limitations: All electrical equipment and work shall conform with the applicable state and local electrical codes and the National Electrical Code. [Recommended Standards for Water Works 6.5, Recommended Standards for Water Works 6.2.7]</p>
T-16	<p>Additional Limitations: Pump stations shall be adequately lighted throughout. [Recommended Standards for Water Works 6.2.7]</p>
T-17	<p>Additional Limitations: All automatic pump stations shall be provided with automatic signaling apparatus which will report when the station is out of service. All remote controlled stations shall be electrically operated and controlled and shall have signaling apparatus of proven performance. [Recommended Standards for Water Works 6.5]</p>
T-18	<p>Additional Limitations: Automatic or remote control pump stations shall be located or shall have control devices setup so that the range between start and cutoff pressure prevents excessive pump cycling. [Recommended Standards for Water Works 6.4.d]</p>
T-19	<p>Additional Limitations: Equipment shall be provided or other arrangements made to prevent surge pressures from activating controls which switch on pumps or activate other equipment outside the normal design cycle of operation. [Recommended Standards for Water Works 6.6.5]</p>
T-20	<p>Additional Limitations: Provisions shall be made to prevent energizing the motor in the event of a backspin cycle. [Recommended Standards for Water Works 6.6.5]</p>
T-21	<p>Additional Limitations: Pump stations shall be provided with enough heat to prevent freezing of equipment or treatment processes. [Recommended Standards for Water Works 6.2.4]</p>
T-22	<p>Additional Limitations: Pump stations shall have at least 2 pumps. Pumps shall be sized so that if any single pump is out service, the remaining pump or pumps shall be capable of providing the peak demand on the station. [Recommended Standards for Water Works 6.3, Recommended Standards for Water Works 6.4.1]</p>
T-23	<p>Additional Limitations: Provisions shall be made for pump alternation. [Recommended Standards for Water Works 6.6.5]</p>

Distribution-Major Construction
Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT10 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-29	<p>Additional Limitations: Piping for pumps shall, in general,</p> <ol style="list-style-type: none">1) be designed so that the friction losses will be minimized,2) not be subject to contamination,3) have watertight joints,4) be protected against surge or water hammer,5) be provided with restraints where necessary, and6) a) be such that each pump has an individual suction line or b) be manifolded such that the lines insure similar hydraulic and operating conditions. [Recommended Standards for Water Works 6.6.2]
T-30	<p>Additional Limitations: To ensure continuous service when the primary power is interrupted, power supplied to pump stations shall be</p> <ol style="list-style-type: none">a) from at least 2 independent sources orb) from a primary source with a standby or auxiliary source provided. <p>If standby power is provided by onsite generators or engines, the fuel storage and fuel line must be designed to protect the water supply from contamination. [Recommended Standards for Water Works 6.6.6]</p>

Distribution-Major Construction
Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT11 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-6	Height	<p>Pumping stations shall not be subject to flooding. To this end,</p> <ol style="list-style-type: none"> 1) grading around stations shall lead surface drainage away and 2) stations shall be elevated or protected to a Height \geq 3 ft above the highest of the following: <ol style="list-style-type: none"> a) the 100-year flood elevation, or b) the highest recorded flood elevation. [Recommended Standards for Water Works 6.1.1, Recommended Standards for Water Works 6.0] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-7	Height	<p>When a pump station has pits or compartments which must be entered, stairways or ladders shall be provided between all floors. Stairs shall have risers with a Height \leq 9 in, handrails on both sides, and treads with non-slip material wide enough for safety. [Recommended Standards for Water Works 6.2.3] This requirement is applicable during the following months: All Year. Statistical basis: Maximum.</p>

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-1	<p>Additional Limitations: Pumping stations shall be so located that the proposed site will meet the requirements for hydraulics of the system. [Recommended Standards for Water Works 6.1]</p>
T-2	<p>Additional Limitations: Pumping stations shall be readily accessible at all times for servicing and repairs. [Recommended Standards for Water Works 6.1.1.b, Recommended Standards for Water Works 6.4.3]</p>
T-3	<p>Additional Limitations: Pumping stations shall be designed to prevent vandalism and protect against entrance of animals or unauthorized persons. [Recommended Standards for Water Works 6.1.1.d]</p>
T-4	<p>Additional Limitations: Pumping stations shall be of durable construction with outward-opening doors. [Recommended Standards for Water Works 6.2.b]</p>

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT11 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-15	<p>Additional Limitations: All electrical equipment and work shall conform with the applicable state and local electrical codes and the National Electrical Code. [Recommended Standards for Water Works 6.5, Recommended Standards for Water Works 6.2.7]</p>
T-16	<p>Additional Limitations: Pump stations shall be adequately lighted throughout. [Recommended Standards for Water Works 6.2.7]</p>
T-17	<p>Additional Limitations: All automatic pump stations shall be provided with automatic signaling apparatus which will report when the station is out of service. All remote controlled stations shall be electrically operated and controlled and shall have signaling apparatus of proven performance. [Recommended Standards for Water Works 6.5]</p>
T-18	<p>Additional Limitations: Automatic or remote control pump stations shall be located or shall have control devices setup so that the range between start and cutoff pressure prevents excessive pump cycling. [Recommended Standards for Water Works 6.4.d]</p>
T-19	<p>Additional Limitations: Equipment shall be provided or other arrangements made to prevent surge pressures from activating controls which switch on pumps or activate other equipment outside the normal design cycle of operation. [Recommended Standards for Water Works 6.6.5]</p>
T-20	<p>Additional Limitations: Provisions shall be made to prevent energizing the motor in the event of a backspin cycle. [Recommended Standards for Water Works 6.6.5]</p>
T-21	<p>Additional Limitations: Pump stations shall be provided with enough heat to prevent freezing of equipment or treatment processes. [Recommended Standards for Water Works 6.2.4]</p>
T-22	<p>Additional Limitations: Pump stations shall have at least 2 pumps. Pumps shall be sized so that if any single pump is out service, the remaining pump or pumps shall be capable of providing the peak demand on the station. Additionally, pumps shall be sized so that the pump station is capable of providing at least 10 times the average demand of the area served by the station. [Recommended Standards for Water Works 6.3, Recommended Standards for Water Works 6.4.1, Recommended Standards for Water Works 7.2.2.a]</p>

Distribution-Major Construction
Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT11 (continued):

Narrative Requirements:
Additional Limitations:

Condition No.	Condition
T-29	<p>Additional Limitations: Piping for pumps shall, in general,</p> <ol style="list-style-type: none">1) be designed so that the friction losses will be minimized,2) not be subject to contamination,3) have watertight joints,4) be protected against surge or water hammer,5) be provided with restraints where necessary, and6) a) be such that each pump has an individual suction line or b) be manifolded such that the lines insure similar hydraulic and operating conditions. [Recommended Standards for Water Works 6.6.2]
T-30	<p>Additional Limitations: To ensure continuous service when the primary power is interrupted, power supplied to pump stations shall be</p> <ol style="list-style-type: none">a) from at least 2 independent sources orb) from a primary source with a standby or auxiliary source provided. <p>If standby power is provided by onsite generators or engines, the fuel storage and fuel line must be designed to protect the water supply from contamination. [Recommended Standards for Water Works 6.6.6]</p>

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT12 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-8	Distance	Except when not practical, water lines shall be laid a horizontal Distance \geq 10 ft from any existing or proposed sewer. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 foot separation, water lines may be installed closer to a sewer provided that the water lines shall be laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water line is at least 18 inches above the top of the sewer. [Recommended Standards for Water Works 8.6.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-9	Distance	When water lines and sewers cross, 1) water lines shall be laid such that either a) the top of the water line is a vertical Distance \geq 18 in below the bottom of the sewer line or b) the bottom of the water line is a vertical Distance \geq 18 in above the top of the sewer line, 2) 1 full length of the water pipe shall be located so that both joints of the water pipe will be as far from the sewer as possible, and 3) special structural support for the water and sewer pipes may be required. [Recommended Standards for Water Works 8.6.3] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-10	Distance	The open end of an air relief pipe from automatic valves shall be extended a Distance \geq 1.0 ft above grade and provided with a screened, downward-facing elbow. The pipe from a manually operated valve shall be extended to the top of the pit. Use of manual air relief valves is recommended wherever possible. [Recommended Standards for Water Works 8.4.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-11	Pressure	Pipes shall not be installed unless all points of the distribution system remain designed for ground level Pressure \geq 20 psi under all conditions of flow. [Recommended Standards for Water Works 8.1.1] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-12	Pressure	Pressure \geq 30 psi must be available on the discharge side of all meters. [401 KAR 8:100 Section 4(2)] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT12 (continued):

**Narrative Requirements:
Additional Limitations:**

Condition No.	Condition
T-1	Additional Limitations: Water line installation shall be in accordance with AWWA standards or manufacturer recommendations. [Recommended Standards for Water Works 8.5.1]
T-2	Additional Limitations: Pipes, fittings, valves and fire hydrants shall conform to the latest standards issued by the AWWA or NSF (if such standards exist). PVC and PE piping used must be certified to ANSI/NSF Standard 61. [Recommended Standards for Water Works 8.0.1]
T-3	Additional Limitations: At high points in water lines, where air can accumulate, provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where manhole or chamber flooding may occur. [Recommended Standards for Water Works 8.4.1]
T-4	Additional Limitations: All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.5.4]
T-5	Additional Limitations: A flush hydrant or blow-off shall be required at the end of each dead end line that is less than 6 inches in diameter. [Recommended Standards for Water Works 8.1.6]
T-6	Additional Limitations: For each fire or flush hydrant, auxiliary valves shall be installed in the hydrant lead pipe. [Recommended Standards for Water Works 8.3.3]
T-7	Additional Limitations: No flushing device, blow-off, or air relief valve shall be directly connected to any sewer. Chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances shall not be directly connected to any storm drain or sanitary sewer. Such chambers, pits or manholes shall be drained to absorptions pits underground or to the surface of the ground where they are not subject to flooding by surface water. [Recommended Standards for Water Works 8.1.6, Recommended Standards for Water Works 8.4.3]
T-8	Additional Limitations: If water lines are installed or replaced in areas of organic contamination or in areas within 200 ft of underground or petroleum storage tanks, ductile iron or other nonpermeable materials shall be used in all portions of the water line installation or replacement. [401 KAR 8:100 Section 1(5)(d)6, Recommended Standards for Water Works 8.0.2]

