

**CRAWFORD & BAXTER, P.S.C.**

ATTORNEYS AT LAW

523 Highland Avenue  
P.O. Box 353  
Carrollton, Kentucky 41008

James M. Crawford  
Ruth H. Baxter  
Nicholas A. Marsh

**RECEIVED**

MAY 21 2007

PUBLIC SERVICE COMMISSION  
May 19, 2007

Phone: (502) 732-6688  
1-800-442-8680  
Fax: (502) 732-6920  
Email: CBJ523@AOL.COM

Commonwealth of Kentucky  
Public Service Commission  
Attn: Filings  
211 Sower Boulevard  
Frankfort, Kentucky 40601

RE: Carroll County Water District No. 1 v. Gallatin County Water District

Dear Sir or Madam:

*Case No. 7007-00707*

Please find enclosed the Complaint and Motion I am filing on behalf of Carroll County Water District No. 1. I have enclosed the original and eleven (11) copies for filing pursuant to the Commission's procedures. If you have any questions or concerns with regard to the enclosed, please feel free to contact my office at (502) 732-6688.

Sincerely,

CRAWFORD & BAXTER, P.S.C



Ruth H. Baxter

RHB/nam

Enclosures

cc: Mr. Jim Smith  
Carroll County Water District No. 1

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

CARROLL COUNTY WATER )  
 DISTRICT NO. 1 )  
 POST OFFICE BOX 350 )  
 GHENT, KENTUCKY 41045 )  
 )  
 VS. )  
 )  
 GALLATIN COUNTY WATER )  
 DISTRICT )  
 4500 HIGHWAY 455 )  
 WARSAW, KENTUCKY 41095 )

RECEIVED

MAY 21 2007

PUBLIC SERVICE  
COMMISSION

CASE NO. 2007-00707

COMPLAINT

Comes now the Complainant Carroll County Water District No. 1, and for its Complaint against the Gallatin County Water District, and states as follows:

1.) The Carroll County Water District No. 1, is a public water district created in accordance with KRS 74.010 et seq. (hereinafter "Carroll"), doing business in Carroll, Owen and Gallatin Counties, Kentucky, with its principal place of business at 205 Main Cross Street, Ghent, Carroll County, Kentucky 41045, and a mailing address at Post Office Box 350, Ghent, Kentucky 41045;

2.) At all times complained of herein, Gallatin County Water District No. 1, is a public water district created in accordance with KRS 74.010 et seq. (hereinafter "Gallatin"), doing business in Gallatin County, Kentucky, with its principal place of business at 4500 Highway 455, Warsaw, Gallatin County, Kentucky 41095;

3.) In accordance with KRS Chapter 74, et seq., and by Order Approving

Boundaries of Carroll County Water District No. 1, dated September 8, 1998, Carroll acquired the exclusive right to supply water service to the territory lying and being in Carroll, Gallatin and Owen Counties, and more fully described as follows:

Beginning at the intersection of Kentucky Highway 320 (Lock Road and U.S. Highway 227); thence northwest with the centerline of said U.S. Highway 227 approximately 1200 feet to a point on the Carrollton City Limits line; thence northeast with said limits line approximately 1,750 feet to the centerline of the Carrollton Railroad tracks; thence northwesterly with the centerline of said tracks, approximately 1,500 feet to a point; thence northeast and perpendicular to said tracks approximately 2,000 feet to a point; thence northwesterly and parallel with M & T Road approximately 3,200 feet to a point which is 900 feet west of said M & T Road; thence north approximately 1200 feet to the Carrollton City Limits and the west right of way of M & T Road; thence northwesterly with said R-O-W line approximately 1,750 feet to the centerline of U.S. Highway No. 42; thence continuing northwesterly with an extension of the aforesaid line approximately 725 feet to the low water mark (elevation 420) of the Ohio River; thence northeasterly with said river's low water mark to the Gallatin County line; thence continuing with said River's low water mark northeasterly to a point on the west bank of Craig's Creek; thence southerly with the meanderings of the west bank of said creek to a point 1000 feet south and 1000 feet east of the intersection of Winn Road and Kentucky Highway 1130; thence south and parallel with Kentucky Highway 1130 to a point 1,000 feet east and 2,000 feet south of the intersection of Kentucky Highway 1130 and Kentucky Highway 465; thence southwesterly and parallel with Kentucky Highway 465 approximately 8,500 feet to a point on the Carroll County--Gallatin County Line; thence southeasterly along said county line approximately 8,500 feet to the center of Eagle Creek and the Owen County line; thence southeasterly with the meanderings of Eagle Creek and said county line to a point in Eagle Creek 2,500 feet north and west of the Mid Valley Crude Oil Pipe line; thence southwesterly along a parallel line 2,500 feet north of said pipeline to a point 1,000 feet north of the intersection of Bucks Run Road and State Road 227; thence south to a point 1,000 feet south of State Road 227; thence southwesterly along State Road 227 to a point 5000 feet Northeast of the

