

BRUCE E. SMITH LAW OFFICES, PLLC  
201 SOUTH MAIN STREET  
NICHOLASVILLE, KENTUCKY 40356  
(859) 885-3393 + (859) 885-1152 FAX

BRUCE E. SMITH  
bruce@smithlawoffice.net

December 11, 2012

RECEIVED

DEC 11 2012

PUBLIC SERVICE  
COMMISSION

**VIA HAND DELIVERY**

Mr. Jeff R. Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Re: **Case No. 2012-00470**

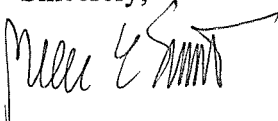
Dear Mr. Derouen:

Enclosed for filing is an original and 5 copies each of the following;

(1) **JSEWD's Responses to Forest Hills Residents' Association, Inc.  
and William Bates' First Set of Requests for Information;** and

(2) **JSEWD's Responses to Kentucky Public Service Commission's First  
Set of Requests for Information.**

The Chairman has certified each of these filings pursuant to the Order entered November 27, 2012. If sworn affidavits from each of the witnesses are also needed, please advise and I will provide same.

Sincerely,  
  
Bruce E. Smith

Enclosure(s)

g:\...JSEWD\Forest Hills\Cert. Proceeding - Catnip Hill Tank\Derouen ltr 121112

RECEIVED

DEC 11 2012

PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JESSAMINE-SOUTH ELKHORN )  
 WATER DISTRICT FOR A CERTIFICATE OF )  
 PUBLIC CONVENIENCE AND NECESSITY TO )  
 CONSTRUCT AND FINANCE A WATERWORKS ) CASE NO 2012- 00470  
 IMPROVEMENTS PROJECT PURSUANT TO KRS )  
 278.020 AND 278.300 )

JESSAMINE-SOUTH ELKHORN WATER DISTRICT'S RESPONSES TO FOREST  
 HILLS RESIDENTS' ASSOCIATION, INC. AND WILLIAM BATES' FIRST SET OF  
 REQUESTS FOR INFORMATION

Comes the Jessamine-South Elkhorn Water District ("Water District"), by counsel, and for its Responses to the First Set of Requests for Information from the Forest Hills Residents' Association, Inc. and William Bates (collectively "Forest Hills", or "Residents' Association"), answer as follows:

The Water District has not completed its investigation, discovery or analysis of all the facts of this case and has not completed preparation for the hearing. Accordingly, all of the following responses are provided without prejudice to its right to introduce at the hearing any evidence that is subsequently discovered relating to the proof of subsequently discovered material facts. Moreover, facts, documents and things now known may be imperfectly understood and, accordingly, such facts, documents, and things may not be included in the following responses. The Water District reserves the right to reference, discover, or offer into evidence at the time of hearing any and all facts, documents and things notwithstanding the initial responses and objections interposed herein. The Water District also reserves the right to reference, discover, or offer into evidence at the time of hearing any and all facts, documents,

and things that it does not presently recall but may recall at some time in the future.

## **GENERAL OBJECTIONS**

1. The Water District objects to Forest Hills' Requests on the grounds that it seeks disclosure of information protected by the attorney-client, work product, and any other applicable privileges. To the extent that The Water District inadvertently discloses information that may arguably be protected from discovery under attorney-client privilege, the work product doctrine, or any other applicable privilege, such inadvertent disclosure does not constitute a waiver of any such privilege.

2. The Water District objects to Forest Hills' Requests insofar as they seek information concerning matters unrelated to the subject matter of this Proceeding, on the grounds that they are overly broad, unduly burdensome, and seek information that is neither relevant to the subject matter of this Complaint nor reasonably calculated to lead to discovery of admissible evidence.

3. The Water District objects to Forest Hills' Requests insofar as they seek confidential proprietary and/or trade secret information of The Water District that, if disclosed, could irreparably harm The Water District. Accordingly, The Water District objects to producing any such information absent entry of an appropriate Protective Order.

4. The Water District objects to Forest Hills' Requests on the grounds that they are not limited in time frame and are overly broad and unduly burdensome because they are more than inclusive of the time period at issue at this case.

5. The Water District objects to Forest Hills' Requests to the extent that they call for information or documents that are not currently in the Water District's possession, custody or control.

6. The responses set forth below are made without in any manner waiving (1) the right to object to the use of any response for any purpose, in this proceeding or any other action, on the grounds of privilege, relevance, materiality, or any other appropriate grounds: (2) the right to object to any other documents requests involving or relating to the subject matter of the responses herein; and (3) the right to revise, correct, supplement or clarify any of the responses provided below, at any time.

The General Objections are applicable to each and every one of the following responses and objections, and failure to repeat an objection in response to a specific request shall not be deemed a waiver of the objection. Further, when The Water District specifically repeats one or more of these General Objections in response to a specific request, such specific request cannot be a waiver of these General Objections.

Subject to and without waiving these General Objections, and subject to and without waiving the specific objections noted below, The Water District responds as follows to Forest Hills' Requests for Information in accordance with the Water District's understanding of the fair meaning of those Requests. The respondent or witness for each Response will be shown in bold-faced type following the Response or that portion of the Response for which the individual is responsible.