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

PORT12 (continued):

Narrative Requirements:

Subfluvial Pipe Crossings:

Condition No.	Condition
T-13	<p data-bbox="543 1491 574 1749">Subfluvial Pipe Crossings: For subfluvial pipe crossings greater than 15 feet in width,</p> <ol style="list-style-type: none"><li data-bbox="584 756 621 1749">1) the pipe shall be of special construction, having flexible, restrained, or welded watertight joints, and<li data-bbox="621 655 668 1749">2) valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair. Valves shall<ol style="list-style-type: none"><li data-bbox="677 1501 708 1749">a) be easily accessible,<li data-bbox="708 1411 739 1749">b) not be subject to flooding, and<li data-bbox="739 201 795 1749">c) if closest to the supply source, be in a manhole with permanent taps made on each side of the valve to allow insertion of a small meter to determine leakage and for sampling purposes. [Recommended Standards for Water Works 8.7.2]

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

STOR8 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-6	Height	Tanks shall have manholes that are a) framed a Height ≥ 4 in above the surface of the roof at the opening and b) fitted with a solid watertight cover which overlaps the framed opening and extends down around the frame at least 2 inches. Manholes should be hinged at one side and shall have a locking device. [Recommended Standards for Water Works 7.0.8] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-1	Additional Limitations: The materials and designs used for storage structures shall provide stability and durability as well as protection for the quality of the stored water. Steel structures shall follow the AWA standards wherever they are applicable. Other materials of construction are acceptable when properly designed to meet the requirements in this permit. [Recommended Standards for Water Works 7.0] Additional Limitations: The safety of employees must be considered in the design of any storage structure. The design of storage structures shall a) meet or exceed the minimum requirements of pertinent safety laws and regulations in the areas where the structures are constructed, b) include ladders, ladder guards and balcony railings (where applicable), c) locate entrance hatches in safe places, and d) consider confined space entry requirements. [Recommended Standards for Water Works 7.0.12]
T-2	Additional Limitations: Storage structures shall be designed with reasonably convenient access to the interior for cleaning and maintenance. Where space permits, at least 2 manholes shall be provided above the waterline at each water compartment. [Recommended Standards for Water Works 7.0.4] Additional Limitations: Fencing, locks on access manholes, and other necessary precautions shall be provided to prevent trespassing, vandalism, and sabotage. [Recommended Standards for Water Works 7.0.4]
T-3	
T-4	

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

STOR8 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-12	<p>Additional Limitations: Main drains from storage structures shall have a twenty-four mesh noncorrodible screen installed within the drain pipe at a location least susceptible to damage by vandalism. [401 KAR 8:100 Section 1(7)]</p>
T-13	<p>Additional Limitations: Storage structures shall be designed to facilitate turn over of water. [401 KAR 8:100 Section 1(7), Recommended Standards for Water Works 7.0.6]</p>
T-14	<p>Additional Limitations: Ground level storage tanks and standpipes shall be equipped with separate inlet/outlet pipes installed on opposite sides of the tank. A check valve shall be installed in the outlet pipe to insure turnover of the water. The inlet pipe a) shall be installed near the overflow elevation and b) shall not interfere with the overflow discharge. [401 KAR 8:100 Section 1(7)]</p>
T-15	<p>Additional Limitations: Storage structures shall have sufficient capacity, as determined from engineering studies, to meet domestic demands. Additionally, if fire protection is provided, capacity shall also be sufficient to meet fire flow demands. [401 KAR 8:100 Section 1(7), Recommended Standards for Water Works 7.0.1]</p>
T-16	<p>Additional Limitations: The bottom of the structure shall be above a) the maximum flood level and b) the groundwater level. [Recommended Standards for Water Works 7.0.2]</p>
T-17	<p>Additional Limitations: Storage structure discharge pipes shall be located in a manner that will prevent the flow of sediment into the distribution system. Additionally, removable silt stops should be provided. [Recommended Standards for Water Works 7.0.15]</p>
T-18	<p>Additional Limitations: Appropriate sampling tap(s) shall be provided to facilitate collection of water samples for both bacteriologic and chemical analyses. [Recommended Standards for Water Works 7.0.19]</p>

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

STOR8 (continued):

**Narrative Requirements:
Additional Limitations:**

Condition No.	Condition
T-25	<p>Additional Limitations: If the interior of the storage structure is coated or lined, the coating or lining shall be of a type approved by the Division of Water for use in contact with potable water. [401 KAR 8:020 Section 2(19)]</p>
T-26	<p>Additional Limitations: Paints and coatings</p> <ol style="list-style-type: none">shall meet NSF standard 61.shall be acceptable to the Division of Water.shall be properly applied and cured, andshall not transfer any substance to the water which will be toxic or cause tastes or odors (following curing). <p>Wax coatings shall not be used in any storage structure and must be completely removed before using other paints or coatings in an existing storage structure. [401 KAR 8:100 Section 1(7), Recommended Standards for Water Works 7.0.17]</p>
T-27	<p>Additional Limitations: New water storage structures shall be thoroughly disinfected (in accordance with AWWA Standard C652) upon completion of construction and before being placed into service. To disinfect new storage structures</p> <ol style="list-style-type: none">remove all scaffolding, planks, tools, rags, and other items that are not part of the structural or operational facilities of the storage structure.clean thoroughly by sweeping, scrubbing, using high-pressure water jets, or some equivalently effective means, anduse chlorine or chlorine compounds as subsequently described. <p>Finalize disinfection by</p> <ol style="list-style-type: none">chlorination method 1, described in detail at AWWA Standard C652 Section 4.3.1,chlorination method 2, described in detail at AWWA Standard C652 Section 4.3.2, orchlorination method 3, described in detail at AWWA Standard C652 Section 4.3.3. <p>See the following conditions for abbreviated descriptions of the methods. Following the finalization of disinfection, place storage structures into service if, and only if, Coliform monitoring applicable to the storage structure does not show the presence of Coliform. If Coliform is detected, flush the tank and repeat Coliform monitoring. If Coliform is still detected, repeat disinfection and flushing as if the tank has never been disinfected. Continue the described process until monitoring does not show the presence of Coliform. [Recommended Standards for Water Works 7.0.18]</p>

Distribution-Major Construction
Breathitt Co Water District
Facility Requirements

Activity ID No.: APE20080001

STOR9 (Hydropneumatic Tank) 2-158 gallon hydropneumatic tanks:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Residual Disinfection	New water tanks shall be thoroughly disinfected (in accordance with AWWA Standard C651) upon completion of construction and before being placed into service. To disinfect new tanks use chlorine or chlorine compounds in such amounts as to produce an initial disinfectant concentration of at least 50 ppm and a Residual Disinfection \geq 25 ppm at the end of 24 hours. Follow the disinfection with thorough flushing and place tanks into service if, and only if, Coliform monitoring applicable to the tank does not show the presence of Coliform. If Coliform is detected, repeat flushing of the tank and Coliform monitoring. If Coliform is still detected, repeat disinfection and flushing as if the tank has never been disinfected. Continue the described process until monitoring does not show the presence of Coliform. [401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-2	Volume	Hydropneumatic (pressure) tanks should have a gross Volume \geq 1000 percent of the largest supply pump's per minute rating (i.e. if the largest pump connected to a pressure tank has a rating of 250 gpm, then the size of the pressure tank should be at least 2,500 gallons). The minimum tank volume shall be an even higher percentage (based on the necessary chlorine detention time) if a water system requires a chlorine detention time greater than the detention time that the related treatment/distribution facilities and this limit otherwise provide. [Recommended Standards for Water Works 7.2.2] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.

Narrative Requirements:
Additional Limitations:

Condition No.	Condition
T-1	Additional Limitations: Hydropneumatic (pressure) tanks shall be the only water storage structure in the water distribution system. [Recommended Standards for Water Works 7.2]
T-2	Additional Limitations: Hydropneumatic (pressure) tanks shall serve no more than 50 living units. [401 KAR 8:100 Section 1(7)]
T-3	Additional Limitations: Hydropneumatic (pressure) tanks shall not provide fire protection. [Recommended Standards for Water Works 7.2]

Distribution-Major Construction

Breathitt Co Water District
Facility Requirements

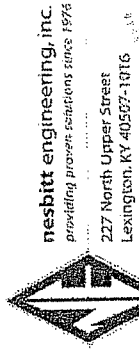
Activity ID No.: APE20080001

STOR9 (continued):

**Narrative Requirements:
Additional Limitations:**

Condition No.	Condition
T-12	<p>Additional Limitations: No drain on a tank may have a direct connection to a sewer or storm drain. [Recommended Standards for Water Works 7.0.5, Recommended Standards for Water Works 7.0.7, Recommended Standards for Water Works 7.3.2]</p>
T-13	<p>Additional Limitations: Tanks shall be designed to facilitate turn over of water. [401 KAR 8:100 Section 1(7), Recommended Standards for Water Works 7.0.6]</p>
T-14	<p>Additional Limitations: Tanks shall have sufficient capacity, as determined from engineering studies, to meet domestic demands. [401 KAR 8:100 Section 1(7), Recommended Standards for Water Works 7.0.1]</p>
T-15	<p>Additional Limitations: Hydropneumatic (pressure) tanks shall have</p> <ol style="list-style-type: none">1) bypass piping, to permit operation of the water distribution system while the tank is being repaired or painted,2) a drain, and3) control equipment. <p>The control equipment shall include</p> <ol style="list-style-type: none">a) a pressure gauge,b) a water sight glass,c) an automatic or manual blow-off,d) a means for adding air, ande) pressure operated start-stop controls for the pumps. [Recommended Standards for Water Works 7.2.3]
T-16	<p>Additional Limitations: Tank discharge pipes shall be located in a manner that will prevent the flow of sediment into the distribution system. [Recommended Standards for Water Works 7.0.15]</p>
T-17	<p>Additional Limitations: Appropriate sampling tap(s) shall be provided to facilitate collection of water samples for both bacteriologic and chemical analyses. [Recommended Standards for Water Works 7.0.19]</p>