intersection of the Southernmost boundary of Twin Eagle Wildlife area and State Road 355; thence south along a line parallel and 5000 feet east of State Road 355 to a point 1,000 feet north of Fairview Ridge Road; thence east to a point 1,000 feet north of the intersection of Morgan's Lane Road and State Road 22; thence southeast with Morgan's Lane and Morgan's Lane extended approximately 3,500 feet to a point 2,500 feet southeast of the intersection of State Road 22 and Morgan's Lane; thence southwesterly to a point 1,000 feet east of the Gratz city limit line on Highway 355; thence west approximately 4,500 feet to the normal pool water level (elevation 428) of the Kentucky River; thence northeasterly with said water level to Carrollton Lock #1 on the Kentucky River; thence north approximately 1,000 feet to a point on the centerline of Kentucky Highway 320; thence northeasterly with said centerline approximately 2,000 feet to the point of beginning.

Surveyed by James M. West, P.E., Kentucky Reg. No. 12349 dated June 10, 1998.

A true and correct copy of the aforesaid Order Approving Boundaries of Carroll County Water District No. 1, is attached hereto and incorporated herein by reference as EXHIBIT "A";

4.) A new commercial development which is expected to include a small retail store and/or gas station is being located along Kentucky Highway 1039, near its intersection with Interstate 71, in Gallatin County, Kentucky (hereinafter "commercial development"). The commercial development is located within Carroll's territorial boundaries as defined in numerical paragraph 3 herein, and as shown on the Carroll County Water District No. 1 Service Area Boundary Map and general map of the area. Said maps are attached hereto and incorporated herein by reference as EXHIBIT "B" and EXHIBIT "C", respectively;

5.) In accordance with KRS Chapter 278, Carroll is ready, willing and able to provide water service to the commercial development. It has sufficient infrastructure and capacity to supply water service to the commercial development as shown on the Carroll County

Water District Water System Map, attached hereto as EXHIBIT "D" and incorporated herein by reference;

6.) Despite the establishment of territorial boundaries, Gallatin is attempting to provide service to the commercial development. Gallatin admitted that the commercial development is within Carroll's territory, but has stated that it intends to provide the commercial development with water service despite Carroll's exclusive right to the territory and Carroll's ability to provide water to the commercial development. Gallatin is currently constructing the water lines and/or water service to the commercial development site without authority to do so; and,

7.) Despite repeated demands by Carroll to cease and desist, Gallatin is constructing water lines which are intended to provide service to the commercial development within Carroll's territory;

WHEREFORE, the Complainant Carroll County Water District No. 1 requests the Public Service Commission to determine:


1.) That Gallatin County Water District is in violation of KRS Chapter 74, et seq., and all other applicable law, for extending water line service into that territory where Carroll County Water District No. 1 has the exclusive right to supply water service;

2.) That Gallatin County Water District should be ordered to cease and desist its construction of water lines and/or service to the commercial development along Highway 1039 in Gallatin County, Kentucky, within Carroll's territory; and,

3.) For all other necessary and proper relief to which Carroll County Water District No. 1 may be entitled.

