

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

FEB 25 2011

In the Matter of:

PUBLIC SERVICE
COMMISSION

ALTERNATIVE RATE FILING OF HILLRIDGE) CASE NO.
FACILITIES, INC.) 2010-00426

ANSWERS OF HILLRIDGE FACILITIES, INC. TO COMMISSION STAFF'S
SECOND REQUEST FOR INFORMATION

Comes Hillridge Facilities, Inc., ("Hillridge") by counsel and for its Answers to Commission Staff's Second Request for Information states as follows.

1. Describe the present status of Hillridge Facilities' Kentucky Pollutant Discharge Elimination System permit. **Answer:** KPDES Permit No. KY0036226 was issued to Hillridge on December 3, 2003 and was to expire on December 31, 2007. Hillridge submitted a timely application to renew the permit. The Kentucky Division of Water has failed to renew the permit and Hillridge is therefore operating pursuant to the administrative authorization issued to it on December 28, 2007 by the Division of Water.
2. Provide a copy of the most recent infiltration and inflow study performed on Hillridge Facilities' system. **Answer:** To be provided.
3. Identify the person or firm that conducted the most recent infiltration and inflow study on Hillridge Facilities' system. **Answer:** The infiltration and inflow study does not identify the contractor that completed same.
4. Describe how the person or firm that conducted the most recent infiltration and inflow study on Hillridge Facilities system was selected to perform the study.

Answer: The Louisville and Jefferson County Metropolitan Sewer District (“MSD”) performed the infiltration and inflow study with its own employees and equipment.

5. State the percentage of Hillridge Facilities’ system that was examined as part of the most recent infiltration and inflow study on Hillridge Facilities system.

Answer: The infiltration and inflow study examined approximately ninety percent (90%) of the entire Hillridge collection system.

6. State the cost of the most recent infiltration and inflow study on the Hillridge Facilities system and describe how this cost was financed. **Answer:** MSD paid the cost of the infiltration and inflow study. Hillridge monitored the Inflow and Infiltration study at a cost of approximately \$4,500.00.

7. List the order in which Hillridge Facilities intends to make the proposed sewer main repairs. **Answer:** The contractor selected will determine the order of priority. However, the contractor will be requested to repair the section of the collection system most needing repair first.

8. a. State whether Hillridge Facilities’ sewage system is currently on the Kentucky Division of Water’s (“DOW”) Sanction List. **Answer:** Yes.

b. If the system is on this List,

(1) Explain why it has been placed on this list. **Answer:** Infiltration and Inflow issues that occur infrequently during large rain events.

(2) Describe the effect on Hillridge Facilities’ operations from being placed on this List. **Answer:** The effect is that the Division of Water individually approves each additional residence that taps on to the Hillridge collection system.

(3) State the actions that Hillridge Facilities must take to be removed from the List. **Answer:** Repair the Infiltration and Inflow issues.

9. State the reasons why Hillridge Facilities has not applied for a rate adjustment since 2002. **Answer:** The Kentucky Division of Water advised Hillridge that it would not be eligible for a rate increase because MSD was going to take Hillridge over, even though the DOW also stated that Hillridge needed a rate increase.

10. State why Hillridge Facilities cannot borrow the monies necessary to finance the proposed sewer main repairs in lieu of assessing a surcharge. **Answer:** The representatives of Hillridge have contacted a financial institution to obtain the necessary loan and the financial institution refused to loan money to a wastewater treatment plant company.

11. State the name and address of each financial institution or lender to which Hillridge Facilities has applied for funding to finance the proposed sewer main repairs. **Answer:** River City Bank, Taylorsville Road, Jeffersontown, Kentucky 40299.

12. Describe how Hillridge Facilities solicited bids for the proposed sewer main repairs. List all persons from whom Hillridge Facilities solicited a bid for the proposed sewer line repairs. **Answer:** Hillridge called all of the contractors that it was familiar with that performed commercial sewer work and repairs. Hillridge requested all of the financially solvent contractors that were capable of doing this type and amount of sewer line repair work to submit a bid. Three companies, Camden Environmental Service Co., Inc., Bland Plumbing and Piping and Murphy's Excavating, submitted bids. Copies of these bids were filed with Hillridge's application.

