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

April 24, 2018

RECEIVED

APR 26 2018

**PUBLIC SERVICE
COMMISSION**

Ms. Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Wood Creek Water District **PSC Case No. 2018-00066** - Post Order Information Filing

Dear Director Pinson:

The Commission issued its Order in the above referenced case on March 16, 2018. A change in circumstances has occurred in connection with the approved Project that we want to make the Commission aware of. Specifically, as explained in the revised final engineering report, the grinder pumps being purchased as part of Contract 2 were field tested and did not meet the performance requirements necessary to work with the sewer system. The Engineer recommended that Contract 2 be awarded to the next lowest bidder who bid a different brand of grinder pump that met the necessary performance standards.

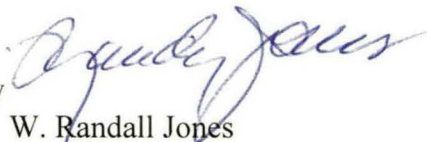
USDA, Rural Development has concurred in the award of Contract 2 to the next lowest bidder (Straeffler Pump and Supply, Inc.) and such concurrence is evidenced by the revised USDA Letter of Concurrence in Contract Award, a copy of which is filed herewith. We are also filing a copy of the signed, sealed and dated Revised Final Engineering Report of Kenvirons, Inc.

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

Sincerely,

Rubin & Hays

By



W. Randall Jones

WRJ:jlm
Enclosures



United States Department of Agriculture

Rural Development

April 9, 2018

Kentucky State Office

771 Corporate Drive,
Suite 200
Lexington, KY
40503

Voice 859.224.7300
Fax 859.224.7425
TTY 859.224.7422

SUBJECT: Wood Creek Water District
Pittsburg LS and Force Main
Contract Award Concurrence

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PUBLIC SERVICE
COMMISSION

TO: Area Office
London, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject contract to the low bidder on Contract 1, Weddle Enterprises, Inc., in the amount of \$374,074, and the low bidder on Contract 2, Straeffler Pump and Supply Inc., in the amount of \$605,833.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.


for Hilda G. Legg
State Director
Rural Development

cc: Kenvirons, Inc.
Frankfort, Kentucky

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If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 890-7442 or email at program.intake@usda.gov.



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PUBLIC SERVICE
COMMISSION

REVISED FINAL ENGINEERING REPORT

for

WOOD CREEK WATER DISTRICT

CONTRACT 1: PITTSBURG LIFT STATION & FORCE MAIN EXTENSIONS

**CONTRACT 2: MATERIALS PURCHASE CONTRACT – INDIVIDUAL
GRINDER PUMPS & PORTABLE GENERATOR**

PREPARED BY:

**KENVIRONS, INC.
452 VERSAILLES ROAD
FRANKFORT, KENTUCKY 40601**

PROJECT No. 2016087

MARCH 2018

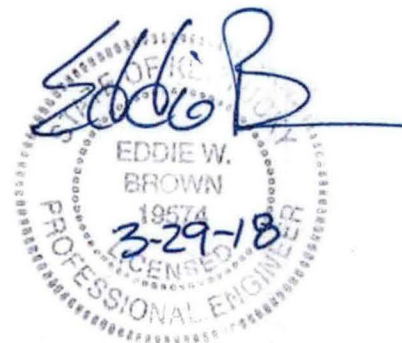


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1. INTRODUCTION

The Wood Creek Water District made an application for financial assistance to USDA Rural Development for the replacement of the Pittsburg Lift Station, extending force main along Slate Lick Road and in Binder Subdivision, and the purchase of 300 individual grinder pumps and control panels. A Preliminary Engineering Report dated September 2016 describes in detail the scope and need for this project. A Revised Preliminary Engineering Report dated November 2016 was prepared describing additional items to be included in the project if excess funds were available and is included herewith by reference. This project was bid as two distinct contracts; Contract 1: Pittsburg Lift Station & Force Main Extensions and Contract 2: Materials Purchase Contract – Individual Grinder Pumps & Portable Generator.