Breathitt County Water District KY 1110 Waterline Project



Additional KY 30 West Pump Station - Operation, Maintenance and Replacement Costs
For Water to serve the KY 1110 Phase I Project and the KY 1110 Pump Sta to serve the Phase II project

Given

Electric rates
Monthly Flat fee \$ -
Cost per Kwh \$ 0.122316 per Kwh
Demand Factor \$ 6.66979 per Kwh

Average flow rate of KY 30 pump = 151 gpm
Estimated flow = KY 1110 Ph I and II (693 homes x 2.61p/hh x 100 gpcd)
Pumping hours/day = (Est flow)/(pump rate x 60) =
2 ~ 15 HP pumps, 151 gpm, 278' head, 75 % efficiency

Average flow rate of KY 1110 pump = 280 gpm
Estimated flow = (281 homes x 2.61p/hh x 100 gpcd) =
Pumping hours/day = (Est flow)/(pump rate x 60) =
2 ~ 30 HP pumps, 260 gpm, 348' head, 75 % efficiency

139,113 Gals/day
15,355 hours/day

73,341 Gals/day
4,70 hours/day

Estimated Operation and Maintenance Costs									
Pumping Costs									
(2 pumps x HP x one pump operating at a time x pump efficiency x pump hrs/day)/motor efficiency =									
KY 30 PS = (2 pumps x 15 HP x 1/2 x 0.75 x 15.35 hrs/day)/0.8 efficiency =									
KY 1110 PS = (2 pumps x 30 HP x 1/2 x 0.75 x 4.70 hrs/day)/(0.8 efficiency) =									
	Kwh/day	x	x	365	=	Kwh/yr		Kwh/day	
	348					127,075		127,075	
12 months at Flat fee x \$ 00.00 = \$ -									
12 months usage Kwh = 127,075 x \$ 0.122316 = \$ 15,543.30									
Demand Charge - estimated = \$150/mo									
Total Pumping Costs = \$ 17,343.30									
Equipment Repair									
Parts and repair \$ 2,000.00									
Oil and lubrication \$ 2,000.00									
Total Equipment and Repair Costs = \$ 4,000.00									
Labor									
one operator @ \$ 40/hr x 7 hrs/week (1 hr/day) x 52 weeks = Total Labor Costs = \$ 14,560.00									
Total Estimated Operation and Maintenance Costs \$ 35,903.30									
Estimated Replacement Costs									
Replacement Costs \$ Costs to replace in 12 years Costs to replace in 18 years Annual component = RS(I-D), I = 8.0 %									
Pumps	\$ 30,000.00	\$ 8,000.00	\$ 1,561						
Electrical									
Tank surface prep & painting	\$ 25,000.00	\$ 17,000.00	\$ 1,318	\$ 454					
Total Replacement Costs \$ 3,566									
Total Estimated Operation, Maintenance and Replacement Costs for 10, 12, 15, 18, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100 years - est avg at \$ 0.071feet/yr x 205,920 ft ~									
Total Estimated Operation, Maintenance and Replacement Costs \$ 14,600.00									
Total Estimated Operation, Maintenance and Replacement Costs \$ 54,069.30									
Cost per thousand gallons									
Gallons per day	139,113	x	365	days/yr	=	50,776,245			
Gallons per year	139,113					50,776			
Thousand gallons per year									
Total Estimated Operation, Maintenance and Replacement Costs/1000 gallons \$ 1.06									

**Preliminary Engineering Report
Amended to Final Engineering Report
KY 1110 Waterline Extension, Phase II
Breathitt County Water District, Jackson, Kentucky**

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Figure 2 Water Distribution System Improvements
KY 1110 Waterline Extension – Phase II

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Chapter 5 Conclusions and Recommendations..... 5

Appendix A

Engineers Letter of Recommendation of Bid Award

Contract #1

- Bid From Low Bidder
- Certified Bid Tabulation

Contract #2

- Bid from Low Bidder
- Certified Bid Tabulation

Appendix B FUNDING

- Project Cost/Project Funding
- Memorandum of Agreement No.0900023135, Energy and Environment Cabinet, Kentucky Division of Abandoned Mine Lands. (nineteen pages)

**Preliminary Engineering Report
Amended to Final Engineering Report
KY 1110 Waterline Extension, Phase II
Breathitt County Water District, Jackson, Kentucky**

Chapter 1 – General

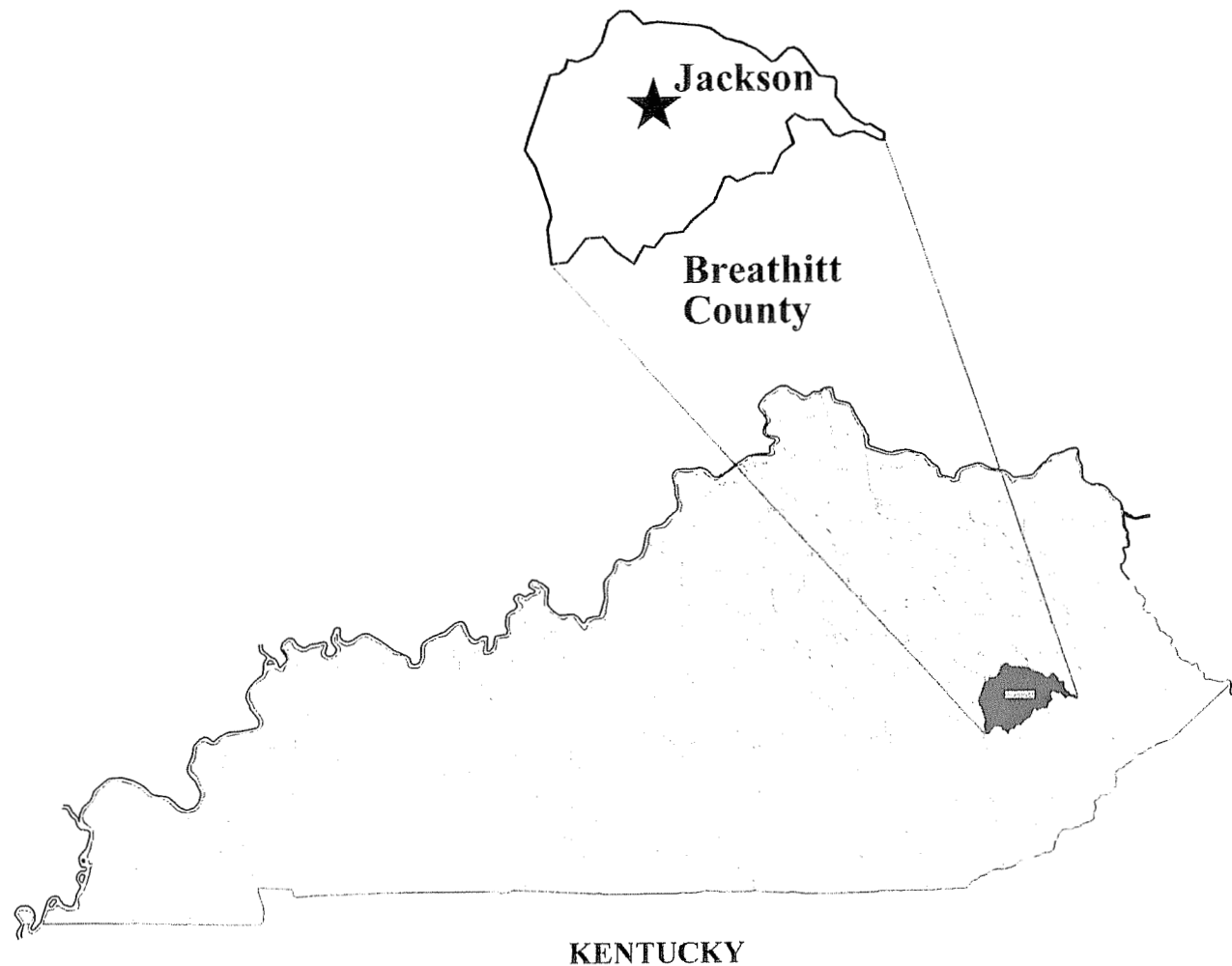
Breathitt County, which encompasses the City of Jackson, is located in the eastern coalfields of Kentucky, approximately 85 miles south and east of Lexington on KY 15, and approximately 34 miles north of Hazard. Jackson, the county seat, is a fourth class city located near the center of Breathitt County. The County borders Wolfe, Lee, Owsley, Perry, Knott, and Magoffin Counties. (See Figure 1)

The 2000 US Census figure for Breathitt County is 16,100 persons. There are 6,170 occupied housing units in Breathitt County and therefore 2.61 persons per household.

Major highways passing through Jackson and/or Breathitt County are KY 15, KY 30, KY 52, KY 315, KY 1110, KY 476 and KY 205. Some of these areas already have potable water available for residents and this proposed project will bring potable water to the residents along KY 1110, Phase II, as well as other minor roads.

The construction for the proposed KY 1110 – Phase II project was segmented into two sections – Contract #1 including the distribution piping and one pump station with a hydro-pneumatic bladder tank and Contract #2 which includes one 150,000 gallon storage tank. The Energy and Environment Cabinet, Kentucky Division of Abandoned Mine Lands has granted \$3,000,000.00 for the design and construction of the project.

The District hopes that the project can be extended to provide potable water service to additional customers if funds are not totally expended for the initial contract scopes.



NESBITT ENGINEERING, INC
ENGINEERS • SURVEYORS • SCIENTISTS

LOCATION MAP
PHASE II KY 1110 WATERLINE EXTENSION
BREATHITT COUNTY WATER DISTRICT

FIGURE 1

DRAWN BY: JCW	DISK/FILE NAME: \\FER\FIGURE 1.DWG	JOB NO.: 998.26
DATE: 5-21-09	LAST PLOT DATE:	SCALE: NOT TO SCALE

**Preliminary Engineering Report
Amended to Final Engineering Report
KY 1110 Waterline Extension, Phase II
Breathitt County Water District, Jackson, Kentucky**

Chapter 2 – Project Planning Area

Breathitt County Water District (BCWD) is a Class "C" Water District organized in August 2003 by the Breathitt County Judge Executive. The County Judge then appointed five commissioners to serve on the Water District's Board. These five commissioners subsequently then selected a Chairman from the appointed board.

