

RECEIVED

JUN 30 2014

PUBLIC SERVICE
COMMISSION

CANNONSBURG WATER DISTRICT
1606 Cannonsburg Road Ashland, KY 41102 (606) 928-9808

June 25, 2014

Ms. Ann Ramser, Staff Attorney
KY Public Service Commission
Office of General Counsel
211 Sower Blvd.
Frankfort, KY 40601

RE: Cannonsburg Water District
Surcharge Spending Plan

Dear Ms. Ramser:

Please accept this as a status report to our March 25, 2014 meeting in your offices and your subsequent email (attached).

Item 1 in your email (maps showing monitor and bypass meter zones) was furnished by our previous letter dated June 2, 2014. We actually ended up with 10 Monitor Meter zones, and 14 Bypass Meter Zones:

The following remaining items are enclosed:

2. Copy of actual Bids received today during our regular monthly Commissioners meeting. The Bids were broken down into (2) divisions- Contract 1- Labor & Installation, Contract 2- Furnishing Materials.
3. Breakdown of detailed costs. Copy of Engineer Certified Bid Tabulation enclosed.

The low bids accepted by the Commissioners at today's meeting follows the Engineer's recommendation as follows:

- Contract 1- Labor & Installation- \$47,800.00- Little Creek Construction
 - Contract 2- Furnishing Materials- \$85,761.78- C.I. Thornburg Co.
4. The time for completion of installation of all materials and meters is noted on Page 1 of the Bids as 90 calendar days from the date we issue the Notice to Proceed.

The Commissioners accepted the low bids today, but we will not issue the Notice to Proceed with the meter installation until we receive approval from KYPSC.

5. The time line for determining sources of un-accounted for water loss and amount of water loss from each source would be 4-6 months after completion of installation of the bypass and monitor meters under Item 4 above.

Ms. Ann Ramser, Staff Attorney
KY Public Service Commission
June 25, 2014
Page 2

6. General statement on how the results from the monitor and bypass meter installations will be used to eliminate sources of un-accounted for water,

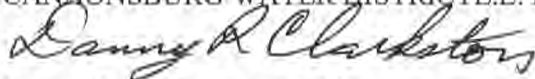
We will follow the "Water Loss Prevention and Leak Detection Program", that we developed in conjunction with KRWA and provided to KYPSC. Once the monitor and bypass meters are installed (under "System Upgrades" part of program), we will be able to determine fairly quickly which zone(s) have the most water loss.

Our Bids expire 45 days from today's bid opening. So we must issue the Notice to Proceed within 45 days from today. Please ensure that PSC responds before then.

Should there be questions, please contact me.

Sincerely,

CANNONSBURG WATER DISTRICT E.L. Robinson Engineering



Danny Clarkston- General Manager

CC: Paul Amburgey, P.E.- E.L. Robinson Engineering
Gary Larimore- KY Rural Water Association (via fax)

mburgey

From: Ramser, Ann (PSC) <Ann.Ramser@ky.gov>
Sent: Wednesday, March 26, 2014 9:10 AM
To: 'sharon'; Paul Amburgey; 'g.larimore@krwa.org'
Cc: Cole, Aaron Ann (PSC); Reid, Sam H (PSC); Wakim, George W (PSC); Frost, Mark C. (PSC)
Subject: RE: Surcharge Spending Plan

As discussed during our meeting yesterday, the plan to spend the money currently on hand needs to include the following items:

- Provided 6/2/14*
1. Map showing the 9 zones, including placement of the 9 master meters, placement of the 12 bypass meters and two saddles per bypass meter, and the size of the pipe where the meters are being placed.
 2. Bids identifying materials, meters, and labor for the 9 zones and the 12 bypass meters. Bids should indicate expiration dates.
 3. A breakdown of the detailed construction costs for each of the 9 zones. This total cost should be equal to the bid that is accepted.
 4. Time line for installation of all materials and meters.
 5. Once materials and meters are installed in each zone, time line for determining sources of unaccounted for water loss and amount of water loss from each source.
 6. General statement indicating how the results will be used to eliminate the sources of unaccounted-for water loss (ie the zone with the most water loss will be resolved first).
- Provided 6/25/14*

Please let me know if you have any questions.