**REQUESTS FOLLOW ON NEXT PAGE**



**Jessamine-South Elkhorn Water District**

**Information Request No. 1:** Please list each and every potential site the District considered and rejected for the water tank proposed in this proceeding. For each site, please provide:

(a) A map showing the location of the potential site. If a map is unavailable, provide the address of the site or other description so as to permit reasonable identification of the location; and

**Answer:** See exhibits at Tab 1 in separate Exhibit Volume.

(b) All documents on which the District relied in evaluating and/or considering each site.

**Answer:** See exhibits at Tab 1 in separate Exhibit Volume.

(c) All documents the District provided to Horne Engineering, Inc., or any other person or entity providing engineering or consulting services with regard to each site.

**Answer:** None.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 2:** For each potential site identified in response to Data Request No. 1, please provide a detailed explanation as to why it was not selected and/or deemed unacceptable.

**Answer:** (1) **Ichthus Property** – Verbal contact with owner who rejected consideration; (2) **R. J Corman** – After extensive investigations and negotiations, owner stated he had no further interest in proceeding; (3) **Dodd Estate** – Verbal contact with owner's agent who relayed owner rejected consideration; (4) **Kelley Farm** - Verbal contact with owner who rejected consideration; (5) **Cecil Johnson Estate** - Verbal contact with owner who rejected consideration; (6) **Cave Springs Farm** – Verbal contact with owner's agent who relayed owner rejected consideration; (7) **Henry Knight** – After extensive investigations and negotiations, owner stated he had no further interest in proceeding; (8) **Barkley Woods** - Verbal contact with owner who rejected consideration; (9) **Ramsey Farms** - Verbal contact with owner who rejected consideration; (10) **Barry Mangold** (Forest Hills Subdivision Developer) - After extensive investigations and negotiations, owner stated he had no further interest in proceeding; and (11) **Sue Switzer** – Only owner contacted that was willing to sell.

[Witness: John G. Horne]





**Jessamine-South Elkhorn Water District**

**Information Request No. 3:** Please identify, describe in detail and provide all facts and documents regarding any cost analysis performed by or on behalf of the District for any alternative site considered for the construction of the water tank proposed in this proceeding. Each analysis should include all cost estimates, identify the sources of the cost information, describe all assumptions used to develop the analysis and include any supporting documentation.

**Answer:** **None. It was not, nor has ever been a question of site comparison, but the problem of finding a land owner willing to sell property for a tank site, as is the current situation. However, see cost analysis performed to evaluate Forest Hills' residents suggested move of the proposed site to the McMillen Farm to the east which occurred during discussions with said group led by William Bates attached at JSEWD Answer to Forest Hills' Request No. 7.**

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 4:** Please provide and explain the logic the District used in making the selection of the site for the water tank proposed in this proceeding.

**Answer:** Topo maps were examined to find locations with sufficient elevation to effectively construct an elevated storage tank, property owners were identified for these locations and the owners were contacted to ascertain interest. Sue Switzer was the only owner willing to discuss a sale of a parcel to JSEWD and a price was agreed and paid.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 5:** Please provide and explain the District's engineering criteria in making the selection of the site for the water tank proposed in this proceeding.

**Answer:** Sufficiency of site for intended use; availability for purchase by JSEWD; and cost of site.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 6:** Please provide and explain the District's engineering criteria in making the selection of an alternate site for the water tank proposed in this proceeding.

**Answer:** The District's criteria were to find a property owner located at a suitable elevation that was willing to sell a tank site. Once found, the District then determined if the price was acceptable and only then was feasibility considered. Primary criteria of feasibility were property cost, a reasonable cost of access, main connection, and site preparation. Once a willing seller was found there was no need for an alternative.

**[Witness: John G. Horne]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 7:** Please provide all documents containing or relating to communications by representatives of the District with property owners affected by the water tank proposed in this proceeding.

**Answer:** See Answer filed in Case No. 2011-00138 and the attached.

**[Witness: L. Nicholas Strong]**

July 7, 2010

To: Nick Strong, Board Chairman

Forrest Hill Homeowners Association, along with Lloyd McMillan, proposes an alternate site location for the new water tower.

The new location would be located on the East end of the McMillan family farm, a site that is believed to be compatible with the water board requirements. Mr McMillan would be willing to swap land locations with the board and will install a gravel construction and service road to the new site from Catnip Hill Rd.

The site locates the water tower to an area that will be more compatible in regards to the private home developments of Forrest Hills, and future home developments on the McMillan farm and the Switzer farm.

We would like to meet with a committee from the board, as Mr. Strong suggested at the last meeting, sometime next week at the field site to further discuss this proposal.

