

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CARROLL COUNTY WATER DISTRICT NO. 1	)	
	)	
COMPLAINANT	)	
	)	
v.	)	CASE NO. 2007-00202
	)	
GALLATIN COUNTY WATER DISTRICT	)	
	)	
DEFENDANT	)	

ORDER TO SATISFY OR ANSWER

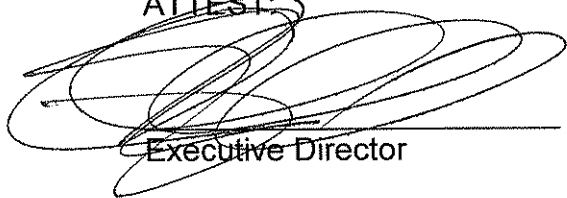
Gallatin County Water District No. 1 ("Gallatin District") is hereby notified that it has been named as defendant in a formal complaint filed on May 21, 2007, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, Gallatin District is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 18th day of June, 2007.

ATTEST:



Executive Director

By the Commission

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 )

CASE NO. 2007-00707

**RECEIVED**

MAY 21 2007

**PUBLIC SERVICE  
COMMISSION**

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 southwest 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 southwest 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 southwest 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:

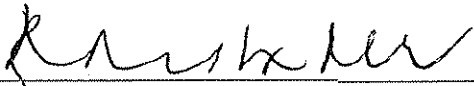
1.) That Gallatin County Water District is in violation of KRS Chapter 74, et seq., and all other applicable law, for extending water line service into that territory where Carroll County Water District No. 1 has the exclusive right to supply water service;

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

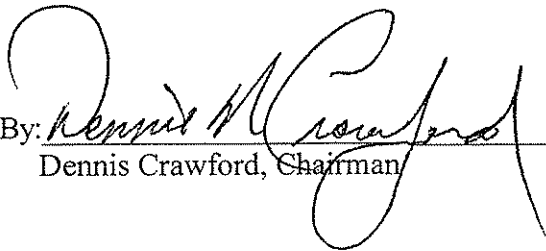
Attorneys for Complainant  
Carroll County Water District No. 1

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.

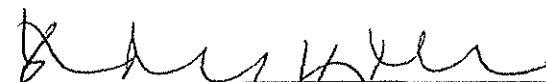
CARROLL COUNTY WATER DISTRICT NO. 1

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

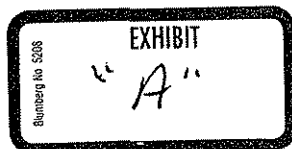
  
NOTARY PUBLIC, KY., STATE AT LARGE

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



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

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



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This the 8th day of September, 1998.