CRAWFORD & BAXTER, P.S.C.  
ATTORNEYS AT LAW  
523 Highland Avenue  
P.O. Box 353  
Carrollton, Kentucky 41008  
(502) 732-6688  
Facsimile: (502) 732-6920

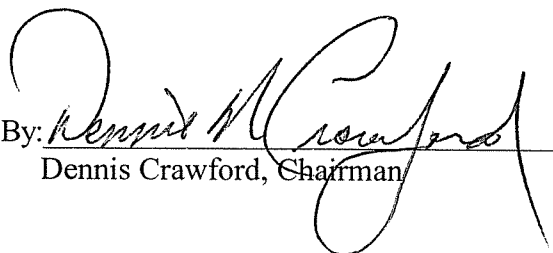
Attorneys for Complainant  
Carroll County Water District No. 1

By:   
Ruth H. Baxter

**VERIFICATION**

Dennis Crawford states that he is the Chairman of the Carroll County Water District No. 1, that he has read the foregoing Complaint and states that the statements contained therein are true and correct, and that he is authorized to execute this Verification on behalf of Carroll County Water District No. 1.

CARROLL COUNTY WATER DISTRICT NO. 1

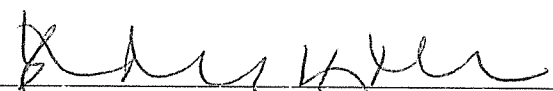
By:   
Dennis Crawford, Chairman

STATE OF KENTUCKY)

COUNTY OF CARROLL)

Subscribed and sworn to before me by Dennis Crawford, this the 19 day of May, 2007.

My commission expires: 12/07/10

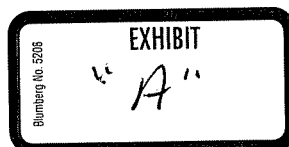
  
NOTARY PUBLIC, KY., STATE AT LARGE

**ORDER APPROVING BOUNDARIES OF CARROLL COUNTY**  
**WATER DISTRICT NO. 1**

A Petition to enlarge the territorial limits of the Carroll County Water District to clarify its boundaries in Carroll County, and to annex new areas of Gallatin and Owen counties, respectively, having been filed with the County-Judge Executive, notice of the filing of this Petition with the proposed service area of the District once enlarged having been published in the newspaper having the greatest circulation in this county; a public hearing on the District's Petition having been advertised and the hearing having been held, and being otherwise sufficiently advised, IT IS HEREBY ORDERED ADJUDGED AS FOLLOWS:

1. The Petition of the Carroll County Water District to clarify its boundaries in Carroll County, and to annex new areas in Gallatin and Owen counties is hereby approved;
2. The territorial limits of the Carroll County Water District shall be bounded as and more particularly described by the following Proposed Service Area Description as follows:

Beginning at the intersection of Kentucky Highway 320 (Lock Road and U.S. Highway 227); thence northwest with the centerline of said U.S. Highway 227 approximately 1200 feet to a point on the Carrollton City Limits line; thence northeast with said limits line approximately 1,750 feet to the centerline of the Carrollton Railroad tracks; thence northwesterly with the centerline of said tracks, approximately 1,500 feet to a point; thence northeast and perpendicular to said tracks approximately 2,000 feet to a point; thence northwesterly and parallel with M & T Road approximately 3,200 feet to a point which is 900 feet west of said M & T Road; thence north approximately 1200 feet to the Carrollton City Limits and the west right of way of M & T Road; thence northwesterly with said R-O-W line approximately 1,750 feet to the centerline of U.S. Highway No. 42; thence continuing northwesterly with an extension of the aforesaid line approximately 725 feet to the low water mark