2. BIDS RECIEVED

Bids were opened and read aloud at 1:30 P.M. on December 19, 2017 at the Wood Creek Water District Office. Seven (7) bids were received for Contract 1: Pittsburg Lift Station & Force Main Extensions. The low bidder was Weddle Enterprises, Inc. of Somerset, KY in the amount of \$374,074.00. The percent difference between the two lowest bids was 5.82%.

Three (3) bids were received for Contract 2: Materials Purchase Contract – Individual Grinder Pumps & Portable Generator. The bid received by MBE Contracting & Supply, LLC of Louisville, KY was rejected due to the absence of a Bid Bond in the bid submittal package, therefore, the bid was unresponsive. The next lowest bid received was from Engineered Design Solutions, Inc. of Hartford, KY. A field test was conducted by Wood Creek Water District by installing a Keen Pump, which was being proposed by Engineered Design Solutions, Inc., to check performance on Tuesday, March 6, 2018, at the Freedom Christ Fellowship, 248 Bullock Road, London, Kentucky, 40741. The pumps did not perform, therefore Wood Creek Water District has rejected the Keen Pump and has proceeded to the next lowest bid.

The next lowest bid was Straeffer Pump and Supply, Inc. in the amount of \$605,833.00.

Certified bid tabulations were prepared and are contained in Appendix A.

3. PROJECT BUDGET

The Wood Creek Water District has actively pursued funding for the proposed project. Table 1 is a summary of the funding that has been secured.

**TABLE 1
PROJECT FUNDING**

Rural Development (RD) Loan	896,000
Rural Development (RD) Grant	384,000
Total per RD Letter of Conditions	\$1,280,000

Table 2 outlines the project budget as established in the RD Letter of Conditions and revised based upon the bids received.

**TABLE 2
PROJECT BUDGET**

<u>Budget Item</u>	<u>R.D. Letter of Conditions</u>	<u>Revised Cost</u>
Development	\$936,800	\$979,907*
Land and Rights	5,000	0
Legal and Administrative	12,500	12,820
Engineering Fees	84,000	87,000
Interest	12,000	12,000
Environmental	20,000	20,000
Contingencies	93,700	75,562
Construction Observation	54,000	30,711
PER	10,000	10,000
Facilities Plan Upgrade	52,000	52,000
Total Funding Available	\$1,280,000	\$1,280,000

* See description below and TABLE 3 for explanation of Development cost.

The difference between the sums of the construction bids (\$979,907) and the engineer's opinion of probable construction cost (\$936,800) is \$43,107 over the initial estimate. To make up this short fall, the contingencies will be reduced to 7.7% of construction bids.

The Revised Preliminary Engineering Report stated that any funding available after the completion of construction would be utilized to purchase additional individual grinder pumps and control panels specified in Contract 2.

New individual grinder pumps and control panels will be installed throughout the service area at a rate of approximately 40 grinder pumps and control panels per month. All grinder pumps and control panels shall be installed by end of year 2019.

**TABLE 3
DEVELOPMENT COST**

<u>Budget Item</u>	<u>Opinion of Probable Cost</u>	<u>Revised Cost</u>
Contract 1: Pittsburg Lift Station & Force Main Extensions	\$396,800	\$374,074
Contract 2: Materials Purchase Contract – Individual Grinder Pumps & Portable Generator	540,000	605,833
Total Cost	\$936,800	\$979,907

4. RECOMMENDATIONS

1. It is recommended that Contract 1: Pittsburg Lift Station & Force Main Extensions be awarded to Weddle Enterprises, Inc. in the amount of \$374,074.00. The contractor has constructed other similar projects and all reference checks were exceptional.
2. It is recommended that the contract for Contract 2: Materials Purchase Contract – Individual Grinder Pumps & Portable Generator be awarded to Straeffer Pump and Supply, Inc. in the amount of \$605,833.00. The supplier has delivered on other similar projects.
3. It is recommended that all funding remaining after the substantial completion of the original contracts be utilized as set forth and described in this report.
4. It is recommended that the user rates be adjusted to generate the revenue required to pay the debt service, coverage, and depreciation cost associated with these projects. The new rates shall be as outlined in the Summary Addendum to Preliminary Engineering Report and the RD Letter of Conditions.

