

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the Matter of:

AN INVESTIGATION OF A POSSIBLE VACANCY)
ON THE BOARD OF COMMISSIONERS OF) CASE NO.
ADAIR COUNTY WATER DISTRICT) 2015-00305

JAN 12 2016

Public Service
Commission

ORDER

On November 18, 2015, the Commission entered an Order finding that a vacancy exists on the Board of Commissioners of Adair County Water District ("Adair District"), and ordered any person who wished to nominate a candidate to fill the vacancy to submit in writing the candidate's name, address, and telephone number within 20 days of the date of the Order. On December 23, 2015, the Commission issued an Order directing six individuals¹ for whom nominations were submitted to file with the Commission, no later than January 4, 2016, the information listed in Appendix A to the Order. The Commission also ordered Adair District to file with the Commission, no later than January 4, 2016, the information listed in Appendix B to the Order regarding the six candidates.

The Commission did not serve a copy of the December 23, 2015 Order on the six listed candidates. The Commission also did not include in its December 23, 2015 Order

¹ The six nominees listed in the Commission's Order are James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes.

the names of two individuals who were nominated to fill the vacancy prior to the November 18, 2015 Order.²

The Commission, on its own motion, finds that the December 23, 2015 Order and Appendix B thereto should be amended to include Sharon Shields-Smock and Rob Wilkerson as candidates to fill the vacancy on the Adair District Board of Commissioners. Additionally, the deadline for the candidates, including Sharon Shields-Smock and Rob Wilkerson, and Adair District to file with the Commission the information listed in the appendices to the Order should be extended.

IT IS THEREFORE ORDERED that:

1. Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes shall each file with the Commission, no later than January 11, 2016, the original and two copies of the information listed in Appendix A, with a copy to Adair District. A party's failure to file the requested information in a timely manner shall be considered as notice that the party does not wish to be considered for appointment to Adair District's Board of Commissioners.

2. Adair District shall file with the Commission, no later than January 11, 2016, the original and two copies of the information listed in Appendix B.

3. a. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record and two copies to the Commission.

² Prior to the November 18, 2015 Order, the Commission received Margo Miller's nomination of Sharon Shields-Smock, and Anthony Janes' nomination of Rob Wilkerson.

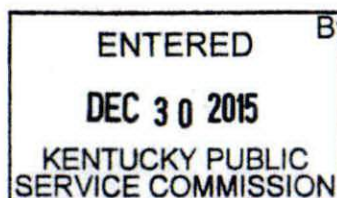
b. Each response shall be answered under oath, or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of the person's knowledge, information and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material aspect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. Careful attention should be given to copied material to ensure that it is legible.

4. The responses to Appendix A, Item 20, shall be afforded confidential treatment. The Executive Director³ shall ensure that this information is redacted from any response to this Order that is made available for public inspection.



By the Commission

ATTEST:


Executive Director

³ See Ky. OAG 07-ORD-120 (May 31, 2007); Ky. OAG 04-ORD-010 (Jan. 14, 2004); Ky. OAG 79-275 (Mar. 27, 1979).

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00305 DATED **DEC 30 2015**

1. Provide your resume or curriculum vitae.
2. State your date of birth.
3. State your current street address and your current mailing address (if different from your street address.)
4. State whether you have been convicted of violating any law (other than minor traffic offenses). If yes, list the conviction, the court that adjudged the sentence, and date and place.
5. State whether you reside in Adair District's territory.
6. State whether you have fought a duel with deadly weapons or sent or accepted a challenge to fight a duel with deadly weapons, acted as a second in carrying a challenge, or aided or assisted any person doing so.
7. State whether you are a customer of Adair District.
8. Describe your educational background.
9. Describe your experience in operating or managing a water utility.
10. Describe your experience in managing or operating organizations similar to a water utility.
11. List all positions that you currently hold with any local, state, or federal governmental entity.
12. a. List all non-governmental organizations and non-profit corporations for which you serve as an officer.

b. For each organization and corporation listed, state whether the organization or corporation transacts business with Adair District.

13. List all contracts that you have entered into with Adair District to provide goods or services. Provide a copy of each contract.

14. List all business transactions that you have had with Adair District in a personal or non-official capacity.

15. List all family members that Adair District currently employs and the position that each family member holds. State the date on which each family member began his or her employment with Adair District.

16. List all family members that Adair District has previously employed and the position that each family member held. State the date on which each family member began and ended his or her employment with Adair District.

17. To the best of your knowledge, list all contracts that businesses owned by family members have entered into with Adair District to provide goods and services.