Currently, the BCWD has approximately 644 customers; however, once the KY 1110 Phase-1 and KY 15 Watts Waterline Extension projects are put into full service (estimated to be Summer 2009) the number of customers could increase to over 900 households. In addition to these customers, at the completion of the KY 30 West and KY 3237 (Canoe) projects (by the end of 2009) and the KY 1110 Phase-2 project (by early 2010), the District's customer base could increase to above 1000 households.

Jackson, the county seat, operates an independent water system (Jackson Municipal Water Works), drawing water from the North Fork of the Kentucky River. The system currently serves 2,000 households. The water treatment plant (WTP), capable of producing 2.5 MGD, is expected to supply the potable water product to the various Breathitt County water line extensions. Daily production by Jackson Municipal Water Works is currently 800,000 gallons (33% of plant capacity) and their storage capacity is presently 925,000 gallons. The City of Jackson 300,000-gallon Highland Avenue water storage tank along with the 150,000 gallon tank in this project will provide storage for the proposed KY 1110 – Phase II Waterline Extension. This proposed project is a continuation of this type in BCWD's effort to deliver potable drinking water to all Breathitt County residents outside Jackson's service area. Jackson's WTP is expected to have more than adequate capacity to supply the needed potable water for this proposed project.

See Figure 2 which shows the Water Distribution Project Area for this project.

Breathitt County has 6,170 occupied housing units per the 2000 US Census report. The KY 1110 – Phase II Waterline Extension project area has approximately 278 residential households. This project has a maximum concentration of greater than 10 customers per mile. Most of the housing in the area is currently served by privately operated wells and most of the water obtained from drilled wells in Breathitt County is extremely hard and contains noticeable amounts of iron.

**Preliminary Engineering Report
Amended to Final Engineering Report
KY 1110 Waterline Extension, Phase II
Breathitt County Water District, Jackson, Kentucky**

Chapter 4 – Proposed Project/Project Cost/Financing

The proposed potable KY 1110 – Phase II Waterline Extension consists of two contracts. The waterline contract is Contract # 1 which consists of 16.21 miles of proposed waterlines and a hydro-pneumatic booster pump station with telemetry. This is a total of approximately 85,605 feet of waterline ranging from 10-inch to 2-inch in diameter. Contract # 2 consists of the construction of one 150,000 gallon storage tank and associated materials, equipment, and access road.

The project was advertised in the local newspaper and the Lexington Herald-Leader and bids for both Contracts #1 and #2 were opened and read at the Breathitt County Court House at 3:00 P.M. on April 15, 2009. Fifteen contractors ordered plans for Contract # 1, the waterlines, and eight contractors submitted sealed bids for Contract # 1. Ten contractors ordered plans for Contract # 2 tank plans, and three contractors submitted sealed bids for Contract # 2. See the Certified Bid Tabulations for both to these contracts in Appendix “A” of this report.

Both of the low bid contractors have previously completed contracts for the Water District and performed their duties in exemplary fashion. Therefore, and due to other prior experience with these contractors, a letter of recommendation to award the low bids pending available funding, the concurrence of the funding agencies and the Public Service Commission, was easy to write to the District.

By adding the two low bids for Contract # 1 and Contract # 2 (\$1,753,497.41 + \$296,050.00 = \$2,049,547.41), one can then subtract this total from the Kentucky Division of Abandoned Mine Lands Memorandum of Agreement No.0900023135 (dated 4/22/09) to see that \$950,452.59 remain for development (including engineering, legal, right of way acquisition, permits and administrative costs) and additional project scope costs. Keep in mind there is also \$515,920 in contingencies which could be used for additional line installation if not needed during construction.

The Total Opinion of Probable Project Cost and the Source of Project Funding are provided in Appendix “B” of this report.

**Preliminary Engineering Report
Amended to Final Engineering Report
KY 1110 Waterline Extension, Phase II
Breathitt County Water District, Jackson, Kentucky**

Chapter 5 – Conclusions & Recommendations

To provide water service to the residents on KY 1110 – Phase II, the new water lines, booster station and storage tanks are necessary. In addition, waterline extensions along the branch roads off KY 1110 (such as Lick Branch KY 3237 to Canoe, Turners Creek KY 1933 to Talbert), could now be made or reached more feasibly in the very near future.

The health, environmental land use, and economic enhancement issues combined necessitate the need for this water system extension in Breathitt County.

The existing and new Breathitt County Water District water main on KY 1110 – Phase I stops just south of the community of Altro. This proposed project will also provide a reliable water supply to the additional customers along the KY 1110 – Phase II main plus the several branch roads (KY 1933, KY 1388, Barwick, Strong Branch and Miller Branch). Additionally, the availability of reliable, clean, and chlorinated water from the centralized source will improve the economy of scale for both the BCWD and the Jackson Municipal Water Works.

**Preliminary Engineering Report
Amended to Final Engineering Report
KY 1110 Waterline Extension, Phase II
Breathitt County Water District, Jackson, Kentucky**

Appendix "A"

- Engineer Letter of Recommendation

- Contract #1
 - Bid From Low Bidder
 - Certified Bid Tabulation

- Contract #2
 - Bid from Low Bidder
 - Certified Bid Tabulation



May 19, 2009

Mr. J. L. Smith, Chairman
Breathitt County Water District
1137 Main Street
Jackson, Kentucky 41339

RE: Award of Construction Contracts
Contract # 1: KY 1110 – Phase II Waterline Extension Project
Contract # 2: KY 1110 – Phase II Ground Storage Tank

Dear Mr. Smith:

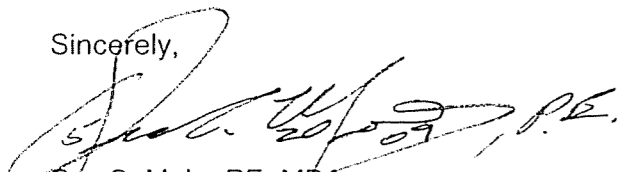
On April 15, 2009 at the Breathitt County Court House, eight (8) bids were received for Contract # 1 and three (3) bids were received for Contract # 2 of the above referenced projects. Certified bid tabulations were prepared by our office for each contract and mailed to you for your information and files.

After the Certified Bid Tabulations were prepared, a reference check was eliminated, since both Nesbitt Engineering, Inc. (NEI) and the District have conducted multiple successful projects with both of the apparent low bidders. Based on past experiences, we conclude that both, G&W Construction Co., Inc. (Contract #1) and Laurel Construction Company, Inc. (Contract #2), qualify as responsive and responsible bidders, and are unaware of any reason a construction contract should not be awarded to them. Therefore, NEI recommends that Breathitt County Water District (BCWD) award Contract # 1 to G&W Construction Co., Inc. in the amount of \$1,753,497.41 and Contract #2 to Laurel Construction Company, Inc for \$296,050.00.

Issuance of the "Notice of Award" for each Contract is recommended pending concurrence of the Kentucky Public Service Commission, and all Funding Agencies.

Please feel free to call me if you have any questions. Thank you for your time and attention to this matter.

Sincerely,



Ora C. Main, PE, MBA
Project Manager

c: Jason Richardson, Judge-Executive
Shannon Moore, BCWD Superintendent
Bryan Kirby, CEDA
Gabriel Alderman, G&W Construction Co., Inc.
Demas Philpot, Laurel Construction Co., Inc.

5.

BID FOR UNIT PRICE CONTRACTS

Place Jackson, KY

Date April 15, 2009

Project No. _____

Proposal of G&W Const. Co., Inc. (hereinafter called "Bidder") a corporation organized and existing under the laws of state of Kentucky * a partnership, or an individual doing business as Corporation
To the **Breathitt County Water District** hereinafter called "Owner")

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a KY 1110
Waterline Extension, Phase II
Contract #1

Having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposal project including the availability of materials and labor, hereby processes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project within 250 consecutive calendar day thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages, the sum of \$750.00 for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

Bidder acknowledges receipt of the following addendum:

Addendum #1 4-8-09

*Insert corporation, partnership or individual as applicable.

Breathitt County Water District
KY 1110 Waterline Extension, Phase II
Contract #1 - Contract Documents

Bidder agrees to perform all the _____ work described in the specifications and shown on the plans, for the following unit prices:

*SEE ATTACHED BID SCHEDULE

(Amounts are to be shown in both words and figures. In case of discrepancy, the amount shown in words will govern.)

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The bidder agrees that this bid shall be good and may not be withdrawn for a period of 30 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Paragraph 29 of the General Conditions. The bid security attached in the sum of Five Percent (\$ 5%) is to become the property of the Owner in the event the contract and bond are not executed within the time above set forth, as liquidated damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By Michael Alderman
(Title) PRESIDENT

(SEAL -- if bid is by a corporation)

6730 Flemingsburg Rd.
Morehead, KY 40351
(Business Address and Zip Code)

A Corporation

Corporation Name: G & W Const. Co., Inc.

State of Incorporation: Kentucky

Type (General Business, Profession, Service, Limited Liability): Construction

By: Gabriel Alderman
(Signature -- attach evidence of authority to sign)

Name (typed or printed): Gabriel Alderman

Title: President

Attest William S. Alderman
(Signature of Corporate Secretary)

CORPORATE
SEAL,
if required by State

Date of Qualification to do business in Kentucky [State where Project is located] is 02/07/1992

A Joint Venture

Name of Joint Venture: _____

First Joint Venture Name: _____

By: _____
(Signature of joint venture partner -- attach evidence of authority to sign)

SEAL,
if required
by State

Name (typed or printed): _____

Title: _____

Second Joint Venture Name: _____

By: _____
(Signature of joint venture partner -- attach evidence of authority to sign)

SEAL,
if required
by State

Name (typed or printed): _____

Title: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is party to the venture should be in the manner indicated above.)

