

Nancy Koon (adpce.ad)

From: Doug Ford <DFord@pmico.com>
Sent: Tuesday, September 27, 2022 10:51 AM
To: Bryan Leamons (adpce.ad)
Cc: rickferguson777@gmail.com
Subject: RE: Paradise Valley revised cost estimate docs
Attachments: Revised Assembly & Commission Est. 9-1-22.pdf

Bryan:

Attached is the revised cost estimate that includes the estimates for new clearwell and mudwell pumps. Below in red font are my responses to your comments on the estimate. The Assembly and Commissioning estimate that I sent to you on August 18, 2022 that included replacement of many components and included a miscellaneous construction cost and contingency cost was to arrive at a cost of \$245,000 for the depreciated WWTP. The revised estimate attached includes a line item of \$245,000 for the depreciated plant which includes all of the equipment that goes along with the plant. I visited with Arlo Cyz the plant operator and we narrowed down the equipment that he thought might have a short life after startup or might need replacement and startup and that is what is on the list attached. Arlo thinks we have a fairly tight cost estimate and that is why we did not include the contingency.

Bryan, please let me know if you have any questions or need additional information.

Respectfully,

William Doug Ford, P.E.
Principal
Pollution Management, Inc.
3512 South Shackelford
Little Rock, AR 72205
Office: 501-221-7122
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From: Bryan Leamons (adpce.ad) <Bryan.Leamons@adeq.state.ar.us>
Sent: Monday, September 26, 2022 3:51 PM
To: Doug Ford <DFord@pmico.com>
Cc: rickferguson777@gmail.com
Subject: RE: Paradise Valley revised cost estimate docs

Doug,

These are the items we discussed last week regarding the cost estimate updates DEQ received on 9/16 and the letter we received on 8/19:

Comment on the cost estimate:

1. The latest estimate from 9/16 doesn't include the following items from prior estimates: grading, footing/foundation walls, fencing, utilities, seeding, & mulch. **The original estimate provided to me included all of the grading and foundation work, but the cost of this work is included in the subdivision site work. The grading and foundation, utility, etc work is a onetime long life job that should not need replaced and does not need to be included in the WWTP estimate. If there is a disaster at the WWTP, you will not need to replace the concrete slab.**
2. The estimate from 9/16 doesn't include mudwell and clearwell backwash pumps replacement. **I have included the clearwell and backwash pumps in the attached estimate. Arlo thinks the current pumps will work fine, but we have included the prices for replacement.**
3. The estimate from 9/16 removed the 30% contingency. **Please refer to my explanation above.**

Could you provide an updated estimate or more explanation for each.

Additionally:

CAO LIS 21-124 became effective earlier this year. The updated disclosure statement provided on 8/19 doesn't disclose this CAO. Because Mr. Ferguson is an officer of both entities, it may be required that the CAO is disclosed.

Please provide updated disclosure forms or explanation.

Thank you for your assistance,

Bryan Leamons, P.E. | Senior Operations Manager
**Division of Environmental Quality | Office of Water Quality
Permitting and Compliance**

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ARKANSAS
ENERGY & ENVIRONMENT

From: Doug Ford [<mailto:DFord@pmico.com>]
Sent: Friday, September 16, 2022 9:44 AM
To: Bryan Leamons (adpce.ad)
Cc: rickferguson777@gmail.com
Subject: Paradise Valley revised cost estimate docs

Bryan:

Sorry for the delay, I have been trying to run down some final cost for putting this plant back together. Attached is a revised cost estimate for the plant and equipment and the cost of putting it back together. Attached is the NDSTW Operation and Maintenance expenses that includes the corrected permit fee. Attached is the revised Paradise Valley Capital Expenditures Schedule that lines up with the revised O & M expenses.

Please let me know if this is acceptable and we will sign and stamp the documents. Please call me if you have any questions.

Respectfully,

William Doug Ford, P.E.
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**PARADISE VALLEY WWTP
ASSEMBLY AND COMMISSIONING**

Paradise Valley WWTP is already owned by Pulaski County Property Owners Multipurpose Improvement District No. 2021-2.

The structure of the WWTP is in good condition but will require assembly and some new components. Below is an estimate of the assembly cost and necessary components for commissioning and operation.

1. Book Value			
Value of new treatment plant			\$525,000
Annual Depreciation=\$17,500/yr			
Accumulated depreciation = 16 yrsx\$17,500/yr			<u>\$280,000</u>
Book Value		SUBTOTAL:	\$245,000
2. Assembly:			
Welding Structure - labor and materials			\$15,800
Electrical - labor and materials			\$14,500
Piping - labor and materials			<u>\$15,000</u>
		SUBTOTAL:	\$45,300
3. Operation Component Replacement/Add			
Blower	1 @	\$8,500.00 =	\$8,500
Sand for filters	1 @	\$1,400.00 =	\$1,400
Aerators	8 @	\$300.00 =	\$2,400
Flow Equalization Pumps	2 @	\$1,800.00 =	\$3,600
Electric Panel Components	1 @	\$1,200.00 =	\$1,200
Mudwell Pump	1 @	\$3,500.00 =	\$3,500
Clearwell Pump	1 @	\$3,500.00 =	<u>\$3,500</u>
		SUBTOTAL:	\$24,100
3. Standby Generator:			\$40,800
		TOTAL:	<u><u>\$355,200</u></u>