Sincerely

William Bates

President, Forrest Hill HOA

# JSEWD TANK RELOCATION COST ANALYSIS

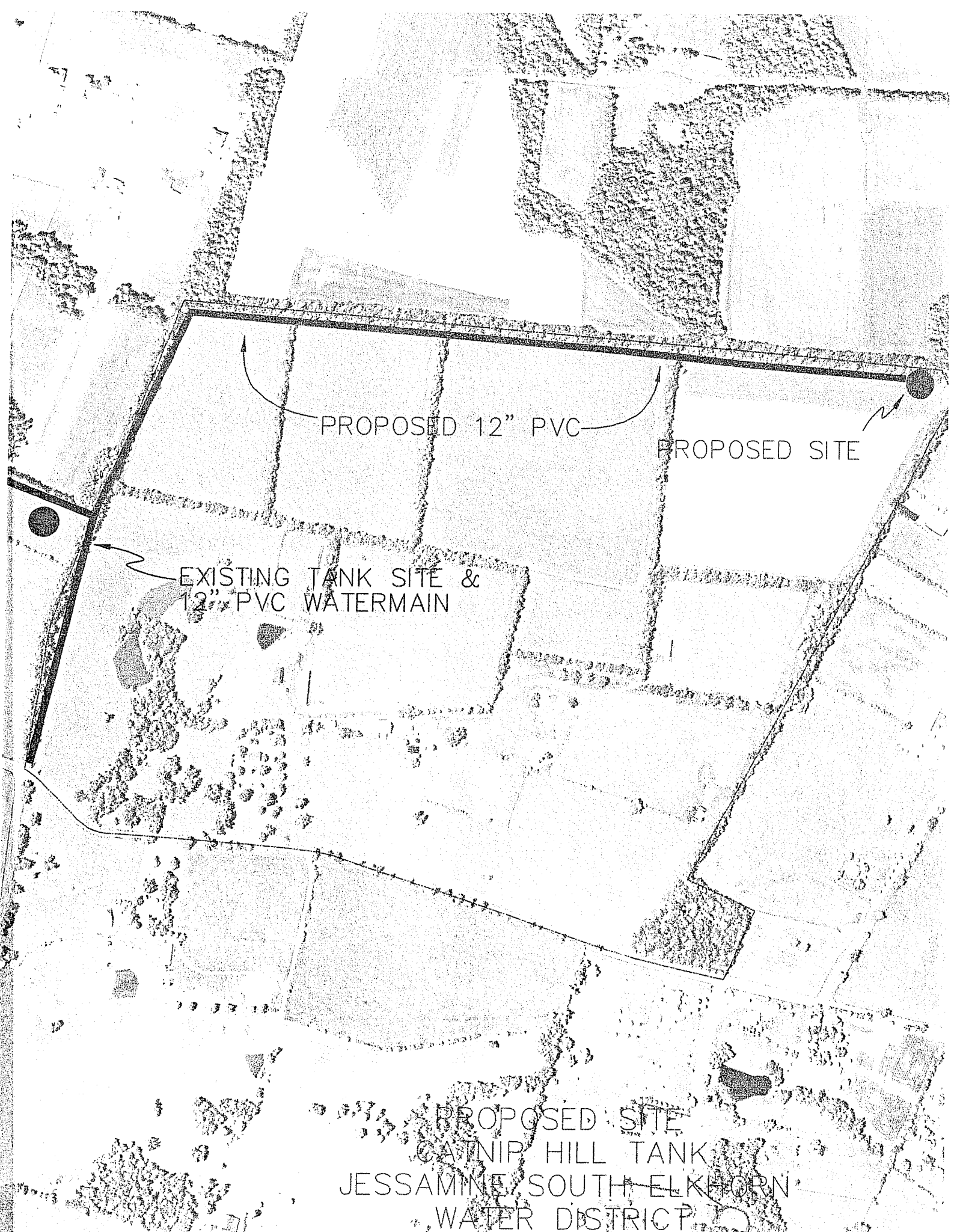
## ESTIMATED CONSTRUCTION COST

### MCMILLEN SITE

### CATNIP TANK RELOCATION

DECEMBER 1 2010

Item	Quantity	Unit	Unit Cost	Cost
12" PVC	4500	LF	\$30	\$135,000
Gravel Access Road	2750	LF	\$10	\$27,500
Overhead Electric	2750	LF	\$10	\$27,500
Tie-in	1	Ea	\$2,500	\$2,500
12" Gate Valve	3	Ea	\$1,500	\$4,500
Air Release Valve	4	Ea	\$500	\$2,000
Geotechnical Report	1	Ea	\$7,500	\$7,500
Plat of Farm/Tank Site	1	Ea	\$5,000	\$5,000
Topo Tank Site	1	Ea	\$7,500	\$7,500
Redesign	1	Ea	\$35,000	\$35,000
			Total	\$254,000
			Contingency @ 10%	\$25,400
			<b>TOTAL ESTIMATED COST</b>	<b>\$279,400</b>



PROPOSED 12" PVC

PROPOSED SITE

EXISTING TANK SITE &  
12" PVC WATERMAIN

PROPOSED SITE  
CATNIP HILL TANK  
JESSAMINE SOUTH ELKHORN  
WATER DISTRICT

1" = 500'