(elevation 420) of the Ohio River; thence northeasterly with said river's low water mark to the Gallatin County line; thence continuing with said River's low water mark northeasterly to a point on the west bank of Craig's Creek; thence southerly with the meanderings of the west bank of said creek to a point 1000 feet south and 1000 feet east of the intersection of Winn Road and Kentucky Highway 1130; thence south and parallel with Kentucky Highway 1130 to a point 1,000 feet east and 2,000 feet south of the intersection of Kentucky Highway 1130 and Kentucky Highway 465; thence southwesterly and parallel with Kentucky Highway 465 approximately 8,500 feet to a point on the Carroll County-Gallatin County Line; thence southeasterly along said county line approximately 8,500 feet to the center of Eagle Creek and the Owen County line; thence southeasterly with the meanderings of Eagle Creek and said county line to a point in Eagle Creek 2,500 feet north and west of the Mid Valley Crude Oil Pipe line; thence southwesterly along a parallel line 2,500 feet north of said pipeline to a point 1,000 feet north of the intersection of Bucks Run Road and State Road 227; thence south to a point 1,000 feet south of State Road 227; thence southwesterly along State Road 227 to a point 5000 feet Northeast of the intersection of the Southernmost boundary of Twin Eagle Wildlife area and State Road 355; thence south along a line parallel and 5000 feet east of State Road 355 to a point 1,000 feet north of Fairview Ridge Road; thence east to a point 1,000 feet north of the intersection of Morgan's Lane Road and State Road 22; thence southeast with Morgan's Lane and Morgan's Lane extended approximately 3,500 feet to a point 2,500 feet southeast of the intersection of State Road 22 and Morgan's Lane; thence southwesterly to a point 1,000 feet east of the Gratz city limit line on Highway 355; thence west approximately 4,500 feet to the normal pool water level (elevation 428) of the Kentucky River; thence northeasterly with said water level to Carrollton Lock #1 on the Kentucky River; thence north approximately 1,000 feet to a point on the centerline of Kentucky Highway 320; thence northeasterly with said centerline approximately 2,000 feet to the point of beginning.

Surveyed by James M. West, P.E., Kentucky Reg. No. 12349 dated June 10, 1998. (See also the map of the proposed boundaries filed in the Offices of the Judge-Executives of Carroll, Gallatin and Owen Counties.

This the 8<sup>th</sup> day of September, 1998.

  
\_\_\_\_\_  
COUNTY JUDGE-EXECUTIVE



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Surveyed by James M. West, P.E., Kentucky Reg. No. 12349 dated June 10, 1998. (See also the map of the proposed boundaries filed in the Offices of the Judge-Executives of Carroll, Gallatin and Owen Counties.

This the 8th day of September, 1998.

