

**Larry R. Anderson, PE**

ATTORNEY AT LAW  
4115 WOODMONT PARK LANE  
LOUISVILLE, KENTUCKY 40245  
(502) 241-0921, (502) 500-3545 (mobile)  
[dessiea1@att.net](mailto:dessiea1@att.net)

RECEIVED

JUN 19 2015

PUBLIC SERVICE  
COMMISSION

June 14, 2015

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40602-0615

Subject: Status Report # 2 on Transfer of Wastewater Facilities  
Case No. 2014-00425

Dear Mr. Derouen:

On February 13, 2015, the Kentucky Public Service Commission (PSC) entered an Order approving the transfer of the wastewater facilities, services and customers of the Estill County Water District No. 1 (Estill No. 1) to the City of Irvine through its Irvine Utility Commission (IMU). Paragraph No. 8 of this Order requires Estill No. 1 to provide a Status Report of its efforts to complete this transfer within 60 days. This Status Report # 2 is as follows (the Items shown as complete in Status Report # 1 will not be repeated in Status Report # 2):

1. Accounts Receivable: Paragraph 1.d. of the Agreement requires Estill No. 1 to transfer its accounts receivable to IMU. These records are being kept by Estill # 1 as approved by IMU.
2. Easement across Real Property of Estill No. 1: Paragraph 1.g. of the Agreement requires that Estill No. 1 provide an easement across its real property. The executed Deed of Easement was sent to IMU by letter on May 21, 2015 (copy attached). Please file this document in the general correspondence file of Estill No. 1.
3. USDA Loan: Paragraph 3 of the Agreement requires IMU to assume liability for the USDA Loan of \$307,000.00 as of October 20, 2014. In February of 2015, Estill No. 1 made a payment on this loan in the amount of \$20,675. By April 13, 2015 letter, USDA notified Estill No. 1 that IMU had paid the loan balance of \$298,224.65. By an April 8, 2015 email, USDA notified Estill No. 1 that this payment of the loan balance would relieve Estill No. 1 of any further liability under this loan. A copy of the April 8, 2015 email and a copy of the April 13, 2015 letter are attached for filing in the general correspondence file of Estill No. 1. Estill No. 1 has requested that IMU refund its February loan payment and settlement of this issue is being negotiated.

4. Decommission Plant: Paragraph 5 of the Agreement requires that Estill No. 1 decommission its plant. This plant has been decommissioned under a Closure Plan submitted to the DOW on October 27, 2014 and approved by the DOW. Estill # 1 is waiting on a final inspection by the DOW.
5. Agreed Order of Dismissal: Paragraph 13 of the Agreement requires that IMU and Estill No. 1 execute an Agreed Order of Dismissal of the litigation filed in Estill Circuit by IMU. Estill No. 1 has signed and sent this Agreed Order to IMU but IMU has not signed and sent the Agreed Order to the Estill Circuit Court.
6. Relief from Fines and Penalties: Paragraph 14.b. of the Agreement provided that the Agreement is contingent on the written assurances that it would be relieved from responsibility for any fines, assessments or penalties for its prior activities. The Closure Plan has been completed including the fill material, reseeding and other various activities. Estill # 1 is awaiting a final inspection by the DOW.

In summary, only the above items require additional documentation.

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

Sincerely,



Larry R. Anderson  
*Attorney for Estill No. 1*

- cc. Ms. Audrea Miller, Office Manager, Estill County Water District #1, 76 Cedar Grove Road, Irvine, KY 40336 – Audie, please make a copy for the Board Members and Dwight.  
Michael R. Eaves, Sword, Floyd & Moody, PLLC, 218 Main Street, P. O. Box 300, Richmond, Kentucky 40476-0300

attachment

**Larry R. Anderson, PE**

ATTORNEY AT LAW  
4115 WOODMONT PARK LANE  
LOUISVILLE, KENTUCKY 40245  
(502) 241-0921, (502) 500-3545 (mobile)  
[dessieal@att.net](mailto:dessieal@att.net)

May 21, 2015

Michael R. Eaves, Esquire  
Attorney  
Sword, Floyd & Moody, PLLC  
218 W. Main Street  
Richmond, KY 40475

Subject: Deed of Easement

Dear Mike:

Attached please find the Deed of Easement executed by the Estill County Water District No. 1.  
Please send me a copy of the recorded easement.