PROPOSED 12" PVC

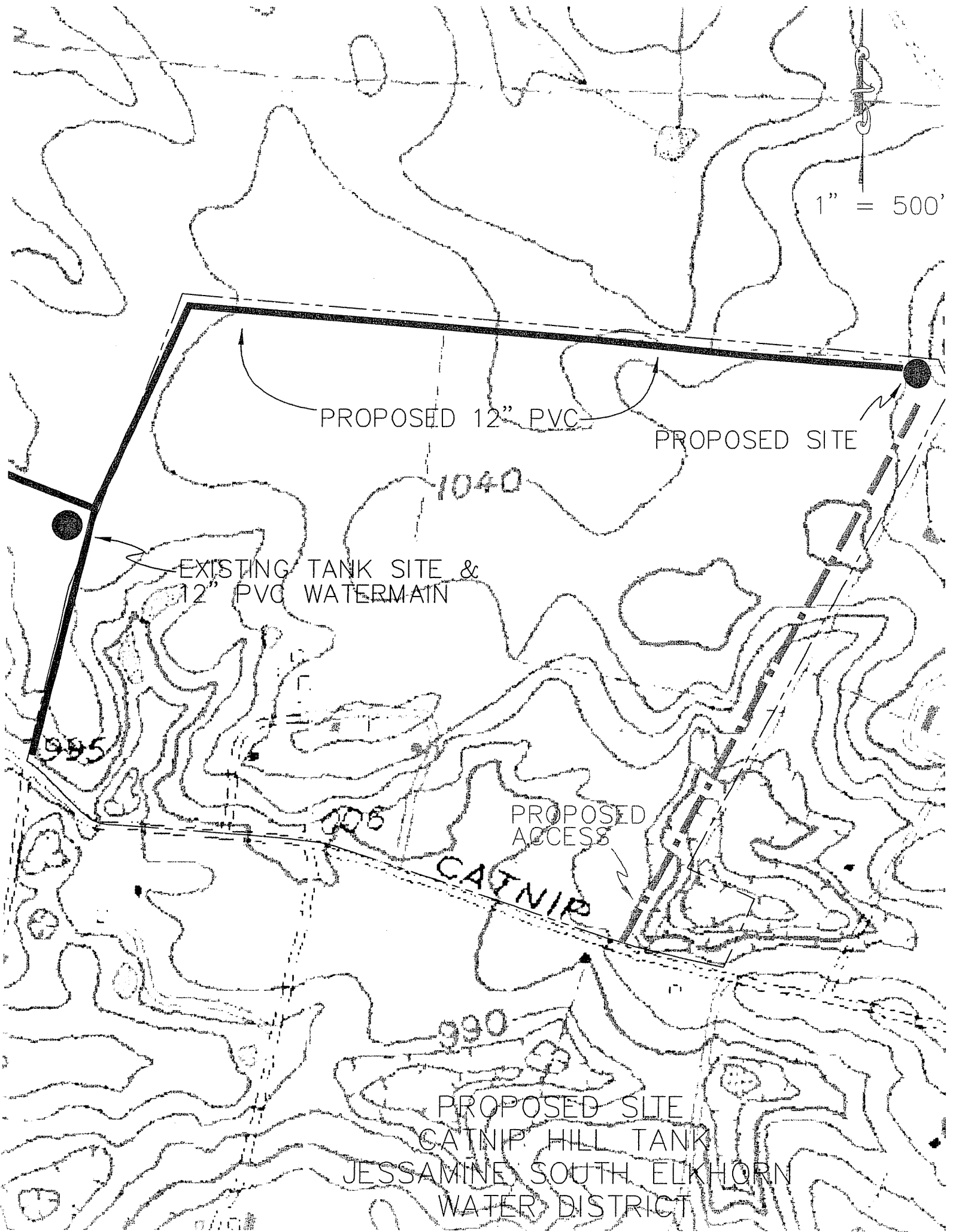
PROPOSED SITE

EXISTING TANK SITE &  
12" PVC WATERMAIN

PROPOSED  
ACCESS

CATNIP

PROPOSED SITE  
CATNIP HILL TANK  
JESSAMINE SOUTH ELKHORN  
WATER DISTRICT





**Jessamine-South Elkhorn Water District**

**Information Request No. 8:** Please produce all documents containing or relating to studies, evaluating, discussions and/or communications, including any environmental impact statement or environmental assessment, produced by or on behalf of the District or by any federal or state agency evaluating the environmental impact of the water tank proposed in this proceeding at the site described in the Application and at all alternative sites considered.

**Answer:** See exhibits at Tab 8 in separate Exhibit Volume.

**[Witness: John G. Horne]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 9:** Please produce all documents containing or relating to studies, evaluations, discussions and/or communications produced by or on behalf of the District concerning historical and cultural resources that may be affected by the water tank proposed in this proceeding at the site described in the Application and at all alternative sites considered.

**Answer:** See exhibits at Tab 9 in separate Exhibit Volume.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 10:** Please produce all documents containing or relating to studies, evaluations, discussions and/or communications, including bid tabulations, prepared by or on behalf of the District with regard to the site selection of the water tank proposed in this proceeding.

**Answer:** See Answers to Nos. 4 -9, 11 and 16.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 11:** Please provide a copy of each geotechnical analysis that was performed on a potential site for the water tank proposed in this proceeding.

**Answer:** See exhibits at Tab 11 in separate Exhibit Volume.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 12:** Please list each person that participated in the selection of the site for the water tank proposed in this proceeding. For each person identified, please list his/her prior experience and/or expertise in the site selection of water tanks.