13. Provide all bids for the sewer line repairs that Hillridge Facilities received and did not include in its application for rate adjustment. Explain why these bids were not included with the application. **Answer:** All bids received were submitted to the Commission with Hillridge's Application. One contractor, Murphy Excavating amended

its initial bid in order to include the cost of the bond required for the road cuts that will be necessary in making repairs to the Hillridge collection system.

14. In its application, Hillridge Facilities states that the proposed sewer main repairs “are critically needed to avoid fines and penalties from the Kentucky Division of Water.”

a. List all DOW enforcement actions currently pending against Hillridge Facilities and the nature of the violation that is the subject of the action.

Answer: Energy and Environment Cabinet v. Hillridge Facilities, Inc., File No. DOW-33312-039. A copy of the Complaint initiating this action is attached as Attachment A.

b. Provide all letters of warning and notices of violation that DOW has issued to Hillridge Facilities regarding its infiltration and inflow problems. **Answer:** To be provided.

15. State whether performing the sewer main repairs listed in the application will bring Hillridge Facilities’ sewage system into compliance with all DOW regulations. If not, identify all other actions necessary to bring the system into compliance. **Answer:** Objection. Hillridge objects to this Information Request on the basis that it is ambiguous and calls for speculation as to its meaning. However, without waiving this objection, Hillridge believes that the completion of the repairs listed in the quotes attached to its Application will bring the facility into compliance with all applicable DOW regulations.

16. For each location that Hillridge Facilities has identified as requiring repairs or main replacement, state the year in which the existing main was placed into service.

Answer: 3905 Lethborough – prior to 1970; Old Watterson Trail – prior to 1970; Lafollette Drive – in approximately 1986; 3904 Bonifay Court – approximately 1970; Modesto – approximately 1970; San Marcos – prior to 1970; 4111 Stony Brook Road,

section 1 – prior to 1970; Main between Stony Brook and lift station – prior to 1970; 8900 Stony Brook – prior to 1970; Avondale – in approximately 1970; Kirby Lane – prior to 1970; Bristol Oaks – in the late 1970's; 3913 Bonifay Court – approximately 1970; Lethborough (9102 and 9211) – in approximately 1970; Largo Court – prior to 1070; Wakula Court – in approximately 1984; 4003 and 4002 Stony Brook Road – prior to 1970; 3822 Shannon Run Trail – in approximately 1970; Intersection of La Costa and Collingwood – prior to 1970; San Marcos and Watterson Trail – prior to 1970; Manhole at end of Lethborough to end of ditch line – prior to 1970.

17. State the expected useful life for Hillridge Facilities' sewer mains. If different types of mains are used, state the expected useful life for each type and the time period when that type of main was installed. **Answer:** The mains installed prior to approximately 1980 were clay pipes and the useful life when installed was anticipated to be 100 years. The mains installed after approximately 1980 are PVC mains and the useful life when installed is anticipated to be in excess of 100 years.

18. Refer to Application, Attachment A, Adjustment E (Chemical Expenses).

a. State the reasons for the 'abnormally low' chemical expense that Hillridge Facilities incurred in 2009. **Answer:** Hillridge's 2009 Annual Report listed Chemical Expenses of \$5,985, and the rate application noted that an \$880 bill for chemicals was mistakenly reported in Utilities Expenses resulting in restated Chemical Expense of \$6,775. When the application was compiled, a comparison of the \$6,775 to the Chemical Expense incurred in prior years – ranging from \$10,630 in 2008 to \$16,363 in 2005 – clearly shows that the reported 2009 amount was abnormally low. In addition, Hillridge in response to the Commission's first data request provided chemical charges incurred in 2010, and those charges totaled approximately \$13,688.35 – more

than twice as much as the 2009 reported amount and more than the proposed pro forma amount of \$10,000.

Hillridge believes the most important factor explaining the low 2009 Chemicals Expense was that Hillridge changed plant operators at the end of September 2009. According to the new plant operator, his personnel in the Fall of 2009 were new to the Hillridge plant's operation, and initially weren't feeding enough chemicals to the system. The 2009 chemical bills confirm this, showing much lower charges in October and November, 2009 that had been experienced with the previous plant operator during the earlier months of 2009. Once the new operator became familiar with the WWTP, more chemicals were fed into the system to sufficiently comply with permitting requirements. The 2010 chemicals charges confirm that significantly higher volumes of chemicals were used in 2010.

b. Explain why the annual cost of chemicals decreased in each year from 2006 from each previous year. **Answer:** In addition to the above explanation as to why Chemicals Expense decreased in 2009, Hillridge also notes that it changed chemicals suppliers prior to 2009, which may account for some of the cost reductions from 2006 through 2008.