Bidder's Business address: 6730 Flemingsburg Road
Morehead, KY 40357

Business Phone No. (606) 784-2396

Business FAX No. (606) 784-2396

Business E-Mail Address gandwconst@windstream.net

**Breathitt County Water District
Contract #1 KY 1110 Waterline Extension - Phase II
Breathitt County, KY
CERTIFIED BID TABULATION**

Item No.	Qty.	Unit	Description	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	2000	LF	10" PVC SDR-21 waterline	\$13.24	\$26,480.00	\$12.75	\$25,500.00	\$12.90	\$25,800.00	\$13.40	\$26,800.00	\$14.50	\$29,000.00	\$13.55	\$27,100.00	\$16.00	\$32,000.00	\$18.20	\$36,400.00
2	26800	LF	8" PVC SDR-21 waterline	9.12	\$244,416.00	9.20	\$246,560.00	11.00	\$294,800.00	11.25	\$301,500.00	11.00	\$294,800.00	12.55	\$336,340.00	12.00	\$321,600.00	14.95	\$400,650.00
3	5280	LF	8" PVC DR-18 waterline	10.17	\$53,697.60	10.38	\$54,806.40	12.10	\$63,888.00	12.20	\$64,416.00	13.00	\$68,640.00	13.55	\$71,544.00	15.00	\$79,200.00	16.70	\$88,176.00
4	8860	LF	8" PVC DR-14 waterline	11.42	\$101,181.20	11.81	\$104,636.60	13.35	\$118,281.00	13.45	\$119,167.00	13.50	\$119,610.00	15.75	\$139,545.00	15.00	\$132,900.00	17.95	\$159,037.00
5	9960	LF	8" D.I. CL 350 waterline	19.54	\$194,618.40	18.03	\$179,578.80	19.30	\$192,228.00	18.65	\$185,754.00	19.00	\$189,240.00	20.00	\$199,200.00	19.25	\$191,730.00	27.00	\$268,920.00
6	14655	LF	6" PVC SDR-21 waterline	8.13	\$119,145.15	6.64	\$97,309.20	9.60	\$140,688.00	7.80	\$114,409.00	8.50	\$124,567.50	10.00	\$146,550.00	10.50	\$153,877.50	11.40	\$167,067.00
7	1360	LF	6" D.I. CL 350 waterline	18.32	\$24,915.20	14.46	\$19,665.60	16.30	\$22,168.00	15.60	\$22,440.00	16.50	\$22,440.00	14.00	\$19,040.00	17.50	\$23,800.00	24.00	\$32,640.00
8	7330	LF	4" PVC SDR-21 waterline	6.25	\$45,812.50	4.74	\$34,744.20	8.40	\$61,572.00	6.80	\$49,844.00	6.00	\$43,980.00	7.00	\$51,310.00	9.10	\$66,703.00	9.25	\$67,802.50
9	1320	LF	4" PVC DR-18 waterline	6.64	\$8,764.80	5.17	\$6,824.40	8.75	\$11,550.00	7.50	\$9,900.00	6.00	\$7,920.00	7.35	\$9,702.00	9.60	\$12,672.00	10.50	\$13,860.00
10	1200	LF	4" PVC DR-14 waterline	7.05	\$8,460.00	6.63	\$6,756.00	9.15	\$10,980.00	7.95	\$9,540.00	7.50	\$9,000.00	7.75	\$9,300.00	10.00	\$12,000.00	10.80	\$13,960.00
11	5740	LF	4" D.I. CL 350 waterline	16.95	\$97,293.00	13.19	\$75,710.60	15.85	\$90,979.00	16.00	\$91,840.00	17.00	\$97,580.00	13.60	\$78,064.00	18.50	\$106,190.00	22.85	\$131,159.00
12	1100	LF	2" PVC SDR-21 waterline	5.55	\$6,105.00	3.70	\$4,070.00	5.00	\$5,500.00	5.85	\$6,435.00	5.00	\$5,500.00	6.30	\$6,930.00	6.55	\$7,205.00	7.35	\$8,085.00
13	1	EA	10" D.I.M.J. Gate Valve & Box	1,535.74	\$1,535.74	1,365.59	\$1,365.59	1,836.00	\$1,836.00	1,375.00	\$1,375.00	1,600.00	\$1,600.00	2,130.00	\$2,130.00	1,600.00	\$1,600.00	1,500.00	\$1,500.00
14	16	EA	8" D.I.M.J. Gate Valve & Box	1,086.98	\$17,391.68	887.07	\$14,193.12	1,238.00	\$19,808.00	975.00	\$15,600.00	1,150.00	\$18,400.00	1,728.00	\$27,648.00	1,000.00	\$16,000.00	875.00	\$14,000.00
15	6	EA	6" D.I.M.J. Gate Valve & Box	772.81	\$4,636.86	644.34	\$3,866.04	832.00	\$4,992.00	725.00	\$4,350.00	800.00	\$4,800.00	1,275.00	\$7,650.00	800.00	\$4,800.00	650.00	\$3,900.00
16	9	EA	4" D.I.M.J. Gate Valve & Box	673.06	\$6,057.54	508.16	\$4,573.44	664.00	\$5,976.00	600.00	\$5,400.00	700.00	\$6,300.00	910.00	\$8,190.00	600.00	\$5,400.00	600.00	\$5,400.00
17	5	EA	4" Blow off Assembly	793.32	\$3,966.60	929.51	\$4,647.55	755.00	\$3,775.00	950.00	\$4,750.00	800.00	\$4,000.00	960.00	\$4,800.00	850.00	\$4,250.00	900.00	\$4,500.00
18	8	EA	2" Blow off Assembly	672.93	\$5,383.44	656.45	\$5,251.60	542.00	\$4,336.00	750.00	\$6,000.00	700.00	\$5,600.00	840.00	\$6,720.00	600.00	\$4,800.00	800.00	\$6,400.00
19	22	EA	Flushing Hydrant Assembly (Field Locate)	3,013.31	\$66,292.82	2,944.31	\$64,774.82	3,100.00	\$68,200.00	3,050.00	\$67,100.00	3,500.00	\$77,000.00	1,577.00	\$34,694.00	2,800.00	\$61,600.00	3,200.00	\$70,400.00
20	6	EA	Air Relief Valve	519.22	\$3,115.32	440.23	\$2,641.38	552.00	\$3,312.00	650.00	\$3,900.00	500.00	\$3,000.00	705.00	\$4,230.00	570.00	\$3,420.00	650.00	\$3,900.00
21	2	EA	Valve Vault w/ Leak Detection Assembly	12,088.03	\$24,176.06	10,031.63	\$20,063.26	12,500.00	\$25,000.00	11,000.00	\$22,000.00	11,000.00	\$22,000.00	14,800.00	\$14,800.00	8,000.00	\$16,000.00	15,000.00	\$30,000.00
22	2	EA	Valve Vault w/ Pressure Reducing Valve	15,720.56	\$31,441.12	12,217.65	\$24,435.30	19,450.00	\$38,900.00	15,500.00	\$31,000.00	15,000.00	\$30,000.00	9,645.00	\$19,290.00	16,000.00	\$32,000.00	18,000.00	\$36,000.00
23	1	LS	Hydroponumatic Booster Pump Station	60,000.00	\$60,000.00	69,984.99	\$69,984.99	78,390.00	\$78,390.00	67,000.00	\$67,000.00	72,500.00	\$72,500.00	76,100.00	\$76,100.00	94,500.00	\$94,500.00	85,000.00	\$85,000.00
24	1	LS	Hydroponumatic Storage Tank	50,000.00	\$50,000.00	60,368.64	\$60,368.64	62,150.00	\$62,150.00	42,500.00	\$42,500.00	64,500.00	\$64,500.00	65,000.00	\$65,000.00	83,000.00	\$83,000.00	70,000.00	\$70,000.00
25	1	LS	Telemetry System	80,999.00	\$80,999.00	118,709.57	\$118,709.57	116,300.00	\$116,300.00	117,500.00	\$117,500.00	125,000.00	\$125,000.00	104,000.00	\$104,000.00	130,000.00	\$130,000.00	120,000.00	\$120,000.00
26	100	SY	Concrete Driveway Replacement 4 1/2" depth	20.00	\$2,000.00	100.80	\$10,080.00	40.00	\$4,000.00	85.00	\$8,500.00	100.00	\$10,000.00	155.00	\$15,500.00	20.00	\$2,000.00	180.00	\$18,000.00
27	1000	SY	Bituminous Paving 3" depth	15.00	\$15,000.00	88.90	\$8,890.00	40.00	\$4,000.00	35.00	\$3,500.00	40.00	\$4,000.00	25.00	\$2,500.00	20.00	\$2,000.00	150.00	\$15,000.00
28	1500	SY	DGA at Driveways Full depth	10.00	\$15,000.00	59.16	\$88,740.00	8.00	\$12,000.00	30.00	\$45,000.00	40.00	\$60,000.00	30.00	\$45,000.00	10.00	\$15,000.00	45.00	\$67,500.00
29	133	EA	5/8 x 3/4 Inchr Radio Read profiler meters	727.23	\$96,721.59	653.32	\$113,491.56	575.00	\$76,475.00	725.00	\$96,425.00	800.00	\$106,400.00	700.00	\$93,100.00	700.00	\$93,100.00	600.00	\$79,800.00
30	145	EA	5/8 x 3/4 Inchr Radio Read profiler meters w/flyvr	844.97	\$122,520.65	950.42	\$137,810.90	693.00	\$100,485.00	800.00	\$116,000.00	850.00	\$123,250.00	765.00	\$110,925.00	800.00	\$116,000.00	825.00	\$119,625.00
31	13900	LF	3/4" Polyethylene service line	5.20	\$72,280.00	3.75	\$52,125.00	5.00	\$69,500.00	5.50	\$76,450.00	5.00	\$69,500.00	6.00	\$83,400.00	6.00	\$83,400.00	12.70	\$176,530.00
32	1000	LF	1" Polyethylene service line	5.34	\$5,340.00	4.00	\$4,000.00	8.50	\$8,500.00	6.50	\$6,500.00	6.00	\$6,000.00	6.40	\$6,400.00	6.50	\$6,500.00	13.10	\$13,100.00
33	90	LF	Hwy King-Bore & Jack w/16" steel casing	110.43	\$9,938.70	124.01	\$11,160.90	140.00	\$12,600.00	125.00	\$11,250.00	140.00	\$12,600.00	185.00	\$16,650.00	120.00	\$10,800.00	150.00	\$13,500.00
34	60	LF	Hwy King-Bore & Jack w/10.75" steel casing	96.75	\$5,805.00	84.55	\$5,073.00	115.00	\$6,900.00	100.00	\$6,000.00	140.00	\$8,400.00	95.00	\$5,700.00	95.00	\$5,700.00	145.00	\$8,700.00
35	424	LF	Type I - A Creek Crossing	59.03	\$25,028.72	44.83	\$19,007.92	55.00	\$23,320.00	100.00	\$42,400.00	45.00	\$19,080.00	93.00	\$39,432.00	75.00	\$31,800.00	65.00	\$27,560.00
36	342	LF	Type I - B Creek Crossing	74.03	\$25,318.26	70.54	\$24,124.68	75.00	\$25,650.00	120.00	\$41,040.00	45.00	\$15,390.00	93.00	\$31,806.00	80.00	\$27,360.00	130.00	\$44,460.00
37	300	LF	River Crossing	145.41	\$43,623.00	151.54	\$45,462.00	150.00	\$45,000.00	190.00	\$57,000.00	160.00	\$48,000.00	230.00	\$69,000.00	110.00	\$33,000.00	180.00	\$54,000.00
38	42	EA	Waterline marker (Rhino # 70453 w/decals)	53.93	\$2,265.06	51.07	\$2,144.94	60.00	\$2,520.00	40.00	\$1,680.00	75.00	\$3,150.00	25.00	\$1,050.00	60.00	\$2,520.00	50.00	\$2,100.00
39	180	LF	R/R King-Bore & Jack w/16" steel casing	148.73	\$26,771.40	131.23	\$23,621.40	140.00	\$25,200.00	135.00	\$24,300.00	175.00	\$31,500.00	195.00	\$35,100.00	150.00	\$27,000.00	250.00	\$45,000.00
Total Base Bid (Items 1 through 39)				\$1,753,497.41	\$1,753,497.41	\$1,676,779.40	\$1,676,779.40	\$1,922,756.00	\$1,922,756.00	\$1,949,741.00	\$1,949,741.00	\$2,000,247.50	\$2,000,247.50	\$2,051,090.00	\$2,051,090.00	\$2,071,427.50	\$2,071,427.50	\$2,657,641.50	\$2,657,641.50