**Answer:** John G. Horne (See C.V. attached); L.Christopher Horne (See C.V. attached); Board of Commissioners of JSEWD: L. Nicholas Strong, George Dale Robinson, J.F. Hall, Jerry M. Haws, Sr. and John Blackford (deceased). All of the Board Members had prior experience on the JSEWD Board and fulfilled the training requirements pursuant to KRS. Other than this experience and training and their familiarity with Jessamine County and its land owners, the Board Members have no particular expertise in site selection for water tanks.

**[Witness: L. Nicholas Strong]**



## **JOHN G. HORNE, PE, PLS**

**POSITION:** President - Horne Engineering, Inc.

**EDUCATION:** B.S. Civil Engineering, University of Kentucky, 1963  
Post Graduate Work - University of Kentucky, 1963 – 1965

**REGISTRATION:** Professional Engineer - Kentucky (active)  
Virginia, West Virginia, Tennessee (Inactive)  
Land Surveyor – Kentucky (active)

### **PROFESSIONAL**

**AFFILIATIONS:** National Society of Professional Engineers  
Kentucky Society of Professional Engineers  
American Society of Civil Engineers  
American Congress of Surveying and Mapping  
Kentucky Society of Professional Surveyors

**EXPERIENCE:** More than forty (45) five years of diversified experience in the fields of Land Surveying and Civil Engineering, which includes Federal and State government, Counties and local municipalities, and private practice.

As the founder of the firm, John G. Horne and Associates, Inc. in 1967, the predecessor in name to Horne Engineering, Inc., he has been responsible for the corporate management and supervision of all projects. Throughout the firm's history, primary activities have been in the areas of: mine permitting and surveying, land development, both residential and commercial, consultant to water district's design and inspection of water distribution and sewer collections, slaughterhouse design, consultant to municipalities and county governments, land surveying for Corps of Engineer and US Forrest Service, evaluation of operations for wastewater and potable facilities.

During the period of private practice, held position of full and part time instructor for the University of Kentucky in the College of Engineering, Department of Civil and Civil Technology at Lexington Community College. Taught courses in the area of design, basic surveying, engineering technology, basic mathematics as well as advance graduates course in Boundary Location Principles.

For the period of 1963 to 1975 was the founder and CEO of Central Contracting, Inc., a general contracting firm specializing in heavy and pipeline construction. Projects ranged in size of \$250,000 to \$1,500,000 and included dam rehabilitation, sewer plants, water and sewer systems, design/build of a slaughterhouse, roadway and drainage channel construction.

## **L. CHRISTOPHER HORNE, PE, PLS**

**POSITION:** Vice-President - Horne Engineering, Inc.

**EDUCATION:** B.S. Civil Engineering, University of Kentucky, 1991

**REGISTRATION:** Professional Engineer - Kentucky #19308 (active)  
Professional Land Surveyor – Kentucky #3895 (active)

### **PROFESSIONAL**

**AFFILIATIONS:** National Society of Professional Surveyors  
Kentucky Association of Professional Surveyors  
Kentucky Pro Football Hall of Fame, Board of Directors  
Chamber of Commerce, Past President  
First Southern National Bank, Board of Advisors  
Jessamine County-City of Wilmore Ordinance Review Committee  
Wilmore-Nicholasville-Jessamine County Joint Comprehensive Plan Committee  
St. Joseph Lexington Hospital Council  
Chi Epsilon

**EXPERIENCE:** More than twenty (20) years of diversified experience in the field of Civil Engineering. Primary activities include land planning, recreational facilities design, hydraulic modeling and design, sanitary facilities design, hydrologic studies and flood plain management, roadway design, environmental assessments, on-site wastewater disposal system design, surface mining permit assistance, field inspection of water and wastewater facilities, development of documents related to publicly funded projects.

Prior to joining Horne Engineering, Inc., worked for largest privately owned construction company in the United States at the Savanna River site in Aiken, South Carolina, also. Spent two years with a national environmental consulting/remediation firm based in West Chester, Pennsylvania. Managed environmental remediation projects and provided EPA oversight from Davey, Florida to Detroit Michigan as well as Philadelphia, Pennsylvania to Bossier City, Louisiana, and points in-between.



**Jessamine-South Elkhorn Water District**

**Information Request No. 13:** Please produce all photographs, diagrams, drawings, renderings or other depictions of the water tank proposed in this proceeding.

**Answer:** See the construction plans filed with the Kentucky Public Service Commission ("PSC") in this proceeding.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 14** Please produce all surveys, plats, or similar documents pertaining to the water tank proposed in this proceeding.

**Answer:** See exhibits at Tab 14 in separate Exhibit Volume.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 15:** Please produce statistics regarding the size of the water tank proposed in this proceeding, including the capacity, height, width of the legs and the diameter of the tank.

**Answer:** Unclear as to the meaning of “statistics” since this science is not pertinent or applicable to storage tank design. Refer to Answer to Request No. 13 for sizes. However, accurate and detailed dimensions are not established until preparation of shop and erection drawing, and these are only prepared by the contractor subsequent to award and execution of a construction contract.