  
COUNTY JUDGE-EXECUTIVE

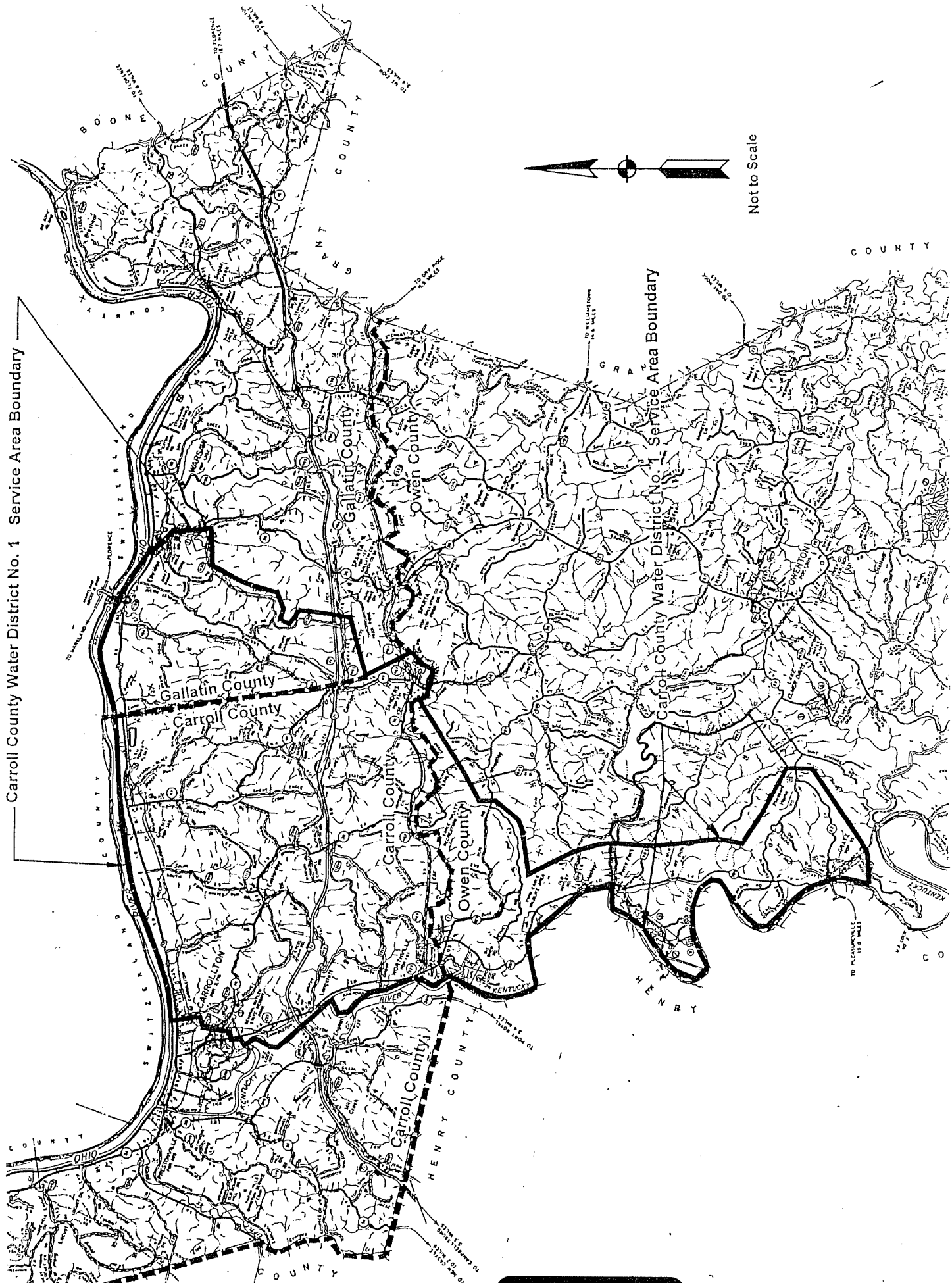
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Surveyed by James M. West, P.E., Kentucky Reg. No. 12349 dated June 10, 1998. (See also the map of the proposed boundaries filed in the Offices of the Judge-Executives of Carroll, Gallatin and Owen Counties.

This the 8th day of October, 1998.