19. State the rate schedule under which Louisville Gas and Electric Company provides electric service to Hillridge Facilities. If service is provided under more than one rate schedule, list each rate schedule and identify the facilities that are served under each rate schedule. **Answer:** The 2009 electricity bills for Hillridge's 5 LG&E service locations all show that Hillridge is provided service under a rate type listed as "General Service Three Phase."

20. State whether Hillridge Facilities agrees that:

a. Any adjustment to fuel and power expense based upon increases in Louisville Gas and Electric Company rates should be calculated using the rate of increase in the rate schedule under which Hillridge Facilities is provided electric power.

Answer: Hillridge's rate application included an increase of \$3,453 in pro forma electricity costs - to a revised electricity expense of \$39,420 – based on a 9.6% residential increase. While the adjustment proposed in the rate application is a reasonable approximation of the increase in electricity costs, Hillridge agrees that electricity charges are sufficiently material in this instance to warrant a more precise calculation based on the actual and current rate schedule under which Hillridge is provided electricity.

b. The most appropriate and accurate means of calculating Hillridge Facilities' fuel and power expense is to apply the present Louisville Gas and Electric Company rates to the utility's actual usage during the test period. **Answer:** See Answer to 20(a) above.

21. State whether KRS 278.020(1) requires Hillridge Facilities to obtain a certificate of public convenience and necessity prior to undertaking the sewer main replacements that Hillridge Facilities proposes to be financed through the proposed surcharge. **Answer:** A CPCN is not required because Hillridge is merely repairing sewer lines that are already serving its customers, and it is not beginning the construction of new sewer lines. Furthermore, the repairs are being made to a small percentage of the sewer lines owned and operated by Hillridge, as the large majority of the lines do not require repair. Based on the fact that the Commission has approved surcharges for construction projects for other sewer utilities without requiring the filing of a CPCN application, Hillridge does not believe that a CPCN application is required in

this instance. Based on Hillridge's identified Inflow and Infiltration (I&I) issues and the performance of a video survey (which are the subject of other data request questions herein), Hillridge believes the need for repairs has been sufficiently demonstrated. In addition, Hillridge believes the three competitive bids provided for the repair work are consistent with the Commission's normal standards for determining the reasonableness of the proposed costs. Assuming that the need for, and the cost of, the repairs has been adequately demonstrated, Hillridge hereby requests that the Commission either determine that a CPCN" filing is not needed, or alternatively that sufficient information has been provided so as to allow the Commission to waive any additional filing requirements necessitated by a CPCN. Hillridge believes it is critical to expedite the PSC's regulatory processes in order to address I & I issues in a timely manner, and any requirement to file a CPCN case at this late date prevents Hillridge from meeting its environmental responsibilities in a timely manner. Furthermore, a CPCN should not be required where the repairs are only a small part of the collection system and none of the proposed repairs are to the actual WWTP.

SUBSCRIBED AND SWORN TO before me this 24th day of February, 2011, by
Sonja Ridge. Sonja U Ridge Feb 24 2011

My commission expires: 3-11-14

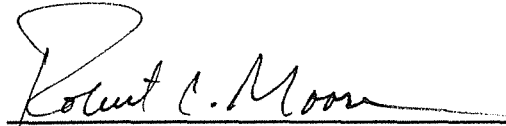
Nancy E. Bailey
NOTARY PUBLIC

Robert C. Moore

Robert C. Moore
Hazelrigg & Cox, LLP
415 West Main Street, 1st Floor
P.O. Box 676
Frankfort, Kentucky 40602-0676

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by first class mail, postage prepaid, on Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40602, David Edward Spenard, Assistant Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204 and Laurence J. Zielke and Janice M. Theriot, Zielke Law Firm PLLC, 1250 Meidinger Tower, 462 S. 4th Street, Louisville, Kentucky, on the 25th day of February, 2011.


Robert C. Moore

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
FILE NO. DOW-33312-_____

FILED
NOV 17 2010
Office of Administrative Hearings

ENERGY AND ENVIRONMENT CABINET

PLAINTIFF

VS.

ADMINISTRATIVE COMPLAINT

HILLRIDGE FACILITIES, INC.