18. To the best of your knowledge, list all business transactions that businesses owned by family members have entered into with Adair District to provide goods and services

19. List all courses of water district management training that you have attended since January 1, 2001.

20. State your Social Security number.

21. If you have previously served as a member of Adair District's Board of Commissioners, state:

a. The period in which you served;

b. The number of Adair District Board of Commissioner meetings during this period that you failed to attend.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00305 DATED **DEC 30 2015**

1. List all contracts that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District to provide goods or services. Provide a copy of each contract and the minutes of the meeting of the Adair District Board of Commissioners in which the contract was approved.

2. List all business transactions that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District in a personal or non-official capacity.

3. List all family members of Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes that Adair District currently employs and the position that each family member holds. State the date on which each family member began his or her employment with Adair District.

4. List all family members of Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes that Adair District has previously employed and the position that each family member held. State the date on which each family member began and ended his or her employment with Adair District.

Adair County Fiscal Court
424 Public Square
Ste 1
Columbia, KENTUCKY 42728

Bradley Hayes
2507 Old Grayville Rd
Columbia, KENTUCKY 42742

*Adair County Water District
109 Grant Lane
P. O. Box 567
Columbia, KY 42728

Hon. Jennifer Hutchison-Corbin
Adair County Attorney
424 Public Square
Suite 22
Columbia, KENTUCKY 42728

Board of Commissioners Adair County Water
109 Grant Lane
Columbia, KENTUCKY 42728

Joseph Pyles
P.O. Box 216
403 Fairground St.
Columbia, KENTUCKY 42728

Larry Bryant
1601 Bull Run Road
Columbia, KENTUCKY 42728

Sharon Shields-Smock
1475 Murrah Rd
Columbia, KENTUCKY 42728

*Jennifer Carter
Office Manager
Adair County Water District
109 Grant Lane
P. O. Box 567
Columbia, KY 42728

Lee Stephens
375 Office Park Dr.
Columbia, KENTUCKY 42728

James Harper
613 Greensburg St.
Columbia, KENTUCKY 42728

*Judge Michael L Stephens
Adair County Judge/Executive
424 Public Square
Ste 1
Columbia, KENTUCKY 42728

William "Wid" Harris
17 Cox Road
Columbia, KENTUCKY 42728

Rob Wilkerson
P.O. Box 74
Columbia, KENTUCKY 42728

Mrs. Jennifer Carter

From: PSCFilings@ky.gov
Sent: Wednesday, December 30, 2015 1:08 PM
To: acjudge1@duo-county.com; jennifer.carter@caud.net; utility@caud.net; pscfilings@ky.gov
Subject: Item Logged For Case: 2015-00305

Confirmation of Posting.

This notification is sent regarding the recent filing for case# 2015-00305 on 12/30/2015 at 2:08 PM

Filed by: PSC

Date/Time Filed: 12/30/2015 2:08:02 PM

The following Document(s) have been posted to the Case File

Linked below is a document from the Kentucky Public Service Commission from case number 2015-00305. This is an official document and service is rendered based upon this email. Pursuant to KRS 278.380 amended by the Kentucky General Assembly during the 2014 General Session, the electronic delivery of all Kentucky Public Service Commission orders is now allowed. This includes data requests, as well as all other case-related documents. Electronic transmission may include either an electronic version of the order or document or a hyperlink to the order or document on the PSC website. The mailing date of the order or document will be the date of the electronic transmission. Any applicant or party desiring delivery of orders or documents by postal mail may request such delivery on a per case basis from the PSC and demonstrate good cause for the request.

PSC ORDER File

You are receiving this message as a member of the service list or participating utility on case: 2015-00305 For more information or if you have problems opening a link received through an electronic notice from the Commission, contact the PSC Division of Filings.

Kentucky Public Service Commission
Address: P.O. Box 615 , 211 Sower Boulevard, Frankfort, Kentucky 40602-0615
Phone: (502) 564-3940, Fax: (502) 564-3460
Office Hours: Monday - Friday 8am - 5pm

SERVICE LIST:

Adair County Fiscal Court - - Mailed
Adair County Water District - utility@caud.net
Board of Commissioners Adair County Water District - - Mailed
Larry Bryant - - Mailed
Adair County Water District Jennifer Carter - jennifer.carter@caud.net
James Harper - - Mailed
William "Wid" Harris - - Mailed
Bradley Hayes - - Mailed

Hon. Jennifer Hutchison-Corbin - - Mailed
Joseph Pyles - - Mailed
Sharon Shields-Smock - - Mailed
ee Stephens - - Mailed
udge Michael L Stephens - acjudge1@duo-county.com
Rob Wilkerson - - Mailed



Columbia/Adair Utilities District

109 Grant Lane - P.O. Box 567

Columbia, KY 42728

Phone (270) 384-2181 - Fax (270) 384-3437

E-Mail utility@caud.net

Website www.caud.net

January 5, 2016

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

RE: Administrative Case No. 2015-00305
Appointment of Commissioner

Mr. Derouen

Enclosed for filing are the original and two (2) copies of our response to the Commission's December 30, 2015 Order.

