COMMONWEALTH OF KENTUCKY

PUBLIC SERVICE COMMISSION

In the Matter of:

CITY OF OLIVE HILL and CITY OF OLIVE HILL UTILITY DEPARTMENT

ALLEGED FAILURE TO COMPLY WITH KRS 278.495 & 49 CFR §192

NOTICE OF FILING

COMES NOW the City of Olive Hill, by and through counsel, and hereby provides notice of the filing of the attached documents. In support thereof, the City would like to state the following and have the attached documents be made part of the record:

1. The City of Olive Hill appeared before the Public Service Commission on June 7, 2017 for

Hearing on the alleged failure to comply with 49 CFR § 192.317.

- 2. The Commission requested the City update all future efforts to remedy the violation. The City sent the attached letter electronically but did not mail it to the Commission.
- 3. The City prepared a formal response once work had begun with an anticipated beginning and completion date which was sent electronically by email.
- 4. The start date was June 20, 2017. Swartz Pipeline Contracting began work but was forced to cease work on June 23, 2017 due to the weather forecast.
- 5. The City experienced a severe flood on June 23, 2017 but work is expected to resume on

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June 27, 2017 and the City expects work will be completed pursuant to the Order.

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CASE NO. 2017-167

Public Service Commission

JUN 3 0 2017

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WHEREFORE, the City respectfully requests the attached documents be filed of record, and notice be given of the status of the City's efforts to remedy the violations.

Respectfully submitted,

HON. DERRICK E. WILLIS Attorney for the City of Olive Hill 225 Roger Patton Drive Olive Hill, KY 41164

CERTIFICATE OF SERVICE: The foregoing was served by mailing or electronically-mailing a true and correct copy to the following on the 27th day of June, 2017:

Hon. Jennifer Fell Jennifer.Fell@ky.gov

Robert Cicero Robert.Cicero@ky.gov

Michael Schmitt Michael.schmitt@ky.gov

Joel Grugin Joel.Grugin@ky.gov

John Park John.park@ky.gov

Original to: Public Service Commission P.O. Box 615 211 Sower Blvd Frankfort, KY 40602-0615

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JUN 3 0 2017

Public Service Commission

WILLIS LAW OFFICE

Attorney at Law

P.O. Box 1500 Grayson, KY 41143 Tel. (606) 474-4668 Fax. (606) 474-4662

June 13, 2017

Public Service Commission 211 Sower Blvd. Frankfort, KY 40602 Sent via fax: (502) 564-3460

In re: City of Olive Hill, Case No. 2017-00167

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Dear Sir or Madam:

I am sending this letter to follow up on our hearing last week regarding Olive Hill's Utility Department violations. The City was Ordered to report back to the Public Service Commission following our Council Meeting to advise what steps will be taken.

The Mayor and Council deemed the matter an emergency and the Mayor will use the General Fund to remedy the exposed gas line. This will cost approximately Fifty-Seven Thousand Dollars (\$57,000.00). The City will recoup those funds by adding a pro-rata fee to each utility bill and by raising the Occupational Tax an additional One Percent (1%).

I will follow up with the Commission as soon as I have additional information. Thank you for your attention to this matter. Do not hesitate to contact me at the office, City Hall and my cell phone; (606) 316-6166.

Very truly yours,

Derrick E. Willis City Attorney



COMMONWEALTH OF KENTUCKY

PUBLIC SERVICE COMMISSION

JUN 3 0 2017 Public Service

Commission

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CASE NO. 2017-167

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ALLEGED FAILURE TO COMPLY WITH KRS 278.495 & 49 CFR §192

RESPONSE ON BEHALF OF CITY OF OLIVE HILL

COMES NOW the City of Olive Hill, by and through counsel, and for its Response hereby states as follows:

- The City of Olive Hill appeared before the Public Service Commission on June 7, 2017 for Hearing on the alleged failure to comply with 49 CFR § 192.317.
- Present were: Jerry Callihan, Mayor; Taylor Duncan, Code Enforcement Officer/Public Safety Coordinator/Building Inspector; Bill Stevens, City Foreman; and Derrick E. Willis, attorney.
- The City acknowledged its violations and did not dispute the facts presented by the Public Service Commission.
- 4. The City acknowledged there existed an exposed gas line in the waters of Tygart Creek that was a main source of gas for the City.
- 5. There was unrebutted testimony that the City substantially complied by remedying 9 out of 10 deficiencies pointed out by the Public Service Commission.