APPENDIX A
CERTIFIED BID TABULATIONS

BID TABULATIONS

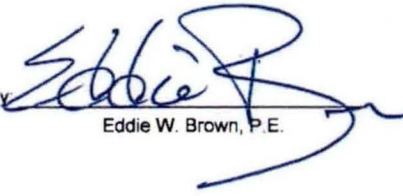
KENVIRONS, INC.
452 Versailles Road
Frankfort, KY 40601

Owner: Wood Creek Water District
Project: Contract 1: Pittsburg Lift Station & Force Main Extensions
Bid Date: December 19, 2017 at 1:30 P.M. Local Time

Project No. 2016087

Base Project				Weddle Enterprises, Inc. 25 Shanes Lane Somerset, KY 42501		Boca Enterprises, Inc. 7435 KY Route 321 Hager Hill, KY 41222		D & H Contracting Co. Inc. 2003 Lakeview Drive London, KY 40741		Irvine Contracting, Inc. 3637 East Laurel Road London, KY 40741	
Item No.	Item Description	Unit	Quantity	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost
1	3" PVC, SDR-17 Force Main	LF	1,700	\$9.15	\$15,555.00	\$13.50	\$22,950.00	\$9.00	\$15,300.00	\$6.00	\$10,200.00
2	3" HDPE, DR-17 Force Main	LF	300	8.70	2,610.00	19.50	5,850.00	12.00	3,600.00	10.00	3,000.00
3	2" PVC, SDR-17 Force Main	LF	6,850	5.90	40,415.00	12.50	85,625.00	8.50	58,225.00	6.13	41,990.50
4	Bored Encasement for 3" Pipe	LF	40	79.90	3,196.00	150.00	6,000.00	110.00	4,400.00	61.50	2,460.00
5	Open Cut Encasement for 3" Pipe	LF	25	58.30	1,457.50	65.00	1,625.00	110.00	2,750.00	50.40	1,260.00
6	Bored Encasement for 2" Pipe	LF	60	45.50	2,790.00	140.00	8,400.00	110.00	6,600.00	50.00	3,000.00
7	4" x 2" Tie-In	EA	1	600.00	600.00	1,500.00	1,500.00	1,200.00	1,200.00	1,350.00	1,350.00
8	3" x 2" Tie-In	EA	1	631.50	631.50	1,500.00	1,500.00	1,200.00	1,200.00	1,511.00	1,511.00
9	3" Stub-Out	EA	2	833.50	1,667.00	500.00	1,000.00	1,600.00	3,200.00	2,600.00	5,200.00
10	Air Release Valve	EA	3	2,388.00	7,164.00	2,500.00	7,500.00	3,500.00	10,500.00	2,000.00	6,000.00
11	End Line Clean-Out	EA	4	1,622.00	6,488.00	500.00	2,000.00	2,500.00	10,000.00	2,000.00	8,000.00
12	Pittsburg Lift Station	LS	1	258,000.00	258,000.00	218,050.00	218,050.00	288,700.00	288,700.00	330,000.00	330,000.00
13	Free Bore	LF	500	30.00	15,000.00	30.00	15,000.00	10.00	5,000.00	20.00	10,000.00
14	Pavement Replacement										
14a	Crushed Stone	LF	200	5.00	1,000.00	10.00	2,000.00	1.00	200.00	15.00	3,000.00
15	Telemetry Allowance	LS	1	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00
TOTAL BASE BID					\$374,074.00		\$396,500.00		\$428,375.00		\$444,471.50

The above is a true and complete tabulation of the Bids received by Wood Creek Water District at their office located at 1670 E. Hal Rogers Parkway, London, KY on Tuesday, December 19, 2017 at 1:30 P.M. Local Time.