DEFENDANT

SERVE VIA CERTIFIED MAIL :

Donald Ridge
17825 Bradbe Road
Fisherville, KY 40023
Individually and as
Registered Agent for Hillridge Facilities, Inc.

* * * * *

COMES THE PLAINTIFF, the Energy and Environment Cabinet (hereinafter, "the Cabinet"), through counsel, and for its complaint against the Defendant, Hillridge Facilities, Inc., (hereinafter, "Hillridge"), states the following:

1. The Cabinet is charged with the statutory duty of protecting public health and the environment pursuant to KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. Hillridge is a Kentucky Corporation currently in good standing with the Secretary of State's Office. The registered agent for service of process for Hillridge is Mr. Don Ridge. Hillridge's principal office is located at 17825 Bradbe Road, Fisherville, Kentucky 40023.
3. The Cabinet issued Kentucky Pollutant Discharge Elimination System (KPDES) Permit No. KY0036226 to Hillridge which became effective on February 1, 2004. That permit expired December 31, 2007 and has not been renewed.

4. At all times relevant to this complaint, Hillridge operated a Waste Water Treatment Plant (“WWTP”) located in Jefferson County near Kirby Lane at Watterson Trail. This WWTP was permitted to discharge into Fern Creek at mile point 29.17. Fern Creek is on Kentucky’s 303(d) List of impaired waters. The impairment is due to pathogens and organic enrichment caused by sewage.

5. On or about February 5, 2008, an authorized representative from the DOW conducted an inspection of the above referenced facility. The inspector observed, among other things, an overflow of the sewer plant’s manhole. This untreated overflow entered directly into the stream. The inspector also observed that the plant’s discharge was cloudy.

6. On or about February 11, 2008, the inspector returned to the site. The inspector observed gray water and white sludge solids in the stream below the plant’s effluent discharge point.

7. A records review for the facility revealed that Hillridge did not submit Discharge Monitoring Reports (“DMR’s”) for the months of February, March, August, and October of 2007 and the review also revealed the following violations of permit conditions: in April 2007, the plant exceeded its total suspended solids limit; in May and June 2007, the WWTP exceeded its permit limits for fecal coliform; in July 2007, the WWTP exceeded its limits for ammonia (NH₃); and, in August 2007 and February 2008, there were additional fecal coliform exceedences at the plant. The plant’s records also showed that the plant’s maximum daily flow was exceeded in January, February, March, April, May, October, November, and December 2007.

8. On or about February 15, 2008, DOW issued a NOV to Hillridge for the conditions observed during the February 2008 inspections. A copy of the NOV is attached

hereto and incorporated herein as Plaintiff's exhibit 1. The NOV cited the following violations:

- a. 401 KAR 5:015 Section 2: Failure to report a spill or discharge;
- b. 401 KAR 5:065 Section 1(12)(d): Failure to submit DMR's for four (4) separate months;
- c. 401 KAR 5:065 Section 1(12)(f): Failure to report a bypass;
- d. 401 KAR 5:065 Section 1(5): Improper operation and maintenance;
- e. 401 KAR 5:005 Section 11(1): Failure to properly operate the disinfection system to meet permit limits;
- f. 401 KAR 5:005 Section 12: Improper operation of a flow measuring device;
- g. 401 KAR 5:065 Section 1(1)(a): Failure to operate facility within permit limits;
- h. 401 KAR 5:031 Section 2(now recodified 401 KAR 10:030): Degradation of the waters or the Commonwealth;
- i. 401 KAR 5:055 Section 1: Failure to prevent non-permitted discharges of untreated waste water;

9. Between March 2005 and March 2008, DOW documented approximately 30 bypasses or overflows at the plant or the manhole. Each of these bypasses constitutes a violation of 401 KAR 5:065 Section 1(13)(c).

10. As a result of the excessive number of overflows and the facility's history of violations, some of which are outside the statute of limitations, the Cabinet placed Hillridge on the state's Sewer Sanction list. As a result of this action, Hillridge is prohibited from allowing any sewer line extensions or "taps on" to their existing sewer lines unless an exemption is

granted.