[Witness: John G. Horne]





**Jessamine-South Elkhorn Water District**

**Information Request No. 16:** Please describe the efforts of the District, if any, to minimize the size of the water tank proposed in this proceeding

**Answer:** See Capital Improvement Program, System Storage, previously filed with the PSC in Case No. 2006-00156 which can be viewed and copied from the PSC website. Subsequent to that filing, the PSC has accepted a water company's proposal that, pursuant to KRS 278.010(4) and 807 KAR 5:066, Section 10(4), the utility must be able to meet maximum customer consumption requirements under normal conditions and drought of record conditions. PSC Case No. 2007-00134, *In the Matter of: The Application of Kentucky-American Water Company for a Certificate of Public Convenience and Necessity Authorizing the Construction of Kentucky River Station II, Associated Facilities and Transmission Main*, Order of April 25, 2008 at pages 30-36. The same requirements are imposed on all utilities by this statute and regulation, and the proposed tank must also be sized to meet the reasonable requirements of the District's customers under drought of record conditions. The tank size should not be minimized so as to hamper the District in meeting this requirement.

[Witness: counsel and John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 17:** Please explain how the District determined that one million gallons was the appropriate capacity for the water tank proposed in this proceeding.

**Answer:** See Answer to Request No. 16.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 18:** Did the District consider capacities other than one million gallons for the water tank proposed in this proceeding? If yes, please provide the capacities and the expected construction costs.

**Answer:** See Answer to Request No. 16.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 19:** Please describe all steps taken by the District to reduce the visual impact of the water tank proposed in this proceeding.

**Answer:**

1. **Site selected is bounded on two (2) sides by mature fence row trees.**
2. **Additional landscaping designated on construction plans (see Answer to Request No. 13).**
3. **District's policy is to select a neutral sky color for tank coating.**

**[Witness: John G. Horne]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 20:** Please explain how the District will access the water tank and the property on which the tank is located. Specifically, will the District access the water tank through the Forest Hills Estates Subdivision?

**Answer:** Yes. The roads within Forest Hills Estates Subdivision are dedicated and accepted Jessamine County Roads (See exhibits at Tab 20 in separate Exhibit Volume). The Developer of Forest Hills (Barry Mangold) dedicated an access easement from Chinkapin Road which stubs to the Switzer property for the benefit of the JSEWD proposed site, and it is noted as such on the recorded plats (See exhibits at Tab 20 in separate Exhibit Volume).

There is an access easement to the site depicted on the plat of the proposed site (see Answer to Request No. 14), and it will be suggested to the contractor who was awarded the bid to utilize this easement for construction purposes.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 21:** Other than the water tank proposed in this proceeding, please explain whether the District plans to utilize the selected site for any other purpose, such as for the storage of pipe or equipment.

**Answer:** Not at this time.

**[Witness: L. Nicholas Strong]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 22:** Please produce all documents containing or relating to studies, reports or other written documentation of any problems supplying customers of the District with water since January 1, 2006.

**Answer:** See PSC Case No. 2006-00156. The problem being addressed is the amount of storage capacity JSEWD currently has in this area compared to the PSC requirement stated in KRS 5:066 §4(4). To my knowledge, there are no studies, reports or other documentaton since 01/01/2006 other than monitoring the water usage in the northwest area and the Capital Improvement Program, System Storage referenced at Answer to Request No. 16.

[Witness: John G. Horne] .



## Jessamine-South Elkhorn Water District

**Information Request No. 23:** Please identify, explain in detail and provide all facts and documents that record, describe, support, refer to or relate to the District's best estimate of the annual cost it will incur to operate the water tank proposed in this proceeding and describe any problems it will experience if this proposed water tank is not constructed at the proposed site.

**Answer:** The materials already filed with JSEWD's application herein address the annual cost. The problems caused by the tank not being constructed at this site are that (1) JSEWD will continue to be in violation of 808 KAR 5:066 § 4 (4); and (2) JSEWD will have lost the following amounts – (a) purchase price of the site (\$40,000.00); (b) the engineering and survey costs for the proposed site (\$6,771.25); (c) the geotechnical survey cost of investigating this site (\$4,625.00); (d) the legal fees expended associated with the acquisition of the proposed site (\$1,735.80); (e) the archaeological survey cost for the proposed site (\$2,600.00); (f) those costs associated with bidding the construction for the site (\$25,098.64); (g) the cost of upsizing lines near the site to accommodate the construction of the proposed tank (\$38,819.34); (h) the engineering design costs for the tank to occupy the proposed site (\$65,000.00); and (i) in all probability JSEWD will expend more for the foregoing steps in repeating the process of acquiring another suitable tank site. The out of pocket loss at this time totals \$184,650.03. [Witness: L. Nicholas Strong]





**Jessamine-South Elkhorn Water District**

**Information Request No. 24:** Please identify, explain in detail and provide all fact and documents that record, describe, support, refer to or relate to the District's determination that it needs to construct a one million gallon above-ground water tank at the site proposed in this proceeding.

**Answer:** See Answer to Request No. 16.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 25:** Please list the number of meters each month on the District's system from January 1, 2006, to date, setting forth the meters in the Southeast Service Area

**Answer:** See Answer to Request No. 26.

[Witness: Glenn T. Smith]



**Jessamine-South Elkhorn Water District**

**Information Request No. 26:** Please set forth the average usage of water by the District's customers per day for each month from January 1, 2006, to date, setting forth the usage in the Southeast Service Area and the Northwest Service Area.