Notes: I hereby certify that the above tabulation accurately represents bids, received, opened and read by the Breathitt County Water District in the Breathitt County Court House, in Jackson, KY on April 15, 2009.

Corrections from the Bid Forms, as submitted, or extensions of unit prices and/or the resulting Bid Totals are shown highlighted and in *italicized Bold Type*

Project Manager - Ora G. Main, PE, MBA

Date

27 North Upper Street
Washington, KY 40301-0000



esbitt engineering inc

5.

BID FOR UNIT PRICE CONTRACTS

Place _____

Date April 15, 2009

Project No. _____

Proposal of Laurel Construction (hereinafter called "Bidder")* a corporation organized and existing under the laws of state of Kentucky* a partnership, or an individual doing business as Corporation
To the Breathitt County Water District hereinafter called "Owner")

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a _____
150,000 Gallon Water Storage Tank

Having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposal project including the availability of materials and labor, hereby processes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project within 250 consecutive calendar day thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages, the sum of \$ 750.00 for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

Bidder acknowledges receipt of the following addendum:

Addendum #1 April 8, 2009

*Insert corporation, partnership or individual as applicable.

Bidder agrees to perform all the Contract #2 work described in the specifications and shown on the plans, for the following unit prices:

***SEE ATTACHED BID SCHEDULE**

(Amounts are to be shown in both words and figures. In case of discrepancy, the amount shown in words will govern.)

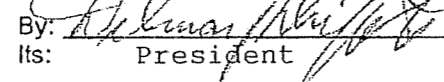
The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The bidder agrees that this bid shall be good and may not be withdrawn for a period of 30 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Paragraph 29 of the General Conditions. The bid security attached in the sum of Five Percent of Amount Bid (\$5% amt. bid) is to become the property of the Owner in the event the contract and bond are not executed within the time above set forth, as liquidated damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By: 
Its: President

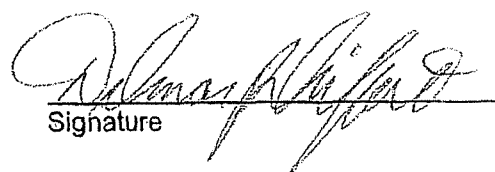
(SEAL – if bid is by a corporation)

5209 Somerset Road
London, Kentucky 40741
(Business Address and Zip Code)

* Loans, grants, contracts and subsidies for \$100,000 or less than \$100,000 will be exempt.

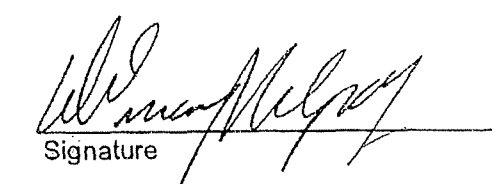
As officers and representatives of Laurel Construction Company Inc.
(Name of Contractor)

We the undersigned have read and fully agree to this Affirmative Action Plan, and become a party to the full implementation of this program.


Signature

President
Title

April 15, 2009
Date


Signature

Secretary-Treasurer
Title

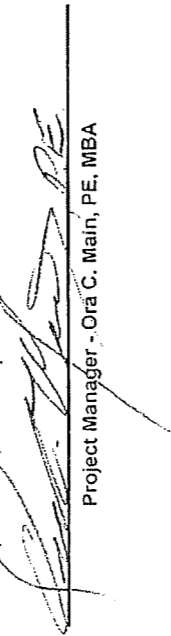
April 15, 2009
Date


**Breathitt County Water District
 Contract 2 - KY 1110 Waterline Extension - Phase II Ground Storage Tank
 Breathitt County, Kentucky
 CERTIFIED BID TABULATION**

Item No.	Qty.	Unit	Description	Laurel Construction Co Inc 5209 Somerset Road London, KY 40741		KY Glass Lined Tank Syst Inc 3203 Georgetown Road Lexington, KY 40511		Weiding Inco 1712 Pennsylvania Ave Charleston WV 25302	
				Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	1200	SY	New 6" DGA Access Roads 12' Wide (Excavation & Aggregate)	\$ 12.00	\$14,400.00	\$ 42.00	\$50,400.00	\$ 200.00	\$240,000.00
2	1300	SY	4" DGA Replacement on Existing Access Road	\$ 0.50	\$650.00	\$ 5.56	\$7,228.00	\$ 6.25	\$8,125.00
3	20	LF	18" CMP culvert	\$ 50.00	\$1,000.00	\$ 35.00	\$700.00	\$ 50.00	\$1,000.00
4	1	LS	Unclassified Tank Site Excavation	\$ 55,000.00	\$55,000.00	\$ 33,332.00	\$33,332.00	\$ 270,000.00	\$270,000.00
5	1	LS	150,000 Gal. Storage Tank & Related items	\$ 180,000.00	\$180,000.00	\$ 179,941.00	\$179,941.00	\$ 160,000.00	\$160,000.00
6	1	EA	Valve Vault	\$ 30,000.00	\$30,000.00	\$ 26,000.00	\$26,000.00	\$ 40,000.00	\$40,000.00
7	1	LS	8' Chainlink Fencing w/Gate	\$ 12,000.00	\$12,000.00	\$ 11,890.00	\$11,890.00	\$ 9,000.00	\$9,000.00
8	1	LS	6" Site DGA, Seed, Fert. & Mulch	\$ 3,000.00	\$3,000.00	\$ 14,000.00	\$14,000.00	\$ 6,000.00	\$6,000.00
Total Base Bid (Items 1 through 8)					\$ 296,050.00		\$ 323,491.00		\$ 734,125.00

Notes:

I hereby certify that the above tabulation accurately represents bids, received, opened and read by the Breathitt County Water District in the Breathitt County Court House, Jackson, KY on April 15, 2009.


 Project Manager - Ora C. Main, PE, MBA


 Date 4/17/09



nesbitt engineering, inc.
providing proven solutions since 1976
 227 North Upper Street
 Lexington, KY 40507-1016

Breathitt County Water District

KY 1110 Phase II Waterline - AML Project
Opinion of Probable Project Cost - Post Bid 4-15-09
 Breathitt County, Kentucky

Contract # 1 - Base Bid received 4-15-09 (see Certified Bid Tab) =	\$ 1,753,497.41
Contract # 2 - Base Bid (150K tank and appurtenances) received 4-15-09 (see Certified Bid Tab) =	\$ 296,050.00
Subtotal - Construction Cost Bid 4-15-09 =	\$ 2,049,547.41
Other Project Related Costs	
Legal and Administrative	\$ 50,000
Land and Rights (Acquisition for Tank Site)	\$ 15,000
Interest during construction	\$ -
Engineering	
Preliminary Engr.	\$ 15,000
Design and Contract Admin.	\$ 215,863
Resident Observation	\$ 93,670
Hydraulic Analysis	\$ 17,500
Operation & Maintenance Manual	\$ 5,000
Surveying	\$ 7,500
Permits, environmental, DOT, CSX permit, etc.	\$ 15,000
Project Contingencies	\$ 515,920
Total Opinion of Probable Project Cost	\$ 3,000,000
Sources of Funding	
AML Grant	\$ 3,000,000.00
Total of Possible Project Funding Sources	\$ 3,000,000



STEVEN L. BESHEAR
GOVERNOR



LEONARD K. PETERS
SECRETARY

ENERGY AND ENVIRONMENT CABINET
OFFICE OF THE SECRETARY
500 MERO STREET
12TH FLOOR, CAPITAL PLAZA TOWER
FRANKFORT, KY 40601
TELEPHONE: 502-564-3350
FACSIMILE: 502-564-3354
www.eec.ky.gov

April 22, 2009

John Lester Smith, Chairman
Breathitt County Water District
1137 Main Street, Suite 305
Jackson, KY 41339

RE: Memorandum of Agreement No.0900023135

Dear Mr. Smith:

Enclosed is a copy of the fully executed Memorandum of Agreement No.0900023135 between the Breathitt County Water District and the Energy and Environment Cabinet, Kentucky Division of Abandoned Mine Lands.

If equipment is to be purchased under this Memorandum of Agreement, written approval must be obtained from this office. At the end of the Memorandum of Agreement, this office will be asked for instructions on the disposition of equipment.