Ann Ramser
Staff Attorney
Office of General Counsel
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601
(502) 782-2585



June 2, 2014

Ms. Ann Ramser, Staff Attorney
KY Public Service Commission
Office of General Counsel
211 Sower Blvd.
Frankfort, KY 40601

RE: Cannonsburg Water District
Surcharge Spending Plan

Dear Ms. Ramser:

Please accept this as a status report to our March 25, 2014 meeting in your offices and your subsequent email (attached).

We have completed plans/specs for this project and the Water District has advertised the project for bids. Bids will be opened during their regular meeting on June 25, 2014.

We will tabulate the bids and provide the info requested in the email on/before the July 1st deadline that was discussed.

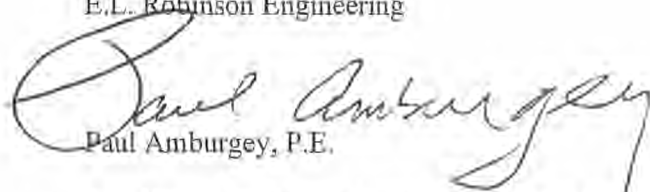
Until then, the attached plans should take care of Item 1 in your email:

1. Map showing the 9 zones, including placement of the 9 master meters, placement of the 12 bypass meters and two saddles per bypass meter, and the size of the pipe where the meters are being placed.

Should there be questions, please contact me.

Sincerely,

E.L. Robinson Engineering



Paul Amburgey, P.E.

Cc: Danny Clarkston- General Manager Cannonsburg Water District
Gary Larimore- KY Rural Water Association (via fax)



CERTIFIED BID TABULATION

PROJECT: Cannonsburg Water District
2014 PSC Surcharge Project
BID DEADLINE: June 25, 2014 at 11:00 A.M.

**Monitor and Bypass Meters-
Furnishing and Installation**

<u>LABOR/INSTALLATION BIDS</u>	<u>TOTAL BID</u>
1. Little Creek Construction 47 Tolliver Road Greenup, KY 41144	\$ 47,800.00
2. Distel Construction 2227 6 th Street Portsmouth, OH 45662	\$ 75,980.00

MATERIALS BIDS

1. <u>CITCO</u> <u>4034 Altizer Avenue</u> <u>Huntington, WV 25722</u>	\$ <u>85,761.78</u>
2. <u>Consolidated Pipe/Supply</u> <u>77 Industrial Drive</u> <u>Debord, KY 41214</u>	\$ <u>91,082.06</u>

ENGINEER'S ESTIMATE.....\$ 120,000 (Materials Bid), \$ 65,000 (Labor/Installation Bid)

To the best of our knowledge and belief, the bids as received and noted at the above time and location are true and correct.



Prepared by:

E.L. Robinson Engineering
3145 Greenup Avenue
Ashland, KY 41101

Paul Amburgey
Paul Amburgey, PE

June 25, 2014

CONTRACT 1- LABOR/INSTALLATION BID
Installation of (14) – 1” Bypass Meter settings, and (10) – 6” Monitor Meter settings
CANNONSBURG WATER DISTRICT
KY PSC FUNDED WATER SYSTEM IMPROVEMENTS

Bid of Little Creek Construction Inc (hereinafter called "BIDDER"), organized and existing under the laws of the State of _____ doing business as corporation*,
(a corporation, partnership, etc.)

To the Cannonsburg Water District (hereinafter called "OWNER").

In compliance with your Advertisement for Bids, BIDDER hereby proposes to perform all WORK for the construction of Water Distribution Improvements in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below.

By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication, or agreement as to any matter relating to this BID with any other BIDDER or with any competitor.

BIDDER hereby agrees to commence WORK under this contract on or before a date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within 90 consecutive calendar days thereafter.