Thank you for your assistance in these matters. If you have any questions or comments, please contact me.

Sincerely,

  
Larry R. Anderson  
Attorney for District

cc. Ms. Audrea Miller, Office Manager, Estill County Water District #1, 76 Cedar Grove Road, Irvine, KY  
40336 – Audie, please make a copy for the Board Members and Dwight

**RECEIVED**

**JUN 19 2015**

**PUBLIC SERVICE  
COMMISSION**

## DEED OF EASEMENT

This Deed of Easement, made and entered into this 1<sup>st</sup> day of May, 2015, by and between **ESTILL COUNTY WATER DISTRICT NO. 1**, 76 Cedar Grove, Irvine, Estill County, Kentucky 40336, **GRANTOR**, and **THE CITY OF IRVINE, KENTUCKY**, a fourth-class city, of 101 Chestnut Street, Irvine, Kentucky, **GRANTEE**.

**WITNESSETH:** That for and in consideration of the mutual covenants, agreements and benefits accruing to the parties hereto, the grantor does hereby bargain, grant, release, sell and convey unto the grantee, in fee simple, its successors and assigns, an easement, in perpetuity, over and through the parcel or strip of ground described as follows, for the purpose of laying, constructing, replacement, resizing, operating and using sewer mains, pipes, lines, manholes, pump stations, cleanouts and related facilities, laid or to be laid or constructed in said parcel or strip, together with a perpetual right of ingress and egress to and from said easements to accomplish the foregoing, said easement being described as follows:

### PERMANENT EASEMENT

A certain tract or parcel of land lying and being on Station Camp Creek in Estill County, Kentucky and more particularly described as follows:

Being approximately eight (8) acres more or less located at the rear of the Newton Farm and beginning at a point in the fences of Glendon Newton and the said sellers and running in a south easterly direction approximately 300 feet to a dividing fence point, thence continuing in a straight line to Station Camp Creek, thence with said creek in a southwesterly direction to the Newton and Noland line. Thence following the Newton and Nowland line in a northwesterly direction to the dividing fence, thence approximately 300 feet in a northwesterly direction with the Newton and Noland line, thence approximately 600 feet in a northeasterly direction to the point of beginning.

Being a part of the same property conveyed to the grantor by deed recorded in deed Book 195, Page 563.

This conveyance is subject to any and all covenants, conditions, restrictions, reservations and easements as may be revealed in the record chain of title.

**TO HAVE AND TO HOLD** said easement together with all the appurtenances thereunto belonging unto the Grantee, its successors and assigns in fee simple with covenant of general warranty.

**IN TESTIMONY WHEREOF**, the Grantor has hereunder subscribed its name the day and date aforesaid.

GRANTOR:

Estill County Water District No. 1

By: *Greg Wright*  
Greg Wright, Chairman

STATE OF KENTUCKY  
COUNTY OF ESTILL

Before me, a Notary Public in and for the county and state aforesaid, personally appeared Greg Wright, in his capacity as Chairman of the Estill County Water District No. 1, the GRANTOR, who signed and acknowledged the foregoing DEED OF EASEMENT as his free act and deed.

IN WITNESS WHEREOF, I have hereunder set my hand and notarial seal on this the 1 day of May, 2015.

*Pamela Patrick* Notary # 507786  
Notary Public, Kentucky State at Large

My Commission Expires: March 17, 2018

Prepared by: *Larry R. Anderson*  
Larry R. Anderson  
Attorney  
4115 Woodmont Park Lane  
Louisville, Kentucky 40245  
(502) 500-3545