Sincerely

Lennon Stone
General Manager

Adair County Water District

RESPONSE TO CASE NO. 2015-00305

AN INVESTIGATION OF A POSSIBLE VACANCY ON THE BOARD OF COMMISSIONERS
OF ADAIR COUNTY WATER DISTRICT

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF A POSSIBLE VACANCY)
ON THE BOARD OF COMMISSIONERS OF)
ADAIR COUNTY WATER DISTRICT)

CASE NO.
2015-00305

RESPONSE TO APPENDIX B

Lennon Stone, General Manager of Adair County Water District, now Columbia Adair Utilities District, and for his Response to Appendix B of an Order in the above mentioned case, states as follows:

1. List all contracts that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District to provide goods or services. Provide a copy of each contract and the minutes of the meeting of the Adair District Board of Commissioners in which the contract was approved. None

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APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00305 DATED DECEMBER 30, 2015

1. List all contracts that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District to provide goods or services. Provide a copy of each contract and the minutes of the meeting of the Adair District Board of Commissioners in which the contract was approved.
2. List all business transactions that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District in a personal or non-official capacity.
3. List all family members of Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes that Adair District currently employs and the position that each family member holds. State the date on which each family member began his or her employment with Adair District.
4. List all family members of Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes that Adair District has previously employed and the position that each family member held. State the date on which each family member began and ended his or her employment with Adair District.

PREPARED BY:
JENNIFER CARTER, OFFICE MANAGER



JENNIFER CARTER
109 GRANT LANE
P.O. BOX 567
COLUMBIA, KY 42728
(270)384-2181
utility@caud.net

1. List all contracts that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District to provide goods or services. Provide a copy of each contract and the minutes of the meeting of the Adair District Board of Commissioners in which the contract was approved.

None.

2. List all business that Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes have entered into with Adair District in a personal or non-official capacity.
 - (a) Joseph Pyles has developed subdivisions in Adair County, Kentucky. He has signed a subdivision policy statement required by the Adair County Water District, now Columbia Adair Utilities District. The policy stated that subdivision developers would pay for development of water lines in subdivision and the developer would be reimbursed for all or part of said amount over a ten year period. Copies of each statement are attached.
 - (b) We have occasionally purchased concrete blocks from a business owned by Joseph Pyles.
 - (c) Larry Russell Bryant has never been employed or had direct business transactions with the Adair County Water District, now Columbia Adair Utilities District, but has on at least one (1) occasion been a subcontractor for a general contractor working for the Adair County Water District, now Columbia Adair Utilities District.

AGREEMENT

*Backdated
no contract
found.*

THIS AGREEMENT made and entered into this the _____ day of _____, 2006 by an between the ADAIR COUNTY WATER DISTRICT, hereinafter called the "DISTRICT", and Joseph Pyles A+S Development David Butler of Columbia, Kentucky, hereinafter called the "DEVELOPER", whether one or more,

WITNESSETH:

WHEREAS, The District is engaged in the transmission and sale of potable water; and WHEREAS, The Developer is the owner of real property capable of being sub-divided, or is a potential customer of the District within an area which has been sub-divided and has no public water service; and

WHEREAS, The District desires to serve Developer with water and Developer desires to receive such water service, but the District has not the funds, equipment or manpower to lay and construct lines to serve the Developer;

NOW, THEREFORE, THE PARTIES AGREE:

1. Developer shall prepare and submit plans for the construction of water transmission lines, which shall comply with the regulations of all responsible agencies of the Commonwealth of Kentucky at the cost to Developer. Said plans shall be prepared in consultation with, and approval of the manager of the District and shall comply with specifications, and rules and regulations established by the District. After approval by the appropriate state agencies, said plans shall be submitted to the commissioners of the District for consideration of approval.

2. Developer shall construct the water transmission lines and their required fixtures and appurtenances at its sole cost, subject to the right of the District to inspect said construction at any and all times. Inspection by the District shall not be an undertaking by the District of any supervision of construction, but upon evidence of failure to comply with the specifications, the District may notify the Developer to halt construction of the project until deficiencies are remedied, and the Developer shall immediately halt construction until the deficiencies are corrected and shall not resume until the District is satisfied that the deficiencies are remedied.

3. Developer shall obtain and provide all necessary easements, licenses or permits for right-of-way required for the water transmission lines at no cost to the District and in the name of the District.

4. Developer shall prepare a statement of construction cost upon completion and deliver the same to the District where it shall be open to public examination.

5. Upon completion of construction and acceptance by the District, the Developer shall relinquish any and all control over the water lines covered by this Agreement and the District shall thereafter be responsible for maintenance of the extended system and said water system shall immediately become an asset of the District.