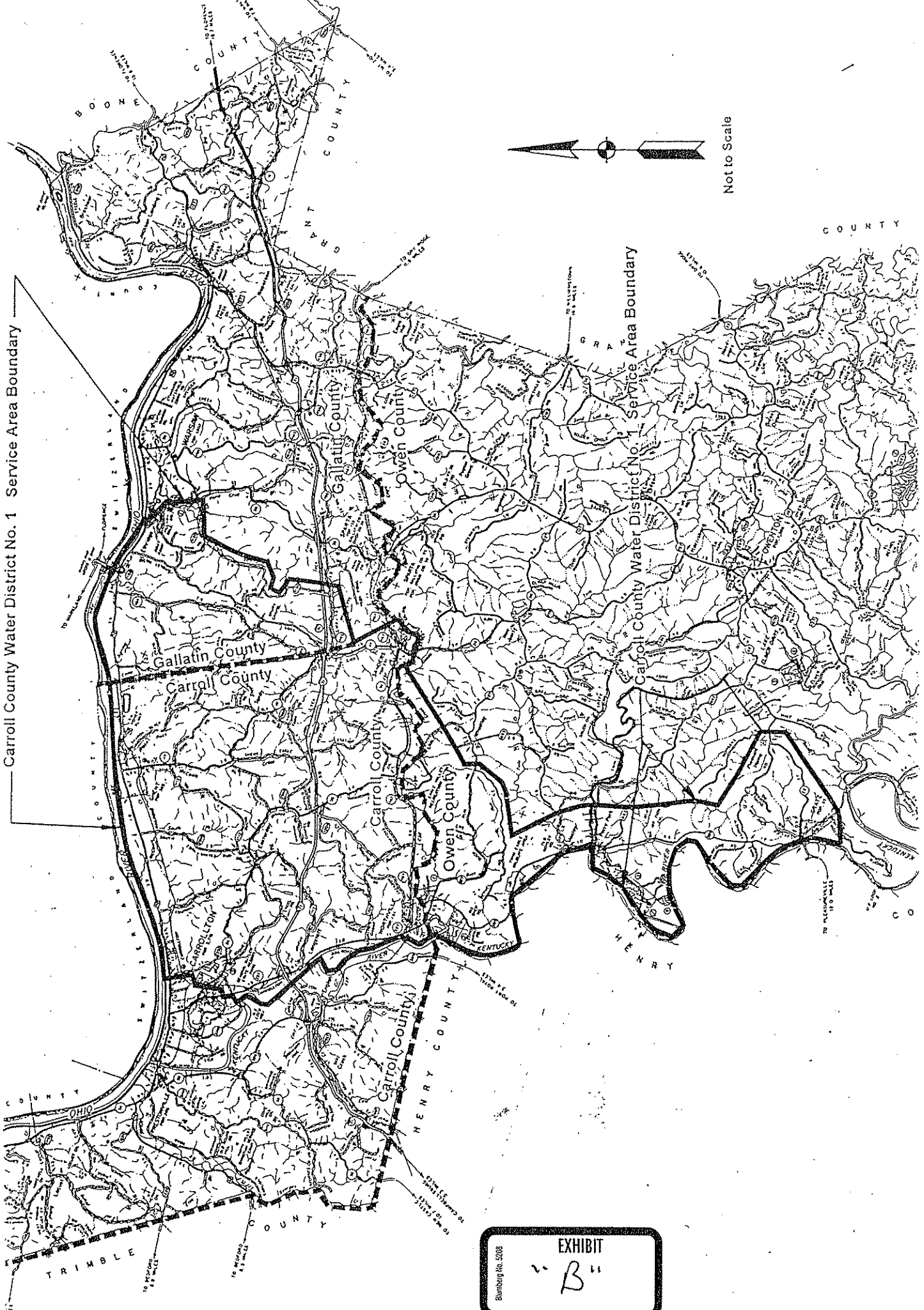
  
COUNTY JUDGE-EXECUTIVE

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This the 8th day of October, 1998.

  
COUNTY JUDGE-EXECUTIVE



Carroll County Water District No. 1 Service Area Boundary

Carroll County Water District No. 2 Service Area Boundary

Not to Scale

Blumberg No. 2026  
EXHIBIT  
"B"