WHEREFORE, the Cabinet demands the following relief:

1. That the Defendant be ordered to pay a civil penalty of twenty-five thousand dollars (\$25,000) per day per violation for the violations indentified in paragraph 8 above pursuant to KRS 224.99-010(1);

2. That the Defendant be ordered to comply with the following remedial measures:

- a. Commencing immediately, Hillridge shall report to the Cabinet all spills, bypass discharges, upset condition discharges or other releases of substances from its facilities identified above which would result in or contribute to the pollution of the waters of the Commonwealth, including emergency and accidental releases, in accordance with KRS 224.01-400, 401 KAR 5:015, and 401 KAR 5:065;
- b. Hillridge shall, at all times, provide proper operation and maintenance to its WWTP and the sewage collection system in accordance with 401 KAR 5:065 and KPDES Permit No. KY0036226;
- c. Hillridge shall, at all times, maintain the services of a certified WWTP operator who is qualified to operate a WWTP of a classification equal to or higher than the Hillridge WWTP;
- d. Hillridge shall conduct proper sampling, monitoring, and reporting pursuant to KPDES Permit No. KY0036226 and submit the DMR's to DOW's central office and DOW's Louisville Regional Office by the 28th day of the month following the compliance period;


- e. Hillridge shall, at all times, apply proper disinfection and dechlorination of the effluent being discharged from its facility in accordance with 401 KAR 5:065 and KPDES Permit No. KY0036226;
- f. Commencing immediately, Hillridge shall install a flow measuring device that can accurately measure all flow entering the WWTP;
- g. Hillridge shall review, update, and implement a Best Management Practices (BMP) plan in accordance with KPDES Permit No. KY0036226. The revised BMP plan shall be submitted to the Division of Enforcement and DOW's Louisville Regional Office;
- h. Hillridge shall develop and submit a Groundwater Protection Plan (GPP) to DOW for review and approval in accordance with 401 KAR 5:037;
- i. Hillridge shall develop, submit, and implement a Sanitary Sewer Overflow Plan (SSOP). The SSOP shall be submitted to Director, Division of Enforcement, 300 Fair Oaks Lane, Frankfort, KY, 40601, and shall include, but not be limited to:
 - 1. A map of the entire collection system, including the location of any known sanitary sewer overflows (SSO);
 - 2. Frequency of overflows;
 - 3. Estimate of the annual volume of overflows;
 - 4. Type of overflow (manhole, pump station, overflow pipe, etc.);
 - 5. Receiving stream for the overflow;
 - 6. Immediate area of overflow and downstream land use, including potential for public health concerns;

7. A description of any previous (within the last 5 years), current, or proposed rehabilitation or construction work to remediate or eliminate overflows;
 8. A schedule for the elimination of overflows;
 9. A plan that addresses Hillridge's approach to eliminating any sources of private inflow and infiltration (I&I), such as down spouts, sump pumps, roof drains, and other illegal connections to the system. The plan should include a method of enforcement for violations, a schedule to address existing illegal connections, and a plan to prevent future illegal connections.
- j. Hillridge shall submit a Sewer Overflow Response Plan (SORP) to the Cabinet. The SORP shall be submitted to the Director, Division of Enforcement, 300 Fair Oaks Lane, Frankfort, KY, 40601, and shall include, but not be limited to:
1. An overflow response procedure (designated responders, response times, cleanup methods, etc.);
 2. A regulatory agency notification procedure;
 3. A manhole and pump station inspection schedule.
- k. Hillridge shall submit to the Cabinet a Sewer System Evaluation Survey (SSES) certified by a professional engineer. The SSES shall be submitted to the Director, Division of Enforcement, 300 Fair Oaks Lane, Frankfort, KY, 40601, and shall include, but not be limited to:
1. An inflow and infiltration (I&I) study to determine the sources

- of I&I into the facility's collection system;
2. A written report of the I&I study to the Cabinet's Division of Enforcement for review and acceptance. The I&I report shall include a schedule of recommended corrective actions to be undertaken to reduce or eliminate the identified I&I problems within the sewage collection system serving the facility;
 3. Detailed maps, sketches, and schematic diagrams of the current sewage collection system;
 4. A determination of whether it is more cost effective to remove the I&I as compared to transporting and treating it.
1. Hillridge shall comply with all requirements of KRS Chapter 224 and 401 KAR Chapter 5, and KPDES Permit No. KY0036226.