BIDDER further agrees to pay as liquidated damages, the sum of \$ 200.00 for each consecutive calendar day thereafter as provided in Section 15 of the General Conditions.

*Insert "a corporation", "a partnership", or "an individual" as applicable.

BASE BID SCHEDULE
CANNONBURG WATER DISTRICT

BIDDER acknowledges receipt of the following ADDENDUM:

No. _____ Dated _____
 No. _____ Dated _____
 No. _____ Dated _____

BIDDER agrees to perform all the work described in the CONTRACT

DOCUMENTS for the following unit prices or lump sum.

- NOTE:** 1) The State Prevailing Wage Rates do not apply to this project.
 2) This BID schedule includes completing labor/installation only, except where otherwise noted. Materials furnished under separate contract.

Item No.	Description w/Unit Price in Words	Estimated Quantities (Units)	Unit Price	Total Amount of Bid
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1. Labor/installation for standard "Bypass Meter" installation on existing 3" - 6" waterlines. Including, excavation, laying, backfilling, testing, clean-up, furnish stone meter box bedding for:

_____ Dollars
One thousand Dollars
 _____ Cents
Zero Cents
 Per Each

14 Each \$ 1,000⁰⁰ \$ 14,000⁰⁰ ✓

2. 1" CL. 200 Poly. Service Line installation (for Bypass Meters above), including, trenching, laying, backfilling, testing, clean-up, and sterilization for:

_____ Dollars
 _____ Dollars
Ten Dollars
 _____ Cents
Zero Cents
 Per Linear Foot

500 L.F. \$ 10⁰⁰ \$ 5,000⁰⁰ ✓

BASE BID SCHEDULE

CANNONBURG WATER DISTRICT

Item No.	Description w/Unit Price in Words	Estimated Quantities (Units)	Unit Price	Total Amount of Bid
3.	Labor/installation for standard 6" "Monitor Meter" installation on existing 6" and 8" waterlines. Including, excavation, laying, backfilling, testing, clean-up, furnish stone for meter box bedding for:			
	<u>Ten Thousand Eight Hundred Dollars</u> <u>Zero Cents</u>			
	Per Each	10	Each \$ <u>2800⁰⁰</u>	\$ <u>28000⁰⁰</u> ✓
4.	6" SDR 21 PVC Labor/installation including excavation, laying, backfilling, testing, clean-up for Monitor Meter ties-ins:			
	<u>Ten Dollars</u> <u>Zero Cents</u>			
	Per Each	40 L.F	\$ <u>10⁰⁰</u>	\$ <u>400⁰⁰</u> ✓
5.	8" SDR 21 PVC Labor/installation including excavation, laying, backfilling, testing, clean-up for Monitor Meter ties-ins:			
	<u>Ten Dollars</u> <u>Zero Cents</u>			
	Per Each	40 L.F	\$ <u>10⁰⁰</u>	\$ <u>400⁰⁰</u> ✓

BASE BID SCHEDULE

CANNONSBURG WATER DISTRICT

Item No.	Description w/Unit Price in Words	Estimated Quantities (Units)	Unit Price	Total Amount of Bid
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TOTAL BASE BID IN NUMBERS (ITEMS 1 - 5)

\$ 47,800⁰⁰

6/25/14
checks
etc

TOTAL BASE BID IN WORDS (ITEMS 1 - 5)

Forty Seven Thousand Eight Hundred Dollars and zero cents

The above unit prices shall include all labor, 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.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 45 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 the General Conditions. The bid security attached, in the sum of _____ 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:

Name of Bidder Little Creek Construction Inc

Address 47 Tulliver Rd Leeper Ky 41144

Signed by: Rebecca Tulliver

Rebecca Tulliver

Type Written Name President

Title 6/25/2014

Date (area) 473-6296

Telephone Number

(Seal - if bid is by a Corporation),

Cannonsburg Water District-2014 KY PSC Funded Water System Improvements
 Contract 2 – Materials Furnishing Bid