# Kentucky, United States, North America

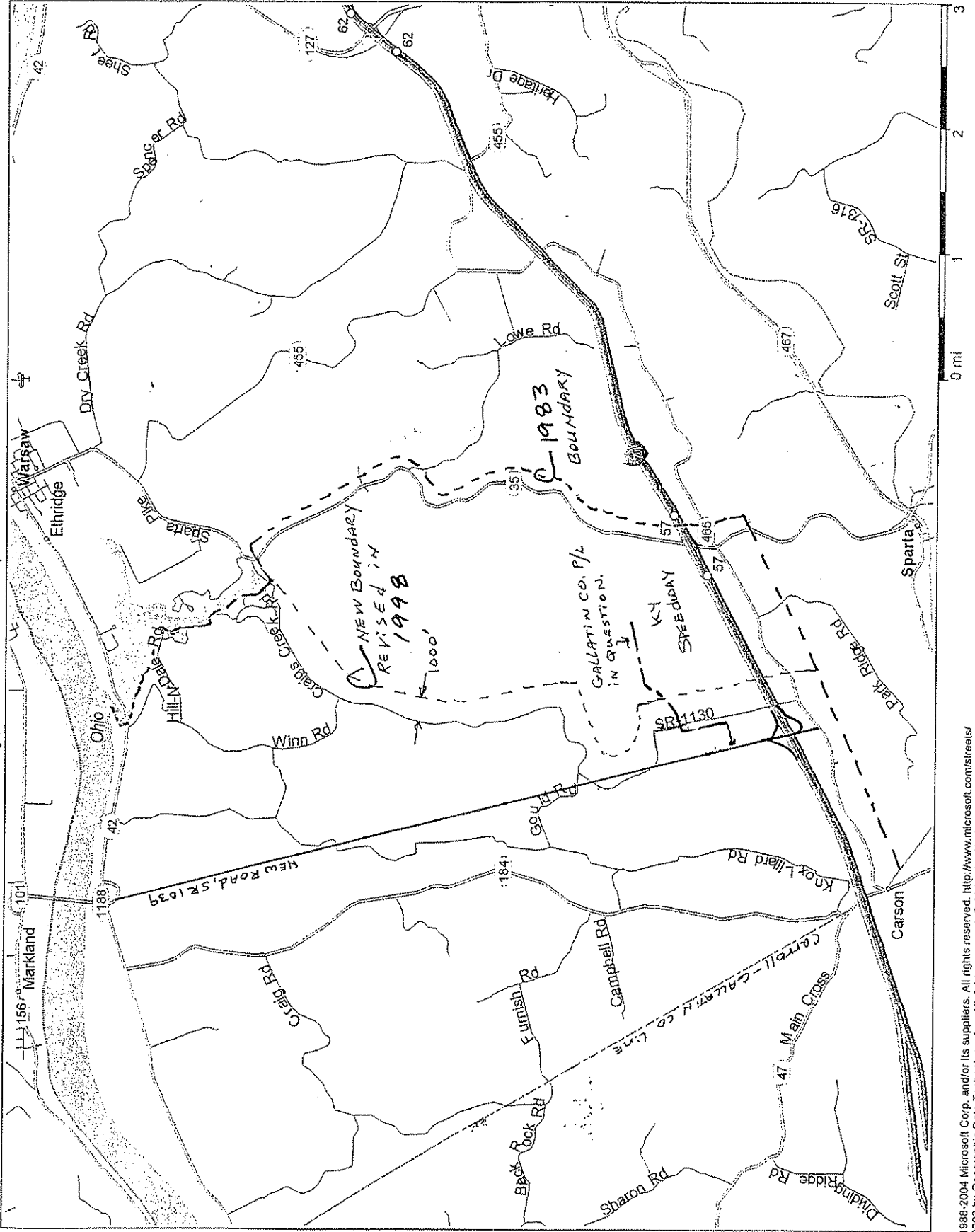
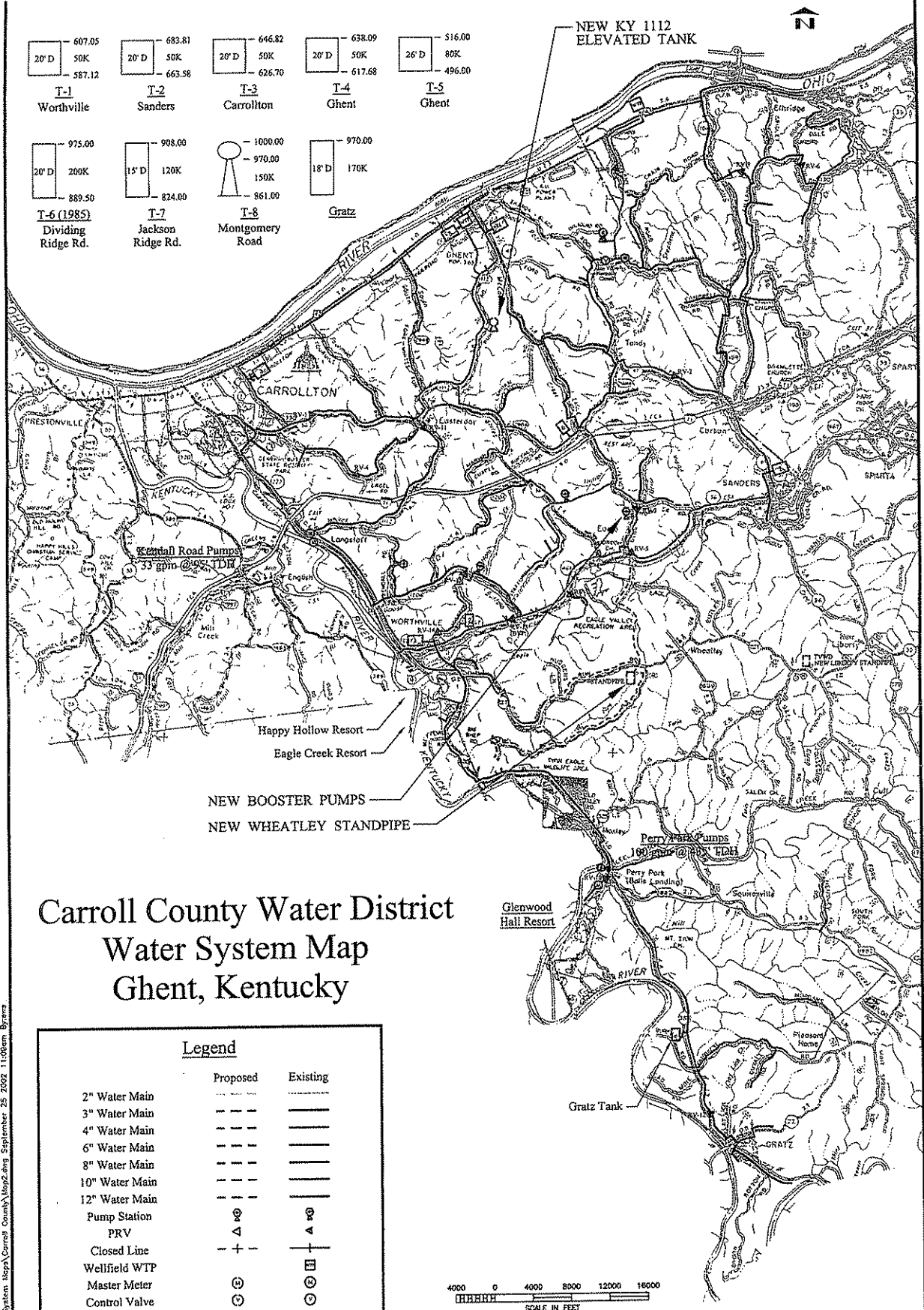