Respectfully submitted,

ENERGY AND
ENVIRONMENT CABINET



JOSH W. NACEY

Office of General Counsel
200 Fair Oaks Lane, 1st Floor
Frankfort, Kentucky 40601
Telephone No. (502) 564-3410
Facsimile No. (502) 564-9003

COUNSEL FOR PLAINTIFF



STEVEN L. BESHEAR
GOVERNOR

ROBERT D. VANCE
SECRETARY

ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Division of Water
9116 Leesgate Rd
Louisville, KY 40222-5084
www.kentucky.gov

February 15, 2008

Certified No. 7005 0390 0003 0864 0186
Return Receipt Requested

Donald Ridge
17825 Bradbe Rd
Fishersville, KY 40023

Re: Notice of Violation
AI ID: 2067
AI Name: Hillridge Facilities Inc
Activity ID: ENV20080001
Permit No. KY0036226
Jefferson County, KY

Dear Donald Ridge:

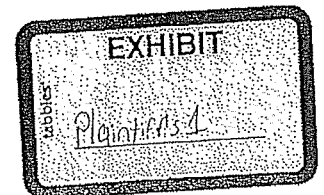
The Kentucky Department for Environmental Protection (DEP) has issued the enclosed Notice of Violation for violations discovered at your facility. Please review this Notice of Violation carefully to ensure that all remedial measures are completed by the specified deadlines. You will be required to attend an administrative enforcement meeting to be scheduled by the Division of Enforcement. Additional remedial measures and deadlines will be determined at that time.

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 502-429-7122.

Sincerely,

Mr. Brad Trivette,
Environmental Inspector III
Division of Water

Enclosure



COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Water

NOTICE OF VIOLATION

To: Donald Ridge
17825 Bradbe Rd
Fisherville, KY 40023

AI Name: Hillridge Facilities Inc AI ID: 2067 Activity ID: ENV20080001
County: Jefferson
Enforcement Case ID:
Date(s) Violation(s) Observed: 2/5/2008 & 02/11/2008

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item GINS0000000001(KPDES Individual):
Whenever, by reason of emergency or accident, a spill or discharge occurs which results in pollution of the waters of the Commonwealth, the Division of Water shall be notified by the most rapid means available.
[401 KAR 5:015 Section 2]

Description of Non Compliance:

The manhole at the sewer plant was overflowing at the time of inspection. The surge basin was being pumped directly into the chlorine contact tank bypassing secondary treatment. The operator told me it was set up on a float switch and comes on automatically. It as never been reported as a bypass.

The remedial measure(s), and date(s) to be completed by are as follows:

Immediately report all overflows and bypasses from the sewer collection system or the waste water treatment plant. [401 KAR 5:015 Section 2, 401 KAR 5:065 Section 1(12)(f)]

- 2 Violation Description for Subject Item GINS0000000001(KPDES Individual):
Reporting Requirements - Monitoring Reports: Monitoring results shall be reported at the intervals specified in the permit. [401 KAR 5:065 Section 1(12)(d)]

Description of Non Compliance:

DMR's have not been received for the months of Feb., Mar, Aug., Oct. of 2007.

The remedial measure(s), and date(s) to be completed by are as follows:

Submit monitoring reports to the Division of Water by the 28th day of following month of the compliance period. [401 KAR 5:065 Section 1(12)(d)]

- 3 Violation Description for Subject Item GINS0000000001(KPDES Individual):
Reporting Requirements - Monitoring Reports: Monitoring results shall be reported on a Discharge Monitoring Report (DMR). [401 KAR 5:065 Section 1(12)(d)1]

Description of Non Compliance:

DMR's have not been received for the months of Feb., Mar, Aug., Oct. of 2007.

The remedial measure(s), and date(s) to be completed by are as follows:

Submit monitoring reports to the Division of Water by the 28th day of following month of the compliance period. [401 KAR 5:065 Section 1(12)(d)]

- 4 Violation Description for Subject Item GINS0000000001(KPDES Individual):
Twenty-four (24) hour reporting. The permittee shall follow the provisions of 401 KAR 5:015 and shall orally report any noncompliance which may endanger health or the environment, within 24 hours from the

time the permittee becomes aware of the circumstances. This report shall be in addition to and not in lieu of any other reporting requirement applicable to the noncompliance. [401 KAR 5:065 Section 1(12)(f)]

Description of Non Compliance:

The manhole at the sewer plant was overflowing at the time of inspection. The surge basin was being pumped directly into the chlorine contact tank bypassing secondary treatment. The operator told me it was set up on a float switch and comes on automatically. It has never been reported as a bypass.