CONTRACT 2 - FURNISH MATERIALS BID SCHEDULE							
Ref.	Item Description	Estimated Quantities (A)	Units (B)	Unit Cost			Total Cost of Item D=A x C
					Materials (C)		
1.	Furnish materials for standard "Bypass Meter" installation on existing 3" – 6" waterlines. Including 1" corp. stops, saddles 1" outlet size per existing main size, 1" copper setter, 1" water meter, meter box, lid, 1 foot long section of ½" Sch. 40 PVC pike for support of meter setter	14	Each		678.29		\$ 9496.06 ✓
2.	1" CL 200 Polyethylene Service Line for Bypass meter installations	500	L.F.		.32		\$ 160.00 ✓
3.	Furnish materials for standard "Monitor Meter" installed on existing 6" and 8" existing waterlines. Including 6/4" DI MJ fittings w/grip rings, 3 feet long 6" CL 53-DI flanges x plain end spool pipes, 18 feet long section of 4" CL. 350 DIP, 6", Foster adapter, 6"/4" MJ w/grip ring gate valves (2-6", 1-4" per setting) w/valve boxes/lids, 6" electro- magnetic water meter, meter box, lid, 8"x6" DI MJ w/grip ring reducers (2 per setting for 8" exist. mains) or 6" restrained joint couplings (2 per setting for 6" exist. mains)	10	Each		8108.20		\$ 81082.00 ✓
4.	6" SDR 21 PVC pipe for monitor meter tie ins	40	L.F.		3.25/FT		\$ 130.00 ✓
5.	8" SDR 21 PVC pipe for monitor meter tie ins	40	L.F.		5.35/FT		\$ 214.00 ✓

Cannonsburg Water District-2014 KY PSC Funded Water System Improvements
Contract 2 – Materials Furnishing Bid

TOTAL AMOUNT OF BID IN NUMBERS: \$

91,082.06 ✓

6/25/14
Checked
JWA

Bid Submitted by: Consolidated Pipe & Supply Company Name

907 HoneyBunch Ind Park Address

Darboon Ky 41214 Legal Contact Person Signature

606 298 0333 Phone No.

Note: Material quotation prices to include FOB shipping cost and must be held for 45 days after bid date w/o increase to Owner.
Do not include KY Sales Tax as Owner is Tax Exempt. Bid Security/Bond not required for this Contract.

Cannonsburg Water District-2014 KY PSC Funded Water System Improvements
 Contract 2 – Materials Furnishing Bid

CONTRACT 2 - FURNISH MATERIALS BID SCHEDULE							
Ref.	Item Description	Estimated Quantities (A)	Units (B)	Unit Cost			Total Cost of Item D=A x C
					Materials (C)		
1.	Furnish materials for standard "Bypass Meter" installation on existing 3" – 6" waterlines. Including 1" corp. stops, saddles 1" outlet size per existing main size, 1" copper setter, 1" water meter, meter box, lid, 1 foot long section of ½" Sch. 40 PVC pike for support of meter setter	14	Each		\$662.77		\$9,278.78 ✓
2.	1" CL 200 Polyethylene Service Line for Bypass meter installations	500	L.F.		\$0.32		\$160.00 ✓
3.	Furnish materials for standard "Monitor Meter" installed on existing 6" and 8" existing waterlines. Including 6/4" DI MJ fittings w/grip rings, 3 feet long 6" CL 53-DI flanges x plain end spool pipes, 18 feet long section of 4" CL. 350 DIP, 6" Foster adapter, 6" 6/4" MJ w/grip ring gate valves (2-6", 1-4" per setting) w/valve boxes/lids, 6" electro- magnetic water meter, meter box, lid, 8"x6" DI MJ w/grip ring reducers (2 per setting for 8" exist. mains) or 6" restrained joint couplings (2 per setting for 6" exist. mains)	10	Each		\$7,591.10		\$75,911.00 ✓
4.	6" SDR 21 PVC pipe for monitor meter tie ins	40	L.F.		\$3.80		\$152.00 ✓
5.	8" SDR 21 PVC pipe for monitor meter tie ins	40	L.F.		\$6.50		\$260.00 ✓

Cannonsburg Water District-2014 KY PSC Funded Water System Improvements
Contract 2 - Materials Furnishing Bid

TOTAL AMOUNT OF BID IN NUMBERS: \$ 85,761.78 ✓

6/25/14
CKS
JLK

Bid Submitted by: The C.I. Thornburg Co. Inc. Company Name
4034 Altizer Avenue
Huntington WV 25705 Address
 Legal Contact Person Signature
800-999-3484 Phone No.