- 6. The City did recite various circumstances which led to the City's failure to take necessary steps to remedy the problem, including, but not limited to:
 - a. Lack of necessary equipment to perform a road bore;
 - b. Lack of properly certified employees permitted to perform such work;
 - c. Lack of financial resources;
 - d. Lack of personnel to seek grants or funding;
 - e. Lack of communication due to the illness and death of the late Mayor, Kenny Fankell;
 - f. Lack of a municipal order delegating the Mayor's executive authority to other person or persons; and
 - g. Uncontrollable and unforeseen acts of God for which the City was not responsible;i.e. multiple floods.
- 7. The City concluded the hearing by taking responsibility and making assurances the City would remedy the problem as soon as practicable and by exchanging contact information to ensure the City would promptly respond to all future communications.
- 8. Mayor Jerry Callihan called for a Special City Council Meeting the following Monday, June 12, 2017 whereby the Mayor and Council deemed an emergency. The Council gave Mayor Callihan discretion and power to remedy the problem.
- 9. Mayor Callihan directed the city attorney to contact the Public Service Commission and advise what measures were undertaken and that a Response would be filed as soon as more information was available.

- 10. Mayor Callihan exercised his emergency authority by identifying funds and speaking with two contractors: Martin Construction and Swartz Pipeline Contracting. Both are reputable companies qualified to perform the required work.
- 11. Mayor Callihan asked both contractors to bid the job and give an estimated start date.
- 12. Swartz Pipeline Consulting advised they could begin on Monday, June 20, 2017 and expected to complete the job on or before June 30, 2017.
- 13. Mayor Callihan accepted Swartz Pipeline Contracting's bid and they began delivering equipment and materials on June 20th and work began June 21, 2017. Swartz still anticipates completion on or before June 30, 2017.

WHEREFORE, the City respectfully requests this be taken as its Response and to acknowledge it has taken the aforesaid diligent steps to remedy the existing deficiency.

Respectfully submitted,

HON. DERRICK E. WILLIS Attorney for the City of Olive Hill 225 Roger Patton Drive Olive Hill, KY 41164

CERTIFICATE OF SERVICE: The foregoing was served by mailing or electronically-mailing a true and correct copy to the following on the 21st day of June, 2017:

Hon. Jennifer Fell Jennifer.Fell@ky.gov

Robert Cicero Robert.Cicero@ky.gov Michael Schmitt Michael.schmitt@ky.gov

Joel Grugin <u>Joel.Grugin@ky.gov</u>

SWARTZ PIPELINE CONTRACTING

General Information

Organization Number	0422320
Name	SWARTZ PIPELINE CONTRACTING
Company Type	ASC - Assumed Name Corporation
Status	A - Active
State	КҮ
File Date	1/31/2017
Expiration Date	1/31/2022
Renewal Date	7/31/2021
Principal Office	PO BOX 44
	OLYMPIA, KY 40358

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Current Officers

Individuals / Entities listed at time of formation

Incorporator	<u>ROOSEVELT SWARTZ JR</u>
Incorporator	BARBARA J SWARTZ
Incorporator	<u>KYLE R SWARTZ</u>

Images available online

Documents filed with the Office of the Secretary of State on September 15, 2004 or thereafter are available as scanned images or PDF documents. Documents filed prior to September 15, 2004 will become available as the images are created.

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	Annual Report	5/3/2017	1 page	<u>PDF</u>	
	Certificate of Assumed Name	1/31/2017	1 page	<u>tiff</u>	<u>PDF</u>
	Annual Report	4/11/2016	1 page	<u>PDF</u>	
	Annual Report	5/22/2015	1 page	<u>PDF</u>	
	Annual Report	1/22/2014	· 1 page	<u>PDF</u>	
	<u>Annual Report</u>	1/21/2013	1 page	<u>PDF</u>	
	Annual Report	2/10/2012	1 page	<u>PDF</u>	
	Annual Report	7/12/2011	1 page	<u>PDF</u>	
	Annual-Report	6/21/2010	· · 1 page	~ <u>PDF</u>	
	<u>Annual Report</u>	8/17/2009	1 page	<u>PDF</u>	
	Annual Report	6/17/2008	1 page	<u>PDF</u>	
	Annual Report	6/18/2007	1 page	<u>PDF</u>	
	<u>Annual Report</u>	6/12/2006	1 page	<u>tiff</u>	<u>PDF</u>
	Annual Report	6/30/2005	1 page	<u>tiff</u>	<u>PDF</u>
	Annual Report	9/24/2003	1 page	<u>tiff</u>	<u>PDF</u>
	Annual Report	6/17/2002	1 page	<u>tiff</u>	<u>PDF</u>
	Annual Report	8/16/2001	1 page	<u>tiff</u>	<u>PDF</u>
•	<u>Annual Report</u>	4/25/2000	1 page	tiff	<u>PDF</u>
	Annual Report	7/22/1999	1 page	<u>tiff</u>	PDF
	Annual Report	7/6/1998	1 page	<u>tiff</u>	PDF

Annual Report		1997	1 page	tiff	PDF
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