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April 24, 2015

Ann L. Ramser, Esq.
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Case No. 2004-00377
Jessamine-South Elkhorn Water District

Dear Ms. Ramser:

This letter is a response to the inquiries made by you and other members of staff during the Informal Conference on April 9, 2015. I will address the inquiries in the order that they appear in the Informal Conference Memorandum of April 13, 2015.

1. “Ms. Ramser requested the utility to verify how far beyond the easement the utility would install pipe on the landowner’s property as part of the sewer connection performed by the utility.”

Response: Generally the pipe extends no further than one (1) foot inside the landowner’s property line. However, in the event where the slope of the land requires the lateral to be installed further inside the line the pipe will be extended further. The customer is always advised at the time a sewer permit is requested that a licensed plumber will have to be hired to connect the lateral to the structure being served; that a plumbing permit will have to be obtained from the local health department; and that the JSEWD will have to inspect the connection by the plumber to the lateral, all before service is authorized.

2. “Ms. Ramser stated concerns about charging the \$25.00 water disconnect each time the water is disconnected at the utility’s request when Nicholasville is the only water provider charging JSEWD the water disconnect fee.”

Response: JSEWD deals with two water suppliers in terminating sewer service. the City of Nicholasville and Jessamine County Water District No. 1. Nicholasville charges JSEWD \$25.00 for turn-offs and JSEWD has clerical expenses of \$9.53 to accomplish this operation. Although Jessamine No. 1 does not charge JSEWD for turn-offs, it does insist that the JSEWD’s water superintendent (“WS”) be the only individual who performs this task. As a result, JSEWD has the same clerical expense of \$9.53 plus the water superintendent’s time in performing the task. In the event the customer pays the bill at the time the meter is about to be locked, the time expended

by the WS is approximately ½ hour. If the customer does not pay and the meter is locked, another trip is required to unlock the meter when payment is finally made. In this event, approximately one (1) hour is expended. The WS's charge is determined by his salary and other costs to JSEWD as set forth below:

\$45.43 (\$94,500.00 gross salary ÷ 2080 hours)
2.82 (annual SS withholding ÷ 2080 hours)
.66 (annual Medicare withholding ÷ 2080 hours)
2.01 (annual health insurance ÷ 2080 hours)
.53 (annual life insurance ÷ 2080 hours)
.06 (annual state unemployment insurance ÷ 2080 hours)
.53 (annual workers compensation insurance ÷ 2080 hours)
\$ 52.04 TOTAL

Regardless of the added expense associated with the Jessamine No. 1 cut-offs, the District is only requesting an overall \$35.00 charge.

3. "Sam Reid confirmed that JSEWD intended to now use the \$28.59 hourly rate for the clerk. Mr. Reid indicated that the reduction in the hourly rate would affect each nonrecurring charged proposed by JSEWD."

Response: JSEWD understands that the charge in hourly rate affects all proposed charges resulting in the following changes:

Grease Trap Inspection Charge..... \$ 73.00
Returned Check Service..... 7.00
Service Line Inspection Charge..... 67.00
Tap-On Fees.....2,623.00

JSEWD agrees to all of the reductions except the Service Fee Reconnection charge which should remain at \$35.00 due to the much higher cost on reconnections for Jessamine No. 1 water customers.

4. "George Wakim requested provision of the necessary information (volume and length) so that he could calculate the amount of gravel necessary for the sewer connection."

Response: The trench dimensions are: 24 inches in width; 24 inches in depth; 13 feet in length for short side; and 63 feet in length for long side. Additionally, JSEWD's responsibility ends two (2) feet past the clean-out shown on the drawings previously submitted.

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Please advise if I need to provide further information.

Sincerely,



Bruce E. Smith