

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE FEASIBILITY)	
OF PROPOSED MERGER OF CAWOOD)	CASE NO.
WATER DISTRICT AND BLACK MOUNTAIN)	2018-00068
UTILITY DISTRICT PURSUANT TO KRS 74.361)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO CAWOOD WATER DISTRICT

Cawood Water District ("Cawood District") pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies in paper medium of the following information. The information requested herein is due within 14 days of the entry of this Order. Responses to requests for information in paper medium 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.

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 the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Cawood District 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 respect. For any request to which

Cawood District fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Cawood District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Cawood District's response to Commission Staff's First Request for Information ("Staff's First Request"), Item 1.

a. Provide the appointment date for each Cawood District Commissioner listed.

b. Identify whether each Commissioner listed had New Commissioner Training as required by KRS 74.020.

(1) Provide the name of the organization that provided the New Commissioner Training, how many hours of training were received, as well as the date and location of the training.

2. Refer to Cawood District's response to Staff's First Request, Item 2.

a. For each employee listed, provide a chart that also contains the job title, the average hours worked per week, and a brief description of the job duties.

b. Cawood District asserts that in addition to wages and salaries, the full-time employees are also given a \$105.00 monthly stipend.

(1) Explain in full detail why Cawood District provides a monthly stipend.

(2) Explain in full detail why the stipend is only given to full-time employees and not part-time employees.

(3) Provide support for the monetary stipend amount of \$105.00.

(4) Provide the date Cawood District began providing the monthly stipend to the full-time employees.

c. Cawood District states that the clerk is paid \$10.00 per day to take deposits to the bank.

(1) Explain whether the clerk is a full-time or part-time employee.

(2) For the last twelve calendar months, provide the monthly amounts paid to the clerk for making deposits.

(3) Explain why the clerk is paid \$10.00 per day to take deposits to the bank.

(4) Provide support for the monetary amount of \$10.00 per day.

(5) Explain whether the clerk receives the \$105.00 per month stipend.

3. Provide copies of all meeting minutes where Cawood District discussed Harlan County Fiscal Court's vote to merge Cawood District with Black Mountain Utility District, including but not limited to the November 2017 board meeting.

4. Refer to Cawood District's response to Staff's First Request, Item 6.

a. Provide a detailed explanation of the extensive relevant experience that Mr. Williams has as Cawood District's new plant manager which includes, but is not limited to, any prior employment relevant to his new role.

b. Cawood District states that for several years its billing has been performed off-site by a respected local accountant, David Burkhart, but starting April 1, 2018, the billing will be brought in-house and performed by Mr. Burkhart at Cawood District's business office.

(1) Explain whether Mr. Burkhart will be an employee of Cawood District, or if the only difference will be the location that Mr. Burkhart performs the accounting services.

(2) Explain how bringing billing in-house will affect the cost of billing. For example, will billing costs be reduced, increased, or stay the same?

(3) Provide any benefits this change will have upon Cawood District.

c. Cawood District asserts that it has reduced its monthly water loss for February 2018 to 15 percent, which is a substantial reduction from the 40–50 percent water loss that Cawood District has experienced for the past several years.

(1) Provide Cawood District's monthly water loss percentage from January 2017–April 2018.

(2) Explain in full detail what efforts Cawood District used to substantially reduce its water loss to 15 percent.

(3) Explain why Cawood District did not previously make these efforts.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED APR 26 2018

cc: Parties of Record

Case No. 2018-00068

*Black Mountain Utility District
Black Mountain Utility District
609 Four Mile Road
Baxter, KY 40806-8437

*M. Evan Buckley
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504

*Cawood Water District
54 Plant Road
P. O. Box 429
Cawood, KY 40815

*Cawood Water District
Cawood Water District
54 Plant Road
P. O. Box 429
Cawood, KY 40815

*Mark David Goss
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504