If you have any questions, please contact Travis Trent, Kentucky Division of Abandoned Mine Lands at 502-564-2141.

Sincerely,

A handwritten signature in cursive script that reads "Beth Goodlett".

Beth Goodlett, Administrative Branch Manager
Division of Fiscal Management

BG/rsr
Enclosures
Cc: Travis Trent

FEDERALLY FUNDED

MEMORANDUM OF AGREEMENT

BETWEEN THE

COMMONWEALTH OF KENTUCKY

ENERGY & ENVIRONMENT CABINET

AND

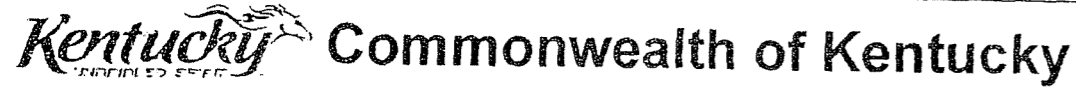
BREATHITT COUNTY WATER DISTRICT

**KY HIGHWAY 1110 (AML) WATER SUPPLY
CONSTRUCTION PROJECT – PHASE II
BREATHITT COUNTY**

RECEIVED

MAR 27 2009

EPPC - FEDERAL GOVERNMENT



PURCHASE ORDER

IMPORTANT
Show Doc ID number on all packages, invoices and correspondence.

Doc Description: HIGHWAY 1110 AML WSP PHASE 2 (BREATHITT) 28AG	
Doc ID No: PO2 128 0900023135 1	Procurement Folder: 1402012
Procurement Type: MOA/PSC Exception	
Administered By: TRAVIS TRENT	Cited Authority: KRS45A.690(1)(D)11
Telephone: 502-564-2141	Issued By: TRAVIS TRENT

C O N T R A C T O R	BREATHITT COUNTY WATER DIST
	1137 MAIN ST.
	JACKSON KY 41339
	US

Effective From: 2009-07-01 Effective To: 2012-06-30

Line	GL Description	Due Date	Quantity	Unit Issue	Unit Price	Contract Amt.	Total Price
1	HIGHWAY 1110 AML WSP PHASE 2 (BREATHITT) 28AG	2012-06-30	00:00:00.000000	0.00	0.00000	3,000,000.00	3,000,000.00

Extended Description

A This Memorandum of Agreement (MOA) Phase II, will provide funding in the amount of \$3,000,000 from the 28th Annual Grant for the construction of a waterline extension to serve the residents of the Highway 1110 area in Breathitt County. The project will be conducted entirely in Breathitt County and will be operated by the Breathitt County Water District. The City shall ensure that the distribution system constructed for the project shall be fully compatible with the treatment and distribution system that is operated by the City of Jackson.

The entire project will involve the construction of a waterline supply system with one water storage tank, Two booster pump stations, approximately 33 miles of water main, and the installation of meters at approximately 533 residences. Phase II construction will be arranged so that bids are received to maximize the amount of waterlines laid and meters set.

This Memorandum of Agreement involves 100% federal funds.

Starting Date: 7/1/2009

Ending Date: JUNE 30, 2012

B I L L T O	257749	S P I T O	257749
	DIVISION OF AML - FRANKFORT		DIVISION OF AML - FRANKFORT
	2521 OLD LAWRENCEBURG RD		2521 OLD LAWRENCEBURG RD
	FRANKFORT KY 40601		FRANKFORT KY 40601
US	US		

Total Order Amount: 3,000,000.00

THIS MEMORANDUM OF AGREEMENT (the AGREEMENT) is made and entered into this first day of July, 2009, by and between the Commonwealth of Kentucky, the Energy and Environment Cabinet, with an address of Capital Plaza Tower, Frankfort, Kentucky 40601, hereinafter known as “the Cabinet,” and Breathitt County Water District, with an address of 1137 Main Street, Suite 305, Jackson, Kentucky, 41339, hereinafter known as “the District”.

WITNESSETH

WHEREAS, a groundwater contamination study known as “HWY 1110 Groundwater Contamination Study” performed by Kentucky Division of Abandoned Mine Lands (AML) found that groundwater in an area that included Highway 1110 in Breathitt County including the areas Howard Creek, Whick, Wolf Coal, Altro, Bowlings Creek, and Barwick have been impacted by AML-eligible mining; and

WHEREAS, the study identified impacts from pre-law and interim coal mining as factors contributing to the reported groundwater problems; and

WHEREAS, approximately 533 residences located in the study area, (Phase I) described above are within the affected area, and a vast majority of those were found to be AML-eligible; and

WHEREAS, the Cabinet and the District entered Agreement 595-0700005566-1 which provided funds for, among other things, the preparation of plans and specifications for an extension of water service into the affected area; and

WHEREAS, the Cabinet and the District wish to begin preparations for an extension of water service into the previously described area, to provide relief to the AML-affected residents;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt, mutuality and sufficiency of which is hereby acknowledged by the parties to this AGREEMENT, the Cabinet and the District hereby COVENANT AND AGREE as follows:

1. OBLIGATIONS OF THE CABINET

1.1 The Cabinet shall undertake the following obligations:

A. When requested to do so, the Cabinet shall forward the written report of any archaeological survey to the Kentucky Heritage Council and the Office of State Archaeology, University of Kentucky, for review.

B. The Cabinet shall review and concur, if acceptable, with proposed contracts for preparation of plans and specifications prepared by the District.

C. The Cabinet shall provide Request for Payment forms to the District.

D. The Cabinet shall participate in monthly progress meetings, as necessary, and review monthly project financial and status reports received from the District

E. The Cabinet shall process payments to the District promptly after receipt of monthly Requests for Payment and progress reports.

F. The Cabinet shall participate in the final inspection of the Project.

G. The Cabinet shall provide an affidavit form entitled, "Campaign Finance Law Compliance" to be included in the bid documents.

1.2 The Cabinet has been awarded a Federal grant to be used toward completion of the Project, and the following information pertains to that award:

- A. Catalog of Federal Domestic Assistance (CFDA) Number: 15.252,
- B. CFDA Title: Abandoned Mine Lands Reclamation (AMLR) Program,
- C. Award Name and Grant Number: 2009 Abandoned Mine Lands Grant, 28th Annual grant number pending approval.
- D. Federal Awarding Agency: Office of Surface Mining Reclamation and Enforcement, Department of the Interior
- E. Applicable Compliance Requirements: Additional compliance requirements for this Project are contained in Circular A-133, a copy of which the Cabinet has provided to the District.

2. OBLIGATIONS OF THE DISTRICT

2.1 The District shall undertake the following obligations:

- A. The District has or shall provide to the Cabinet completed design drawings, technical specifications and other construction-related documents in both paper and electronic format.
- B. The District has or shall submit the necessary contract documents to the Cabinet's Division of Water for its review and approval in accordance with Chapter 224 of the Kentucky Revised Statutes. The District shall obtain all other required permits or certifications.

C. The District shall comply with the provisions of Section 106 of the National Historical Preservation Act of 1966, as amended (16 U.S.C. § 470); Executive Order No. 11593, which relates to the identification and protection of historic properties; and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469(a)(1) et. seq.). In particular, an archaeological survey shall be performed for all areas, such as tank sites and pump stations, proposed for disturbance outside of highway rights-of-way, unless the site and access thereto have previously been disturbed. Three copies of the written report resulting from such an archaeological survey shall be submitted to the Cabinet's Division of Abandoned Mine Lands.

D. The District shall provide adequate construction supervision during the period of contract performance. The District shall provide a copy of any contract for construction supervision to the Cabinet's Division of Abandoned Mine Lands for review and approval prior to execution.

E. The District shall submit, on a monthly basis, a Project status report to the Cabinet's Division of Abandoned Mine Lands. The report shall include a financial report prepared while construction activities are ongoing. A "Request for Payment" form with an itemization of eligible Project costs attached shall accompany monthly reports. The District Chairman or his designee shall sign the Request for Payment forms.

F. The District shall establish a special Project identification code for all work performed under this AGREEMENT and records shall be maintained of all related work, whether performed by The District, other governmental agencies, or private companies.

G. The District shall establish a separate bank account of Federal receipts, and shall mail monthly bank statements to the Cabinet as follows: Finance Branch, Office of

Administrative and Information Support, 4th Floor, Capitol Plaza Tower, Frankfort, Kentucky 40601.

H. The District has or shall submit Tabulation of Construction Bids and any Notices of Award to the Division of Abandoned Mine Lands.

I. The District and any of its subcontractors shall maintain records in accordance with 30 C.F.R. 886.24, which is incorporated into this AGREEMENT by reference. Project-related records shall be available for inspection and audit by the Cabinet.

J. The District shall submit copies of Resident Inspector Daily Reports and Progress Meeting Minutes to the Division of Abandoned Mine Lands.

K. The District shall submit As-Built plans upon completion of the Project.

L. The District shall submit a written "close-out" report for the Project citing any problems occurring during the performance period of the contract, and the resolution of any problems.

M. The District shall schedule a "final" inspection with the Cabinet upon completion of Project construction work.

N. The District shall procure all engineering or construction contracts in accordance with applicable state and federal laws and regulations. Specifically, The District agrees to comply with all pertinent provisions of KRS 45A, "Kentucky Model Procurement Code".

O. The District shall have an audit performed in accordance with OMB Circular A-133, "Audits of State and Local Governments". A copy of the audit report shall be

provided to the Cabinet within 30 days after completion of the audit, but no later than nine months after the end of the audit period.

P. The District shall obtain prior Cabinet approval for acquisition of equipment under this MOA. Requests for equipment acquisition authorization, other than that implicit to the water supply project, shall be submitted to: Office of Administrative and Information Services, 4th Floor, Capital Plaza Tower, Frankfort, Kentucky 40601.

Q. The District shall require all consultants and contractors to carry Workers Compensation and Public Liability Insurance, with single limit coverage of at least \$1,000,000.00. Proof of insurance shall be submitted to the Cabinet upon request.

R. The District has or shall submit the names of the low bidder for the construction contract and all subcontracts to the Cabinet so that the Cabinet may conduct an Office of Surface Mining Applicant Violator System review. The Cabinet may reject the low bidder or any subcontractor if the review identifies the low bidder or subcontractor as a mining violator. The District shall provide the Cabinet with a copy of each contractor/subcontractor's federal ID#, mailing address and phone number.