6. The Developer is responsible for a one-year warranty period on water line, valves and all appurtenances, which warranty will be for the benefit of the Adair County Water District. The Developer will reimburse to the District the

cost of any repairs incurred by the District during this period. Warranty period will begin upon acceptance of bacteriological test and will extend for a period of one year from that date.

7. A Developer desiring an extension to be installed in a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year for a period of ten (10) years, the utility shall refund to the Developer who paid for the extension a sum equal to the cost of fifty (50) feet of the extension installed for each new customer connected during the year whose service line is directly connected to the extension installed by the Developer and not to extensions or laterals there from. The amount of cost of 50 ft. of extension refunded to the developer shall be defined as the total cost of the extension (as submitted in item 4 above) divided by the total footage of the extension multiplied by 50. The total amount refunded shall not exceed the cost to the Developer. No refund shall be made after the ten-year period expires.

8. The Developer shall notify the District when construction is complete, including all construction clean up, Bacteriological approval and pressure testing. The District will accept possession of the water transmission line for the purpose of meter installing and serving customers and general maintenance; and the Developer shall convey the title to all water transmission lines, their appurtenances, to the District, its successors and assigns, with covenants that there are no liens or encumbrances on said lines.

[Signature]
DEVELOPER
[Signature]
DATE

Lennon Stone *05/21/08*
DISTRICT DATE

Receipt

I, Joseph Pyles do hereby acknowledge that I have received from the Adair County Water District all of the following items that are rules, regulations, specifications, and documents that I have agreed to abide by in constructing water lines in a subdivision, namely Buckwoods, that I am developing. The items I acknowledge receiving are as follows, to wit:

- (1) Procedures & Requirements for Developers
- (2) Agreement
- (3) General Specifications
- (4) Detailed Specifications

This the _____ day of _____ 20__.

Signed

Joseph Pyles

3. List all family members of Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes that Adair District currently employs and the position that each family member holds. State the date on which each family member began his or her employment with Adair District. None

4. List all family members of Sharon Shields-Smock, Rob Wilkerson, James Harper, William Harris, Larry Bryant, Joseph Pyles, Lee Stephens, and Bradley Hayes that Adair District has previously employed and the position that each family member held. State the date on which each family member began and ended his or her employment with Adair District.

(a). Sandy Pyles, daughter-in-law of Joseph Pyles, worked for the Adair County Water District. She was employed by the Adair County Water District beginning sometime between November, 1990 and January, 1991. Not in minutes but received raise April, 1991. Last work date April, 1996.

(b). Josh Hatcher's wife, Leslie Hatcher, is the niece of Jimmy Harper.

(c). Adam Darnell is a second cousin to Lee Stephen's wife.

CERTIFICATE

I hereby certify that this Response has been served by United States Postal Service, postage prepaid, to the following:

Adair County Fiscal Court
424 Public Square
Suite 1
Columbia, Kentucky 42728

Adair County Water District, now
Columbia Adair Utilities District
109 Grant Lane
Columbia, Kentucky 42728

Board of Commissioners
Adair County Water District, now
Columbia Adair Utilities District
109 Grant Lane
Columbia, Kentucky 42728

Jennifer Carter
Office Manager
Adair County Water District, now
Columbia Adair Utilities District
109 Grant Lane
Columbia, Kentucky 42728

Hon. Jennifer Hutchison-Corbin
Adair County Attorney
424 Public Square
Suite 22
Columbia, Kentucky 42728

Judge Michael L. Stephens
Adair County Judge/Executive
424 Public Square
Suite 1
Columbia, Kentucky 42728

Sharon Shields-Smock
1475 Murrah Road
Columbia, Kentucky 42728

Rob Wilkerson
P. O. Box 74
Columbia, Kentucky 42728

James Harper
613 Greensburg Street
Columbia, Kentucky 42728

William "Wid" Harris
17 Cox Road
Columbia, Kentucky 42728

Larry Bryant
1601 Bull Road
Columbia, Kentucky 42728

Bradley Hayes
2507 Old Gradyville Road
Columbia, Kentucky 42728

Joseph Pyles
P. O. Box 216
Columbia, Kentucky 42728

Lee Stephens
357 Office Park Drive
Columbia, Kentucky 42728



Lennon Stone, General Manager
Adair County Water District, now
Columbia Adair Utilities District

AFFIDAVIT


COMMONWEALTH OF KENTUCKY

COUNTY OF ADAIR

Affiant, Lennon Stone, appearing personally before me a notary public for and of the Commonwealth of Kentucky and after being first sworn, deposes, states, acknowledges, affirms and declares that the information contained in the Response is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry, and as to those matters that are based on information provided to him, he believes to be true and correct.


Lennon Stone

This instrument was produced, signed and acknowledged and declared by Lennon Stone to be his free act and deed the 5th day of January, 2016


Notary Public
Registration Number 464969

My Commission expires: 4-24-2016