The remedial measure(s), and date(s) to be completed by are as follows:

Immediately report all overflows and bypasses from the sewer collection system or the waste water treatment plant. [401 KAR 5:015 Section 2, 401 KAR 5:065 Section 1(12)(f)]

5 Violation Description for Subject Item GINS0000000001(KPDES Individual):

Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control and related appurtenances which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. [401 KAR 5:065 Section 1(5)]

Description of Non Compliance:

Some of the bypasses are not being reported. On the day of the inspection the flow was very high and the smaller plants clarifier was losing some solids. The surge tank was bypassing directly to the chlorine tank to reduce flow to the plant. The chlorine was not sufficient for the flow. The fecal sample taken of the effluent resulted in > 1,200 colonies/ 100 ml. The collection system appears to have I & I problems during wet weather. The flow on the 5th and 6th was over the top of the v notch weir. The manhole at the plant overflowed both days. There have been repeated reports of overflows at the manhole located at the sewer plant. The dry weather flow is usually <200,000 gallons. The plant usually exceeds the design flow of 362,000 during wet weather. The max. daily flow was exceeded for the following months in 2007. Jan, Feb, Mar, Apr, May, Oct, Nov, Dec.

The remedial measure(s), and date(s) to be completed by are as follows:

Use proper operations and maintenance practices that will ensure compliance with all applicable regulations and KPDES permit requirements. [401 KAR 5:065 Section 1(5)]

6 Violation Description for Subject Item GINS0000000001(KPDES Individual):

All wastewater treatment plants shall have a disinfection process which meets the following requirements: An ultraviolet disinfection system designed to treat the anticipated peak hourly flow; a chlorination system with a flow or demand proportional feed system. The chlorine contact tank shall have a minimum detention time of thirty (30) minutes based on the average flow, or fifteen (15) minutes based on the peak hourly flow, whichever requires the larger tank size. Wastewater treatment plants shall also have a dechlorination system with a flow or demand proportional feed system if necessary to meet the effluent limits; or a chlorination system with a manually controlled feed system and a flow equalization basin designed to eliminate the diurnal flow variations. [401 KAR 5:005 Section 11(1)]

Description of Non Compliance:

There was a fecal violation in May 2007. The fecal sample taken of the effluent on 2/5/08 resulted in > 1,200 colonies/ 100 ml.

The remedial measure(s), and date(s) to be completed by are as follows:

Properly operate the disinfection system to meet permit limits. [401 KAR 5:005 Section 11(1)]

7 Violation Description for Subject Item GINS0000000001(KPDES Individual):

The flow measuring device shall measure all flow received at the wastewater treatment plant. An indicating, recording, and totalizing flow measuring device shall be installed at each large wastewater treatment plant. [401 KAR 5:005 Section 12]

Description of Non Compliance:

During very wet weather the flow is over the top of the V-notch weir and can not be measured properly. The flow was over the top of the weir 2-5-08 and on 2-6-08.

The remedial measure(s), and date(s) to be completed by are as follows:

Install a flow measuring device that can measure all of the flow entering the waste water facility. [401 KAR 5:005 Section 12]

8 Violation Description for Subject Item GINS0000000001(KPDES Individual):

Standard Permit Conditions: The permittee is also advised that all KPDES permit conditions in KPDES Regulation 401 KAR 5.065, Section 1 will apply to all discharges authorized by this permit. This permit has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet and other state, federal, and local agencies. It is the responsibility of the permittee to demonstrate compliance with permit parameter limitations by utilization of sufficiently sensitive analytical methods. [401 KAR 5:065 Section 1(1)(a)]

Description of Non Compliance:

DMR, violations for 2007. June-fecal, July-NH3, Apr-TSS and Aug-fecal. The fecal sample taken on 2-5-08 resulted in >1,200 colonies/ 100ml.