**Answer:** See schedules at Tab 26 in separate Exhibit Volume. JSEWD is unable to calculate with any precision the average daily use of water by its customers because all of the customers' meters are not read on the same day. An estimated or rough calculation of average daily use may be computed from the schedules attached.

[Witness; Glenn T. Smith]



**Jessamine-South Elkhorn Water District**

**Information Request No. 27:** Please produce any and all studies, analyses, projections and forecasts of the future demand for water by customers of the District prepared after 2001.

**Answer:** See Answer to Request No. 16.

**[Witness: John G. Horne]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 28:** Please produce all documents containing or relating to communications with the City of Nicholasville relating to the provision of storage of water for the District by the City.

**Answer:**      **None.**

**[Witnesses: L. Nicholas Strong and John G. Horne]**

**Jessamine-South Elkhorn Water District**

**Information Request No. 29:** Please produce all documents containing or relating to communications with Kentucky American Water Company ("KAWC") relating to provisions of storage of water for the District by KAWC.

**Answer:**      **None.**

**[Witnesses: L. Nicholas Strong and John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 30:** Please provide the period(s) during which the District utilized KAWC for the provision of storage of water for the District.

**Answer:** Never. The water purchase contract between JSEWD and KAWC (attached to JSEWD's Motion for Full Disclosure of Intervenor's Relationship to Kentucky American Water Company filed herein on December 7, 2012) requires JSEWD to provide its own water storage and also permits KAWC to terminate service to JSEWD under certain circumstances. Further, this contract also limits the maximum daily gallons that KAWC is required to pump to JSEWD.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 31:** Are the District's Southwest Service Area and Northwest Service Area interconnected?

**Answer:** No.

**[Witness: John G. Horne]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 32:** Will the water tank proposed in this proceeding be utilized to serve customers in the District's Southeast Service Area, Northwest Service Area or both?

**Answer:** No, yes and no.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 33:** Please describe in detail the ratemaking treatment the District proposes to recover funds to repay the loan that is described in the Application in this proceeding.

**Answer:** None. The District will make its final payment on Kentucky Infrastructure Authority Fund C91-01 in June 2013. The amount of that loan is \$1,924,874 and the annual debt service on that loan for 2012 is \$126,981. This loan was in part to fund construction of the 500,000 gallon elevated storage tank at Parks Lane. The debt service schedule included in Exhibit E of the application of the District for a CPCN to construct the proposed tank (case No. 2012-00470), shows the proposed annual debt service to vary from a minimum of \$72,210 to a maximum of \$81,255. The District proposes to service the annual debt for the proposed tank from the funds made available from the retirement of the debt for the KIA Fund C91-01).

[Witness: L. Nicholas Strong]



**Jessamine-South Elkhorn Water District**

**Information Request No. 34:** Please produce all documents prepared after January 1, 2006, containing or relating to the District's Capital Improvements Programs.

**Answer:** See Answer to Request No. 22.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 35:** Please provide a map(s) of the District's distributions system that includes the size of the waterlines. The Intervenors will enter into a reasonable confidentiality agreement with the District to protect the confidentiality of this information if so requested by the District.

**Answer:** Subject to a confidentiality agreement, JSEWD will produce the requested map.

[Witness: John G. Horne]





**Jessamine-South Elkhorn Water District**

**Information Request No. 36:** Please provide the pressure gradient of the waterlines in the area of the selected site for the water tank proposed in this proceeding.

**Answer:** According to the hydraulic model extended period simulation, the pressure at the base of the tank will vary from 54.6 psi to 60.2 psi, over the 72-hour period analyzed. The District's record flow testing of existing fire hydrants show an actual static pressure of 52 psi for a nearby fire hydrant measured in the field on October 13, 2006.

[Witness: L. Christopher Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 37:** Refer to Exhibit A of the District's Application. Please provide the number and location of all "major branches" of the District's distribution system.

**Answer:** See Answer to Request No. 35.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 38:** Please provide all documents the District submitted to the United States Department of Agriculture – Rural Development with regard to loans and/or funding for the project proposed in this proceeding.

**Answer:** See exhibits at Tab 38 in separate Exhibit Volume.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 39:** Please provide all documents the District submitted to the Kentucky Rural Water Association with regard to loans and/or funding for the project propose in this proceeding.

**Answer:**      **None.**

**[Witness; L. Nicholas Strong]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 40:** Please provide all documents the District submitted to the Kentucky Rural Water Finance Corporation with regard to loans and/or funding for the project proposed in this proceeding.

**Answer:** See exhibits at Tab 40 in separate Exhibit Volume.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 41:** Has the District made any applications to any federal or state agency for any permits, licenses, authorizations or other approvals necessary for the construction of, or payment for, the water tank proposed in this proceeding (other than the Application in this proceeding)? If so, please produce all documents containing or relating to same.

**Answer:** See exhibits at Tab 41 in separate Exhibit Volume.

**[Witness: John G. Horne]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 42:** Please provide the minutes and attendance logs from any and all meetings of District representatives in which the water tank proposed in this proceeding was mentioned or discussed.