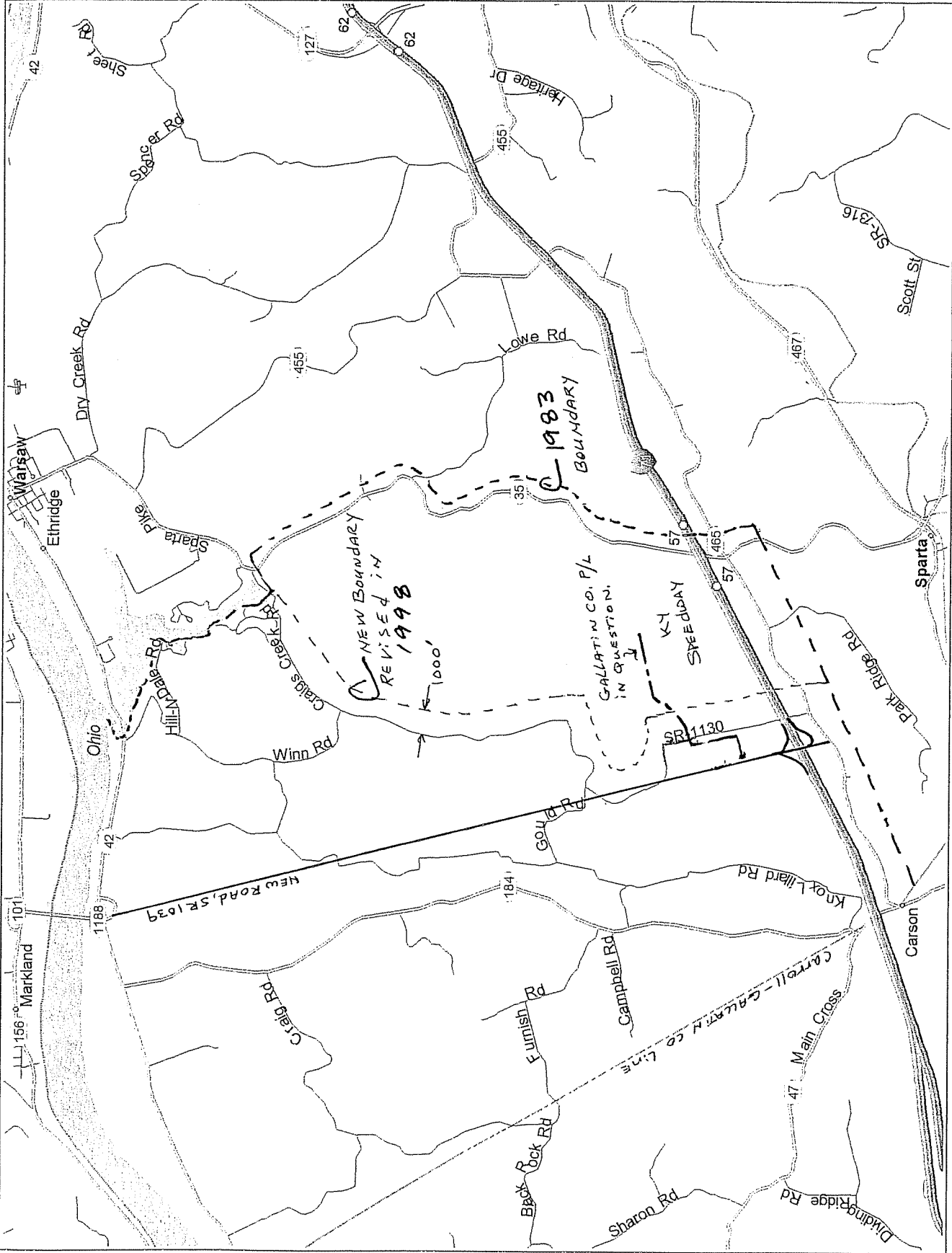
  
COUNTY JUDGE-EXECUTIVE

Carroll County Water District No. 1 Service Area Boundary



Blumberg No. 5208  
**EXHIBIT**  
 " B "