The remedial measure(s), and date(s) to be completed by are as follows:

Use proper operations and maintenance practices that will ensure compliance with all applicable regulations and KPDES permit limits. [401 KAR 5:065 Section 1(1)(a)]

9 Violation Description for Subject Item GINS0000000001(KPDES Individual):

There shall be no discharge that causes the surface waters of the Commonwealth to be aesthetically or otherwise degraded by substances that: (a) settle to form objectionable deposits; (b) float as debris, scum, oil, or other matter to form a nuisance; (c) produce objectionable color, odor, taste, turbidity; (d) injure, are chronically or acutely toxic to or produce adverse physiological or behavioral responses in humans, animals, fish and other aquatic life. [401 KAR 5:031 Section 2]

Description of Non Compliance:

The high flow at the sewer plant during the period of 2-5-08 to 2-11-08 resulted in grey water and some lite sludge solids being discharged to the stream. A citizen complaint concerning grey water discoloring the stream was sent the Louisville regional office on 2-10-08 and on 2-11-08. The investigation on 2-11-08 confirmed grey water and a dusting of light sludge solids in the stream below the plants effluent discharge point. The plants discharge was cloudy on the 2-5-08 and was clear at 2:00 pm on 2-11-08. Joe Sanders, the plant operator, confirmed via phone conversation on 2-12-08 that the air at the plant had been reduced for several days due to the high flow. The reduction in air for the aeration basins had resulted in some grey water discharge. The stream below the plant was still discolored grey at the time of my 2-11-08 complaint investigation. The time was 2:00 pm to 4:00 pm. The water upstream of the plant was very clear and free of any sludge deposits.

The remedial measure(s), and date(s) to be completed by are as follows:

Immediately stop causing degradation to the waters of the Commonwealth of Kentucky. [401 KAR 5:031 Section 2(a,c)]

1 Violation Description for Subject Item GINS0000000001(KPDES Individual):

0

Applicability of the KPDES Requirements. The KPDES program shall require a permit to discharge pollutants from a point source into waters of the Commonwealth. Compliance with the KPDES program requirements shall constitute compliance with the operational permit requirements of 401 KAR 5:005 and requirements related to the operational permit. Failure to obtain a KPDES permit shall not relieve a discharger subject to the KPDES program from complying with the applicable performance standards of that program, 401 KAR 5:050 to 5:080, inclusive. [401 KAR 5:055 Section 1]

Description of Non Compliance:

The system has repeated overflows of untreated wastewater from the manhole at the plant. This overflow goes directly to the stream.

The remedial measure(s), and date(s) to be completed by are as follows:

Immediately stop all non-permitted discharges of untreated wastewater from entering the waters of the Commonwealth of Kentucky. [401 KAR 5:055 Section 1]

1 Violation Description for Subject Item GINS0000000001(KPDES Individual):

1

The KPDES program requires permits for the discharge of pollutants from a point source into the waters of the Commonwealth. [401 KAR 5:055 Section 1]

Description of Non Compliance:

The facility does not hold an active KPDES permit. The permit expired Dec. 31, 2007. The new permit has not been issued because a regional sewer system is now available.

The remedial measure(s), and date(s) to be completed by are as follows:

Stop all non-permitted discharges of wastewater from entering the waters of the Commonwealth of Kentucky. Comply with all of the terms of the KPDES permit and connect to the regional municipal sewer. [401 KAR 5:055 Section 1]

1 Violation Description for Subject Item GINS0000000001(KPDES Individual):

2

The permittee shall comply with all conditions of the permit. Any permit non-compliance shall constitute a violation of KRS 224, among which shall be the following remedies: Enforcement action, permit revocation, revocation and reissuance, or modification; or denial of permit renewal application. [401 KAR 5:065 Section 1(1)(a)]

Description of Non Compliance:

The facility has failed to comply with the terms of the permit. A regional sewer system is now available. The owner of the sewer system has failed to connect to the regional sewer system.

The remedial measure(s), and date(s) to be completed by are as follows:

Stop all non-permitted discharges of wastewater from entering the waters of the Commonwealth of Kentucky. Comply with all of the terms of the KPDES permit and connect to the regional municipal sewer. You will be required to attend an administrative enforcement meeting to be scheduled by the Division of Enforcement. Additional remedial measures will be determined at that time. [401 KAR 5:055 Section 1]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Division of Water
Louisville Regional Office
9116 Leesgate Rd
Louisville, KY 40222-5084
502-429-7122(8:00 AM – 4:30 PM)
Mr. Brad Trivette, Environmental Inspector III

Brad Trivette

Issued By: _____
Mr. Brad Trivette, Environmental Inspector III

Date: February 15, 2008

Charles A. Roth

Issued By: _____
Mr. Charles Roth, Environmental Control Supervisor
Date: February 15, 2008

How Delivered: Certified Certified/Registered # 7005 0390 0003 0864 0186