**Answer:** See exhibits at Tab 42 in separate Exhibit Volume.

**[Witness: L. Nicholas Strong]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 43:** Please produce all documents containing or relating to discussions by representatives of the District, whether at formal meetings or otherwise, in which the water tank proposed in this proceeding was mentioned or discussed.

**Answer:** See Answer to No. 42.

**[Witness: L. Nicholas Strong]**





**Jessamine-South Elkhorn Water District**

**Information Request No. 44:** Please provide all documents prepared on the District's behalf by Horne Engineering, Inc. and/or John Horne pertaining to the water tank proposed in this proceeding.

**Answer:** See Answers to previous Request Nos.

**[Witnesses: Those individuals related to the prior Answers]**



**Jessamine-South Elkhorn Water District**

**Information Request No. 45:** Please explain why the proposed tank must be at an elevation of at least 950 feet.

**Answer:** The District-wide search for a tank site included the southern portion of the District which is lower than the northern portion. To utilize a site in the southern portion would require pressure zoning. A cursory review indicated a ground elevation 950 or higher would provide service to a large portion of the southern area. This investigative datum was utilized with the understanding that the pressure zone limits would be established subsequent to the final and accurate determination of a site.

[Witness: John G. Horne]



**Jessamine-South Elkhorn Water District**

**Information Request No. 46:** Refer to the District's Answer in Case No. 2011-00138.

Please explain why the Brown site was "seriously flawed from a legal standpoint."

**Answer:** See Group Exhibits "G" and "H" to JSEWD's Answer filed in Case No. 2011-00138 for the detailed explanation provided as to the legal flaws.

[Witness: counsel]



**Jessamine-South Elkhorn Water District**

**Information Request No. 47:** Refer to Exhibit F of the District's Answer in Case No. 2011-00138. Please explain the status of the additional legislative grant referred to in the Memorandum prepared by Horne Engineering, Inc.

**Answer:** The only grant received by JSEWD expires on June 30, 2014. The "additional" legislative grants mentioned in the letter attached as Exhibit "F" were possible future grants that a group of residents of Forest Hills Subdivision, including intervenor, William Bates, had discussed with Kentucky House of Representatives member, Bob Damron. It was later discovered by JSEWD that the "additional" grants Bates and his group hoped to obtain from the Kentucky Legislature under Representative Damron's auspices were an unrealistic exercise due to lack of funds.

[Witness: John G. Horne]





**Jessamine-South Elkhorn Water District**

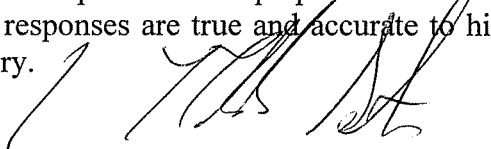
**Information Request No. 48:** Please identify each witness the District intends to call at the hearing in this proceeding by state each witness' full name, home address and business address and a summary of the substance of each witness' expected testimony.

**Answer:**      **Object.** The PSC has already issued an Order which addresses the schedule for providing the requested information and JSEWD will comply with such Order. Notwithstanding the objection and the PSC Order, JSEWD at this point intends to call Glenn T. Smith, John G. Horne, L. Christopher Horne and L. Nicholas Strong. A determination of the substance of the testimony of these individuals would be premature and has yet to be considered at this early stage.

**[Witness: Counsel]**

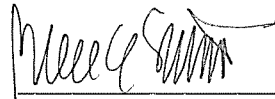
**CERTIFICATION**

Comes L. Nicholas Strong, Chairman of the Jessamine-South Elkhorn Water District ("District") and after first being duly sworn states that he supervised the preparation of this response on behalf of the District and that the foregoing responses are true and accurate to his knowledge, information and belief after a reasonable inquiry.

X   
\_\_\_\_\_  
L. Nicholas Strong, Chairman

COMMONWEALTH OF KENTUCKY  
COUNTY OF JESSAMINE, SCT...

Acknowledged, subscribed and sworn to me, a Notary Public in and before said County and State by L. Nicholas Strong, Chairman, this the 11th day of December, 2012.

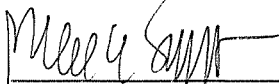
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NOTARY PUBLIC NO.

Respectfully submitted,

W. Randall Jones, Esq.  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, Kentucky 40202

and

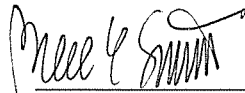
Bruce E. Smith  
201 South Main Street  
Nicholasville, Kentucky 40356

  
\_\_\_\_\_  
**CO-COUNSEL FOR WATER DISTRICT**

## **CERTIFICATE OF SERVICE**

I hereby certify that the foregoing Jessamine-South Elkhorn Water District's Responses to Forest Hills Residents' Association and William Bates' First Set of Requests for Information was served by first class mail, postage prepaid and e-mail without exhibits, this the 11th day of December, 2012, to:

Robert M. Watt, III, Esq.  
Stoll Keenon Ogden, PLLC  
300 West Vine Street, Ste. 2100  
Lexington, KY 40507-1801  
[robert.watt@skofirm.com](mailto:robert.watt@skofirm.com)



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BRUCE E. SMITH

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