Note: Material quotation prices to include FOB shipping cost and must be held for 45 days after bid date w/o increase to Owner.
Do not include KY Sales Tax as Owner is Tax Exempt. Bid Security/Bond not required for this Contract.

CONTRACT 1- LABOR/INSTALLATION BID
Installation of (14) – 1” Bypass Meter settings, and (10) – 6” Monitor Meter settings
CANNONSBURG WATER DISTRICT
KY PSC FUNDED WATER SYSTEM IMPROVEMENTS

Bid of Distel Construction Inc (hereinafter called "BIDDER"), organized and existing under the laws of the State of Ohio doing business as Corporation*, (a corporation, partnership, etc.)

To the Cannonsburg Water District (hereinafter called "OWNER").

In compliance with your Advertisement for Bids, BIDDER hereby proposes to perform all WORK for the construction of Water Distribution Improvements in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below.

By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication, or agreement as to any matter relating to this BID with any other BIDDER or with any competitor.

BIDDER hereby agrees to commence WORK under this contract on or before a date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within 90 consecutive calendar days thereafter.

BIDDER further agrees to pay as liquidated damages, the sum of \$ 200.00 for each consecutive calendar day thereafter as provided in Section 15 of the General Conditions.

*Insert "a corporation", "a partnership", or "an individual" as applicable.

BASE BID SCHEDULE
CANNONSBURG WATER DISTRICT

BIDDER acknowledges receipt of the following ADDENDUM:

No. _____ Dated _____
 No. _____ Dated _____
 No. _____ Dated _____

BIDDER agrees to perform all the work described in the CONTRACT

DOCUMENTS for the following unit prices or lump sum.

- NOTE** 1) **The State Prevailing Wage Rates do not apply to this project.**
 2) **This BID schedule includes completing labor/installation only, except where otherwise noted. Materials furnished under separate contract.**

Item No.	Description w/Unit Price in Words	Estimated Quantities (Units)	Unit Price	Total Amount of Bid
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1. Labor/installation for standard "Bypass Meter" installation on existing 3" - 6" waterlines. Including, excavation, laying, backfilling, testing, clean-up, furnish stone meter box bedding for:

Twenty Three Hundred _____ Dollars
 Zero _____ Cents

Per Each 14 Each \$2,300.00 \$ 32,200.00

6/25/14 corrected per \$ 32,200

2. 1" CL. 200 Poly. Service Line installation (for Bypass Meters above), including, trenching, laying, backfilling, testing, clean-up, and sterilization for:

Five _____ Dollars
 Zero _____ Cents

Per Linear Foot 500 L.F. \$5.00 \$2,500.00



BASE BID SCHEDULE

CANNONBURG WATER DISTRICT

Item No.	Description w/Unit Price in Words	Estimated Quantities (Units)	Unit Price	Total Amount of Bid
3.	Labor/installation for standard 6" "Monitor Meter" installation on existing 6" and 8" waterlines. Including, excavation, laying, backfilling, testing, clean-up, furnish stone for meter box bedding for: <div style="margin-left: 40px;"> <u>Four thousands</u> Dollars <u>Zero</u> Cents </div>	10	Each \$ 4,000.00	\$ 40,000
4.	6" SDR 21 PVC Labor/installation including excavation, laying, backfilling, testing, clean-up for Monitor Meter ties-ins: <div style="margin-left: 40px;"> <u>Fifteen</u> Dollars <u>Zero</u> Cents </div>	40 L.F	\$ 15.00	\$ 600 ✓
5.	8" SDR 21 PVC Labor/installation including excavation, laying, backfilling, testing, clean-up for Monitor Meter ties-ins: <div style="margin-left: 40px;"> <u>Seventeen</u> Dollars <u>Zero</u> Cents </div>	40 L.F	\$ 17.00	\$ 680 ✓