By  12-28-17
Eddie W. Brown, P.E. Date



BID TABULATIONS

KENVIRONS, INC.
452 Versailles Road
Frankfort, KY 40601

Owner: Wood Creek Water District
Project: Contract 1: Pittsburg Lift Station & Force Main Extensions
Bid Date: December 19, 2017 at 1:30 P.M. Local Time

Project No. 2016087

Base Project				Bailey Excavating, LLC 595 Dan Gabbard Road London, KY 40741		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		Akins Excavating Co., Inc. 182 Busy Lane Corbin, KY 40701	
Item No.	Item Description	Unit	Quantity	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost
1	3" PVC, SDR-17 Force Main	LF	1,700	\$10.00	\$17,000.00	\$11.75	\$19,975.00	\$8.25	\$14,025.00
2	3" HDPE, DR-17 Force Main	LF	300	140.00	42,000.00	11.90	3,570.00	10.00	3,000.00
3	2" PVC, SDR-17 Force Main	LF	6,850	8.00	54,800.00	10.90	74,665.00	7.50	51,375.00
4	Bored Encasement for 3" Pipe	LF	40	150.00	6,000.00	58.00	2,320.00	95.00	3,800.00
5	Open Cut Encasement for 3" Pipe	LF	25	50.00	1,250.00	50.00	1,250.00	55.00	1,375.00
6	Bored Encasement for 2" Pipe	LF	60	140.00	8,400.00	53.00	3,180.00	90.00	5,400.00
7	4" x 2" Tie-In	EA	1	800.00	800.00	1,115.00	1,115.00	1,215.00	1,215.00
8	3" x 2" Tie-In	EA	1	950.00	950.00	1,160.00	1,160.00	1,333.00	1,333.00
9	3" Stub-Out	EA	2	1,250.00	2,500.00	1,555.00	3,110.00	1,483.00	2,966.00
10	Air Release Valve	EA	3	2,275.00	6,825.00	3,610.00	10,830.00	2,110.00	6,330.00
11	End Line Clean-Out	EA	4	1,050.00	4,200.00	2,500.00	10,000.00	1,645.00	6,580.00
12	Pittsburg Lift Station	LS	1	255,500.00	255,500.00	285,000.00	285,000.00	328,000.00	328,000.00
13	Free Bore	LF	500	45.00	22,500.00	30.00	15,000.00	26.25	13,125.00
14	Pavement Replacement								
	14a. Crushed Stone	LF	200	25.00	5,000.00	25.00	5,000.00	10.25	2,050.00
15	Telemetry Allowance	LS	1	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00
TOTAL BASE BID					\$445,225.00		\$453,675.00		\$458,074.00

BID TABULATIONS

KENVIRONS, INC.
452 Versailles Road
Frankfort, KY 40601

Owner: Wood Creek Water District
Project: Contract No. 2: Materials Purchase Contract - Individual Grinder Pumps & Portable Generator
Bid Date: December 19, 2017 at 1:30 P.M. Local Time


Project No. 2016087

Base Project				Engineered Design Solutions, Inc. P.O. Box 27 Hartford, KY 42347		Straeffer Pump and Supply, Inc. 8055 State Rd. 62 West Chandler, IN 47610	
Item No.	Item Description	Unit	Quantity	Unit Cost	Cost	Unit Cost	Cost
1	Individual Grinder Pumps	EA	300	\$1,200.00	\$360,000.00	\$1,827.00	\$548,100.00
TOTAL BASE PROJECT					\$360,000.00		\$548,100.00

Alternate No. 1				Engineered Design Solutions, Inc.		Straeffer Pump and Supply, Inc.	
Item No.	Item Description	Unit	Quantity	Unit Cost	Cost	Unit Cost	Cost
1	Portable Generator	EA	1	\$55,000.00	\$55,000.00	\$57,733.00	\$57,733.00
TOTAL ALTERNATE NO. 1					\$55,000.00		\$57,733.00
TOTAL BASE BID = BASE PROJECT + ALTERNATE NO. 1					\$415,000.00		\$605,833.00

Note: A bid was also received from MBE Contracting & Supply, LLC of Louisville, KY. Due to the absence of a Bid Bond in the bid submittal package, the bid was deemed unresponsive and has been rejected. This bid is therefore not shown in the Bid Tabulation.

The above is a true and complete tabulation of the Bids received by Wood Creek Water District at their office located at 1670 E. Hal Rogers Parkway, London, KY, on Tuesday, December 19, 2017 at 1:30 P.M. Local Time.

By: 
Eddie W. Brown, P.E.

1-4-18
Date

