COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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WESTERN MASON COUNTY WATER DISTRICT COMMISSIONERS PAM **CARPENTER, SECRETARY; JERRY FIELDS,** TREASURER; LARRY REDDEN, CHAIRMAN; AND MANAGER DAVID FRENCH

RECEIVED

AUG 18 2015 PUBLIC SERVICE COMMISSION

CASE NO. 2015-00155

ALLEGED FAILURE TO COMPLY WITH KRS 278.300

OFFER OF SETTLEMENT

Pam Carpenter, Jerry Fields, Larry Redden, and David French (collectively "the Respondents") and Western Mason County Water District, through their counsel, jointly and individually, submit the following Offer of Settlement to resolve this proceeding:

1. Each Respondent will pay to the Commonwealth of Kentucky the sum of \$250.00 within 30 days of entry of an Order by the Commission accepting this Offer of Settlement ("the Order").

2. In lieu of paying the sum of \$250, a Respondent may elect to attend 12 hours of training for newly appointed water district commissioners.¹ Each Respondent must advise the Commission in writing of his or her election within 20 days of the Commission's issuance of an Order accepting this Offer ("the Order"). A Respondent who fails to timely advise the Commission in writing of his or her election will be deemed to have elected to pay the sum of \$250. If a Respondent timely elects to attend training, the provisions of the Order directing

¹ KRS 74.080(8)(b) provides: "At least once annually, the Public Service Commission shall provide or cause to be conducted a program of instruction, consisting of at least twelve (12) hours of instruction, that is intended to train newly appointed commissioners in the laws governing the management and operation of water districts and other subjects that the Public Service Commission deems appropriate."

payment of the sum of \$250 as they pertain to that Respondent shall be suspended for a period of one year from the date of the Order's issuance and shall be vacated in their entirety if the Respondent completes the required training within that period and provides proof of such completion to the Commission. If a Respondent who elects to attend training fails to complete the required training within one year, his or her required payment of \$250 shall become immediately due and payable at the end of that period and that Respondent will be subject to further proceedings under KRS 278.990(1) for failure to comply with a lawful order of the Commission.

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3. The Commission's acceptance of this Offer of Settlement will satisfy and resolve any and all claims against any of the Respondents or Western Mason District for any violation of KRS Chapter 278 or for the imposition of penalties under KRS 278.990 arising out of Western Mason District's issuance of promissory notes to the Bank of Maysville between October 10, 2003 and January 17, 2014 and any proceedings to enforce such claims.

4. This Offer of Settlement is made for purposes of settlement only. In the event the Commission does not accept this Offer of Settlement in its entirety, Respondents and Western Mason District reserve the right to withdraw it and request a hearing in this matter.

5. This Offer of Settlement does not constitute an admission of a willful violation of KRS 278.300 on the part of Western Mason District or an admission of any Respondent that he or she aided or abetted any willful violation of KRS 278.300 or any other provision of KRS Chapter 278.

6. If the Commission accepts this Offer of Settlement, the Respondents and Western Mason District will waive their right to a hearing in this matter and will not petition the

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Commission for rehearing of the Order or bring an action for review of the Order in Franklin Circuit Court.

Dated: August 18, 2015

Respectfully submitted,

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Counsel for Western Mason County Water District and the Respondents

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that a true and accurate copy of this Offer of Settlement has been served by electronic mail upon Molly Blake Katen, Esq., Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602-0615 (Molly.Katen@ky.gov) this 18th day of August, 2015.

Gerald E. Wuetcher