BASE BID SCHEDULE

CANNONSBURG WATER DISTRICT

Item No.	Description w/Unit Price in Words	Estimated Quantities (Units)	Unit Price	Total Amount of Bid
TOTAL BASE BID IN NUMBERS (ITEMS 1 - 5)			\$ 75,980	
TOTAL BASE BID IN WORDS (ITEMS 1 - 5)				
seventy five thousand nine hundred and eighty				
dollars and zero cents				

*Noted checks
6/25/14*

The above unit prices shall include all labor, 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.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 45 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 the General Conditions. The bid security attached, in the sum of _____ 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:

(Seal - if bid is by a Corporation).

Name of Bidder
Distel Construction Inc.
Address
2227 6th Street Portsmouth Ohio
Signed by: Mark Distel
Mark Distel
Type Written Name
President
Title
6-25-2014
Date
740-353-2815
Telephone Number

Cannonsburg Water District

Water Loss Prevention and Leak Detection Program

The Cannonsburg Water District gets its water from two neighboring water utilities. Water is supplied from the City of Ashland via nine master meters and from Big Sandy Water District via two master meters. Cannonsburg Water District in returns supplies water to Big Sandy Water District through one master meter and via three master meters to the City of Greenup. There is approximately 200 miles of main water lines, and approximately 3,700 customers, four pump stations, five tank sites. Water loss is beyond the recommended requirements for the Public Service Commission, and it is our goal is to reduce this percentage to meet the tolerances set. However we are willing to apply means of restructuring the utilities water metering and loss program.

The Cannonsburg Water District is putting together the following program to closer monitor water line leaks (in both main and customer service), as well as meter usage, pressure recordings, work orders concerning leaks. In an effort to decrease water loss.

1. Routine Procedures (Monthly, Weekly, Daily)

- A. Discuss ways to reduce water loss with field techs, office personnel, manager, and commissioners.
- B. Schedule all master meter readings to be performed weekly (same day & time as possible) within the system.
- C. Provide a spread sheet to record data to compare and archive for future reference.
- D. Monthly reading of customer meters will be read at approximately the beginning of each month to ensure that differences between producers of the water we buy and water we sell are identified and addressed
- E. Field Techs shall report all main leaks, service leaks, meter leaks, pump station leaks, and tank overflows to the manager and office staff to have a work order generated to investigate to expedite steps to fix to problem (during normal working hours, all issues after hours will be handled by the on call tech and addressed by his discretion .
- F. Office staff shall make a work order to investigate all leaks from field techs, customers, and manager (during normal working hours).
- G. Data recording will be monthly on water loss, monthly on all customers meters, weekly on all master meters, daily on all pump station run times, tank levels, tank overflow, will recorded and printed for archive purposes.
- H. Zoning of the district will coincide with master meters to monitor water usage. Reports will be made of each zone to determine customer usage or other use.
- I. Meter testing shall be performed as follows. One inch and ¾ inch meters shall be replaced in ten year increments, two inch meters shall tested every three years, three inch meter shall

be tested every two years, four inch and larger meters shall be tested once a year . The findings shall be recorded and archived.

2. Leak Detection Procedures

- A. Field Techs will monthly (as utility will allow) schedule leak detection at non peak hours to sound for water usage.
- B. Help from other sources will be used (as funding and scheduling will permit) to help determine zones with potential issues.

3. System Upgrades (as funding is available)

- A. Master meters will be installed at pump stations in order to compare purchased water to sold water.
- B. By-pass meters will installed at valves to monitor smaller areas within zones
- C. Valve placement will be giving a GPS coordinate and exercised , then recorded for future use
- D. A mapping should be compiled to give reference to past leaks and potential future problems
- E. Water mains replacement shall be introduced to commissioner board to begin replacing in problem affected zones.