S. 43CFR12 is incorporated by reference.

T. The District shall require each bidder to sign and submit to the Division of Abandoned Mine Lands a Campaign Finance Law Compliance affidavit in accordance with KRS 45A.110 and KRS 45A.115. Failure by the bidder to provide the affidavit shall be grounds for disqualification.

2.2 The District shall retain all records relating to the Project until such records are audited by the Cabinet, or for three years after submitting the close-out report to the federal Office of

Surface Mining, whichever first occurs. The District shall advise the Cabinet in writing if the Project is to be administered by another governmental entity on its behalf and the Project-related records will be maintained at an alternate site.

2.3 The District shall cooperate fully with the Cabinet in order to facilitate the obligations set out in this AGREEMENT including, but not limited to, allowing the Cabinet to inspect all records pertaining to the project at any time.

2.4 The District shall complete the Project no later than June 30, 2012, unless the Cabinet grants a written extension.

3. MUTUALITY OF OBLIGATIONS

3.1 The obligations imposed upon the parties to this AGREEMENT are for the benefit of the parties and the timely fulfillment of each and every obligation in accordance with this AGREEMENT is necessary. The failure of any party to fulfill any of its obligations under this AGREEMENT shall constitute a breach of this AGREEMENT, and shall entitle the other party to commence appropriate legal or equitable action to enforce its rights under this AGREEMENT, unless the fulfillment of such obligation is waived or modified by the affected party. All waivers shall be in writing, signed by the affected party, and a waiver of one breach shall not constitute a waiver of any other breach.

3.2 In the event of a material breach by either party to this AGREEMENT, the other party may terminate this AGREEMENT, as provided in paragraph 8 herein, without further obligation to the other party. The rights of the parties to this AGREEMENT to pursue remedies for breach of any of the provisions hereof shall survive the termination, expiration or cancellation of this AGREEMENT.

3.3 Except as otherwise provided in this AGREEMENT, the parties to this AGREEMENT shall be solely responsible for any costs incurred in fulfilling their obligations under this AGREEMENT.

4. METHOD OF PAYMENT

4.1 The maximum amount of compensation to the District from the Cabinet pursuant to this AGREEMENT is Three Million Dollars (\$3,000,000.00), unless subsequently amended in writing. Any funds not expended pursuant to this AGREEMENT shall revert to or remain with the Cabinet. The District shall be reimbursed only for actual expenses incurred pursuant to this AGREEMENT. Payment shall be based on the percentage of the project that has been completed at the time that the request for payment is made.

4.2 Payments on this instrument shall not be authorized for services rendered after Government Contract Review Subcommittee disapproval of this instrument, unless the decision of the Committee is overridden by the Secretary of the Finance and Administration Cabinet or the agency head, if the agency has been granted delegation authority.

4.3 The parties agree that the Cabinet's funds are appropriated by the United States Congress from funds allocated to Kentucky pursuant to Section 402(g)(2) of Public Law 95-87. **The parties further agree and understand that this AGREEMENT will only become effective upon approval of the Project by the U. S. Office of Surface Mining (OSM).** The Catalog of Federal Domestic Assistance number for this Project is CFDA #15-252.

5. TERM OF AGREEMENT

This AGREEMENT shall be effective on July 1, 2009 or upon approval by the Government Contract Review Subcommittee if that constitutes a different date, and shall expire

on June 30, 2012 or upon the final completion of the Project as specified in Sections 1 and 2 of this AGREEMENT, whichever first occurs, unless extended in writing by the parties or terminated earlier in accordance with the terms hereof.

6. ASSURANCES

The parties shall comply with:

- 6.1 The Common Rule, which is incorporated by reference into this AGREEMENT.
- 6.2 The Anti-Drug Abuse Act (P.L. 100-690), which requires recipients of Federal funds to certify that they have met requirements designed to promote a drug-free workplace.
- 6.3 Federal statutes relating to nondiscrimination, including but not limited to:
 - A. Title VI of the Civil Rights Act of 1964 (P.L. 88-352), which prohibits discrimination on the basis of race, color, or national origin;
 - B. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex;
 - C. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 794), which prohibits discrimination on the basis of handicaps;
 - D. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age;
 - E. The Drug Abuse Prevention, Treatment and Rehabilitation Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;

F. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;

G. §§ 523 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;

H. Any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made;

I. Any other nondiscrimination statute(s) that apply to this AGREEMENT.

6.4 Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs.

6.5 The Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limits the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

6.6 The Davis-Bacon Act (40 U.S.C. § 267a to 276a-7); the Copeland Act (40 U.S.C. § 276(c) and 18 U.S.C. § 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally-assisted construction sub-agreements.

6.7 The flood insurance purchases requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234), which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000.00 or more.

6.8 The parties shall further:

- A. Comply with environmental quality control measures pursuant to the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order No. 11514;
- B. Notify violating facilities pursuant to Executive Order No. 11738;
- C. Protect wetlands pursuant to Executive Order no. 11990;
- D. Evaluate flood hazards in flood plains in accordance with Executive Order No. 11988;
- E. Ensure actions comply with state implementation plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.);
- F. Protect underground sources of drinking water pursuant to the Safe Drinking Water Act of 1974, as amended (P.L. 93-523);
- G. Comply with the Endangered Species Act of 1973, as amended (P.L. 93-205); and
- H. Comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq).

6.9 The parties shall comply with the Executive Branch Code of Ethics (KRS Chapter 11A) and all state statutes relating to nondiscrimination.

6.10 The parties certify, by the signatures of duly authorized representatives hereinafter affixed, that they are legally entitled to enter into this AGREEMENT and that they shall not be violating, either directly or indirectly, any conflict of interest statute of the Commonwealth of Kentucky by performance of this AGREEMENT. Further, the parties promise that they presently have no conflict of interest, in any manner or degree, with the performance of services required to be performed under this AGREEMENT, and that no persons having any such conflict of interest shall be employed.

7. CHOICE OF LAW AND FORUM

7.1 All questions as to the execution, validity, interpretation, construction, and performance of this AGREEMENT or any of its terms shall be governed by the laws of the Commonwealth of Kentucky.

7.2 Any suit, action or other proceeding regarding the execution, validity, interpretation, construction, or performance of this AGREEMENT shall be filed in the Franklin Circuit Court of the Commonwealth of Kentucky.

8. CANCELLATION

Either party has the right to terminate or cancel this AGREEMENT without cause upon thirty days prior written notice to the other party, or for cause at any time without prior written notice.

9. MISCELLANEOUS PROVISIONS

9.1 The headings set forth in this AGREEMENT are for convenience of reference only, and the words contained therein shall in no way be intended to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this AGREEMENT.

9.2 The terms and conditions of this AGREEMENT shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns. This provision shall not be construed to permit assignment by any party of any of its rights or duties under this AGREEMENT, which assignment shall be prohibited except with the prior written consent of all parties hereto. Such consent shall not be unreasonably withheld.

9.3 This AGREEMENT sets forth the entire understanding of the parties with respect to the subject matter hereof, supersedes all existing agreements among them concerning the subject

9.9 This AGREEMENT may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument. It shall not be necessary that any single counterpart hereof be executed by all parties hereto so long as at least one counterpart is executed by each party.

9.10 Except to the extent otherwise expressly specified in this AGREEMENT, all remedies specified herein are in addition to, and not in lieu of, other remedies available to the parties both at law and in equity.

**10. ACCESS TO CONTRACTOR'S BOOKS, DOCUMENTS, PAPERS,
RECORDS, OR OTHER EVIDENCE DIRECTLY
PERTINENT TO THE CONTRACT**

The Cabinet and the Finance and Administration Cabinet may audit or review all documentation and records pertaining to the Project pursuant to the provisions of KRS 45A.150, and may make other inspections pursuant to the provisions of KRS 45A.150. The Cabinet, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence which is directly pertinent to this AGREEMENT for the purpose of financial audit or program review. Furthermore, any books, documents papers, records, or other evidence provided to the Cabinet, the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission that are directly pertinent to this AGREEMENT shall be subject to public disclosure regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1) (c) prior to the execution of the AGREEMENT. The Secretary of the Finance and

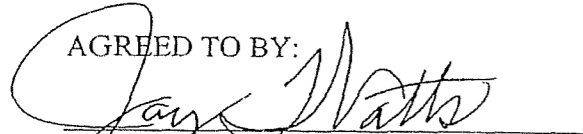
Administration Cabinet shall not restrict the public release of any information which would otherwise be subject to public release if a state government agency was providing the services.

IN WITNESS WHEREOF, the Cabinet and the District have executed this AGREEMENT, to become effective upon approval by the Government Contract Review Subcommittee.

BREATHITT COUNTY WATER DISTRICT:

I hereby acknowledge that I was informed of, understand, and agree to comply with applicable compliance requirements, as set forth in this MEMORANDUM OF AGREEMENT. I further acknowledge receipt of circular A-133 from the Energy & Environment Cabinet.


AGREED TO BY:


John Lester Smith, Chairman

JAY WATTS - VICE CHAIRMAN

Date: 3-18-09

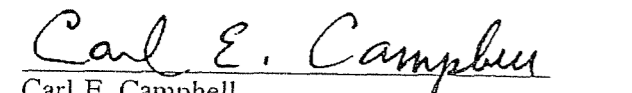
APPROVED AS TO FORM AND LEGALITY:


Brendon Miller, Attorney

Date: 3-18-09

ENERGY & ENVIRONMENT CABINET:

APPROVAL RECOMMENDED BY:


Carl E. Campbell,
Commissioner, Department for Natural Resources

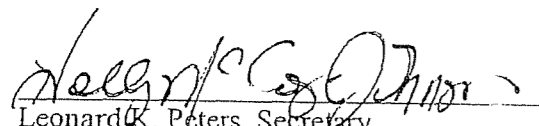
Date: 3/24/09

APPROVED AS TO FORM AND LEGALITY:


Executive Director, Office of Legal Services

Date: 3.24.09

AGREED TO BY:


Leonard K. Peters, Secretary

Date: 4-15-09