EXHIBIT  
"C"

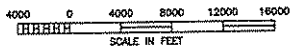
20' D 50K 587.12	20' D 50K 683.81	20' D 50K 646.82	20' D 50K 638.09	26' D 80K 516.00
T-1 Worthville	T-2 Sanders	T-3 Carrollton	T-4 Ghent	T-5 Ghent
20' D 200K 889.50	15' D 120K 824.00	1000.00 970.00 150K 861.00	18' D 170K 970.00	Gratz
T-6 (1985) Dividing Ridge Rd.	T-7 Jackson Ridge Rd.	T-8 Montgomery Road		

NEW KY 1112  
ELEVATED TANK



# Carroll County Water District Water System Map Ghent, Kentucky

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	⊕	⊕
Tanks		
Stand Pipe	□	□
Ground Storage	□	□
Elevated	⊕	⊕



**PDR** Engineers, Inc.  
A Yarr Tech Company  
Cincinnati • Corydon • Hantsville • Lexington • Louisville • Memphis • Owensboro  
800 Corporate Dr. • Lexington, Kentucky 40503 • (859) 223-8000

G:\Projects\Chil-Cox\Mapa\Water\_System\_Map\Carroll\_County\Map2.dwg September 25, 2002 11:08am Byron

EXHIBIT  
"D"