# Kentucky, United States, North America

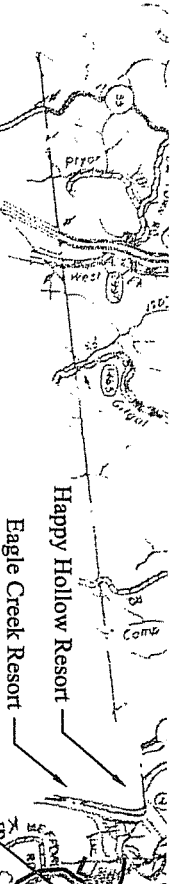


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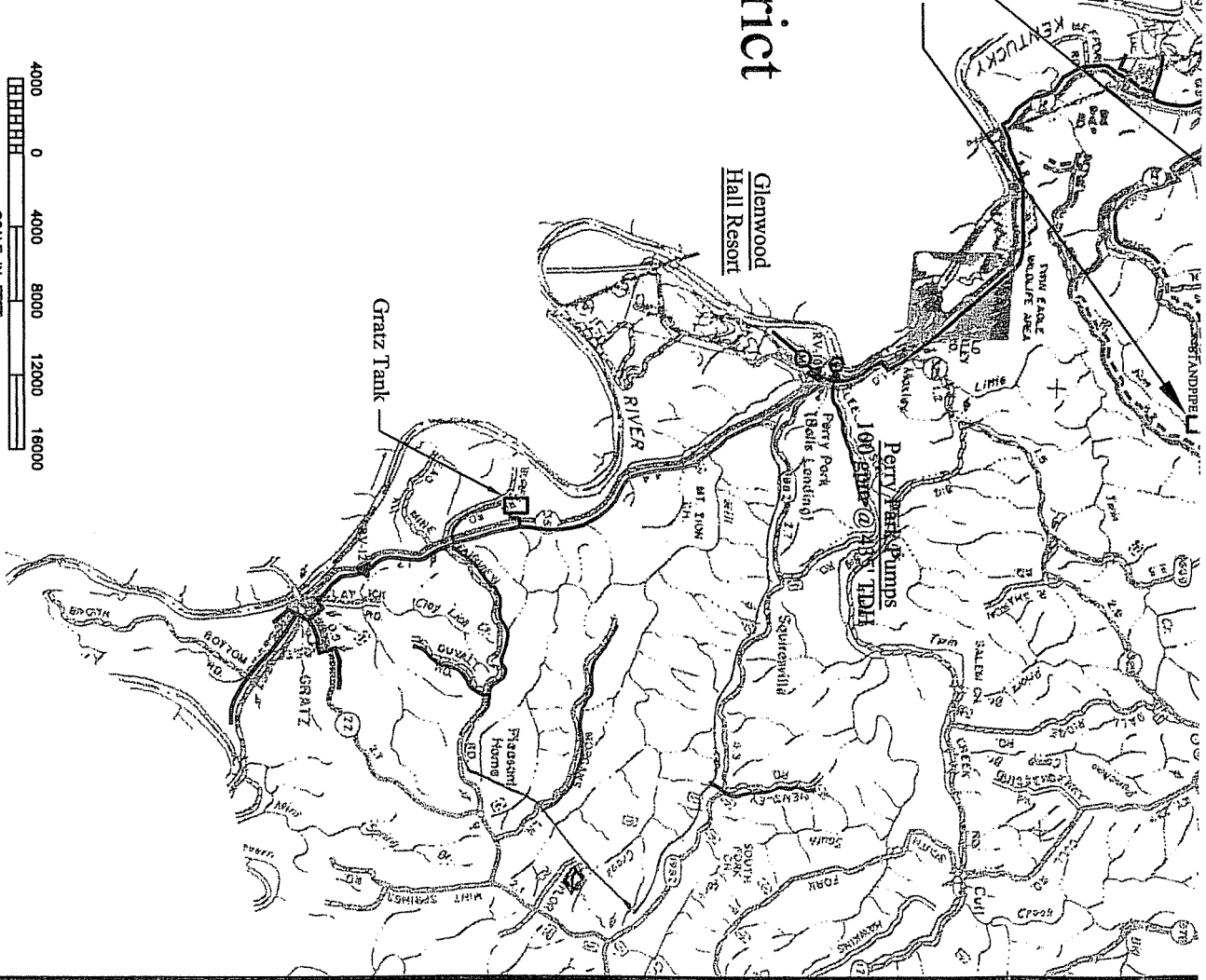
EXHIBIT

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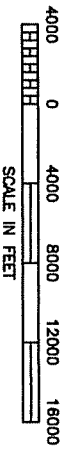
# Carroll County Water District Water System Map Ghent, Kentucky



NEW BOOSTER PUMPS  
NEW WHEATLEY STANDPIPE



Legend	
Proposed	Existing
2" Water Main	—
3" Water Main	—
4" Water Main	—
6" Water Main	—
8" Water Main	—
10" Water Main	—
12" Water Main	—
Pump Station	⊙
PRV	△
Closed Line	— + —
Wellfield WTP	⊙
Master Meter	⊙
Control Valve	⊙
<b>Tanks</b>	
Stand Pipe	□
Ground Storage	⊞
Elevated	⊞



**PRR** Engineers, Inc.  
A Terra Tech Company  
Cincinnati-Corydon-Huntsville-Lexington-Louisville-Memphis-Ovationsboro  
800 Corporate Dr. ■ Lexington, Kentucky 40503 ■ (859) 223-8000

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY 21 2007

PUBLIC SERVICE  
COMMISSION

IN THE MATTER OF:

CARROLL COUNTY WATER )  
DISTRICT NO. 1 )  
VS. )  
GALLATIN COUNTY WATER )  
DISTRICT )

CASE NO. 2007-00707

**NOTICE**

Please take notice that the following Motion will be brought on for hearing before the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky 40601, at the convenience of the Commission.

**MOTION**


Comes now the Complainant Carroll County Water District No. 1 and requests that the Public Service Commission enter an Order requiring the Defendant Gallatin County Water District to cease construction of the water line to the commercial development located along Kentucky Highway 1039, near the I-71 interchange in Gallatin County, Kentucky, which is being constructed within the Carroll County Water District No. 1's territory, until such time as the Commission can rule on the Complainant's Complaint.

In support of this Motion, there is attached hereto and incorporated herein by reference the Affidavit of Dennis Crawford, Chairman, Carroll County Water District No. 1.

CRAWFORD & BAXTER, P.S.C.  
ATTORNEYS AT LAW  
523 Highland Avenue

P.O. Box 353  
Carrollton, Kentucky 41008  
(502) 732-6688  
Facsimile: (502) 732-6920

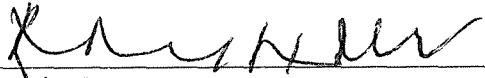
Attorneys for Complainant  
Carroll County Water District No. 1

By:   
Ruth H. Baxter

**Certificate of Service**

This is to certify that a true and correct copy of the foregoing Notice and Motion were mailed postage prepaid, this the 21 day of May, 2007, to the following:

Gallatin County Water District  
4500 Highway 455  
Warsaw, Kentucky 41095

By:   
Ruth H. Baxter

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

CARROLL COUNTY WATER	)	
DISTRICT NO. 1	)	
	)	
VS.	)	CASE NO. _____
	)	
GALLATIN COUNTY WATER	)	
DISTRICT	)	
	)	

**AFFIDAVIT OF DENNIS CRAWFORD**

Comes now the affiant, Dennis Crawford, and after having first been duly sworn, states and deposes as follows:

1. That he is the Chairman of Carroll County Water District No. 1 (hereinafter “Carroll”), a public water district, and the Complainant herein:
2. That he is duly authorized to make this Affidavit on behalf of Carroll County Water District No. 1;
3. That Carroll County Water District No. 1 filed its Complaint with the Commission on May 21, 2007, alleging that Gallatin County Water District (hereinafter “Gallatin”) is attempting to provide water service to a new commercial development along Kentucky Highway 1039 in Gallatin County, Kentucky;
4. That said commercial development lies within the territorial boundaries of Carroll, and Carroll has the exclusive right to provide water line service to said commercial development. See Complaint and Exhibits thereto. Carroll has the ability and the capacity to serve this development;



5. That Gallatin County Water District does not dispute the fact that they are attempting to provide water line service to a commercial development clearly within Carroll's service territory;

6. That Gallatin is currently constructing water lines to provide service to the commercial development despite the fact that Carroll has the exclusive right to do so. Said construction is near completion; and,

7. That Carroll is seeking an Order requiring Gallatin to cease and desist construction of the water lines to the commercial development until such time as Carroll's Complaint can be reviewed by the Commission, and Carroll will suffer irreparable harm in the absence of such an Order;

Further the Affiant sayeth naught, this the 19 day of May, 2007.

CARROLL COUNTY WATER DISTRICT NO. 1

  
Dennis Crawford, Chairman

STATE OF KENTUCKY)

COUNTY OF CARROLL)

Subscribed and sworn to before me by Dennis Crawford, this the 19 day of May, 2007.

My commission expires: 12/04/10

  
NOTARY PUBLIC, KY., STATE AT LARGE