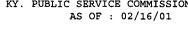
CASE NUMBER:

9-436

KY. PUBLIC SERVICE COMMISSION

HISTORY INDEX FOR CASE: 1999-436 BATH COUNTY WATER DISTRICT Complaints - Service OF ROBERT HATFIELD





IN THE MATTER OF ROBERT HATFIELD VS. BATH COUNTY WATER DISTRICT

SEQ	ENTRY	
NBR	DATE	REMARKS
0001	10/18/1999	Complaint - Robert Hatfield vs. Bath County Water District.
0002	10/22/1999	Acknowledgment letter.
0003	11/02/1999	Order to Satisfy or Answer, answer due 11/15/99.
M0001	11/09/1999	ALFRED FAWNS BATH CO WD-RESPONSE TO ORDER OF NOV 2,99
0004	12/06/1999	Order rejecting answer; revised answer due 12/16/99.
M0003	12/21/1999	ALFRED FAWNS BATH CO WD-REQUEST FOR 30 DAY EXTENSION
M0004	01/12/2000	BATH CO WATER ASSOC EARL ROGERS III-RESPONSE TO COMPLAINT
0005	01/14/2000	Order granting motion for extension of time; info due 1/14
M0005	02/07/2000	ROBERT HATFIELD CITIZEN-LETTER OF CONCERN TO MISTREATMENT FROM BCWD
0006	02/09/2000	Order setting forth the procedural schedule to be followed in this case.
0007	03/02/2000	Order setting forth a revised procedural schedule.
M0008	03/16/2000	BATH CO WATER DISTRICT-INTERROGATORIES PROPOUNDED TO THE COMPLAINANT
M0009	03/16/2000	BATH CO WATER DISTRICT-REQUEST FOR PRODUCTION OF DOCUMENTS PROPOUNDED TO THE COMPLAINANT
M0006	03/20/2000	MICHAEL FOX ROBERT HATFIELD-PLAINTIFFS REQ FOR PRODUCTION OF DOC TO DEFENDANT
M0007	03/20/2000	ROBERT HATIFIELD PLAINTIFF-FIRST SET OF INTEROGATORIES TO DEFENDANT
M0010	03/30/2000	SCOTT TAYLOR-AFFIDAVIT OF SCOTT TAYLOR
M0011	03/30/2000	ALFRED FAWNS-AFFIDAVIT OF ALFRED FAWNS
M0012	04/05/2000	EARL ROGERS BATH CO WD-ANSWER TO INTERROGATORIES & REQ FOR PRODUCTION OF DOCUMENTS
M0013	04/10/2000	ALFRED FAWNS-AFFIDAVIT OF ALFRED FAWNS
M0014	04/27/2000	VIVIAN LEWIS COURT REPORTER-TRANSCRIPT FILED FOR HEARING ON APEIL 11,00
0008	06/30/2000	Order directing briefs to be filed no later than 7/22.
M0015	07/27/2000	MICHAEL FOX/BATH CO. WD-STATEMENT OF CAUSE
M0016	07/28/2000	EARL ROGERS/BATH CO. WD-DEFENDANT'S BRIEF AND MEMORANDUM OF LAW
0009	08/22/2000	Final Order directing BCWD to extend service to the 3-inch line on property.
M0017	10/11/2000	ALFRED FAWNS/BATH CO. WATER DISTRICT-FAX/ADVISING THAT BATH CO. IS CONNECTING 3 INCH MAIN L
M0018	10/12/2000	ALFRED FAWNS/BATH COUNTY-FAX COPY OF LETTER SENT TO DOW
0010	11/02/2000	Letter to Bath County W.D. clarifying the Commission's Order of 8/22/2000.
M0019	12/20/2000	ALFRED FAWNS/BATH CO WD-LIST OF 20 METERS THAT NEED TO BE MOVED
M0020	02/16/2001	ALFRED FAWNS BATH CO WD-RESPONSE TO PSC ORDER REQ PLANNING FOR SYSTEM IMPROVMENTS TO ACCOMO



POST OFFICE BOX 369 SALT LICK, KENTUCKY 40371 TELEPHONE (606) 683-6363

RECEIVED -

FEB 1 6 2001

PUBLIC SERVICE COMMISSION

February 13, 2001

Public Service Commission Post Office Box 615 Frankfort, KY 40602

RE: Case No. 99-436

This letter is in response to the Commission order on the above referenced case requiring planning for system improvements to accommodate subdivision development.

Over the past two years we have been working with Morehead and Rowan Water, Inc. on an expansion of the Morehead Regional Water Treatment Plant. Our current contract limit is 1 MG per day. With the new facility, the limit will be over 2.5 MG per day. Our own distribution facilities had been limited to 1 MGD Transmission as well. The City of Morehead has now taken bids on the expansion and it is underway. We are now pursuing financing for system improvements to distribute our new allotment.

Our system improvement will include new pumps and mains to serve the City of Owingsville currently not served by us and other system wide changes to increase capacity and general for future residential growth. The improvements will be phased to keep up with growth but not to over burden the existing customers with growth capability not needed for years.

The system changes immediately planned for improved service to the Blevins Valley area where the Hatfield subdivision lies is to increase the Preston Pump Station capacity and route service from South of the station as described in our engineer's letter of review of the Hatfield proposed plans. The higher tank will provide for increased pressure in the area and allow for the completion of the development as well as additional growth in the area. This change will be scheduled to be completed well in advance of the 5 years outlined in your order.

If you have any questions about the above discussion of our proposed plans for improvements, please contact us or our engineers.

Sincerely,

BATH COUNTY WATER DISTRICT

Alfred Fawns, Jr., Manager

Cc: Scott Taylor, MSE



BATH COUNTY WATER DISTRICT

CCT 162000.66

POST OFFICE BOX 369
SALT LICK, KENTUCKY 40371 RECEIVE GENERAL COUNSEL
TELEPHONE (606) 683-6363

DIEC 2 0 2000

FUBLIC SERVICE COMMISSION

October 11, 2000

Ms. Vicki Ray Division of Water 14 Reilly Road Frankfort, Kentucky

RE: Meadowbrook Subdivision

Dear Ms. Ray:

1999-436

Attached is a list of the 20 meters in Meadowbrook Subdivision that need to be moved, and two meter with Customer User Agreements and permits from the local health department that need to be set. The original approval from Division of Water was for 13 meters only. The Public Service Commission Order Case No. 1999-436 orders the District to connect the current customers in the subdivision to the 3-inch mains in this subdivision.

We have the 3" inch lines of the subdivision connected to our main distribution lines, the lines in the subdivision have been filled, pressure tested, and sterilized. We are to the point now where we need clarification as to the number of meters to move.

May we also note that Mr. Hatfield, developer of Meadowbrook has nine (9) meters paid for that have not yet been set. We have no Customer User Agreements signed, no specified lot numbers, and no permits from the local health department. Will you please advise the District on the nine meters?

Thank you for your time and consideration given to this matter. Please call if you need clarifications or have questions.

Faunsfr.

Sincerely,

Alfred Fawns Tr., Manager Bath County Water District

c: Jerry Wuetcher, PSC

Those with encle Need to be moved

b's

RUN DATE: 10/10/2000

BATH COUNTY WATER DISTRICT CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE SORTED BY LOCATION

PAGE NO: 1 BY: SG1

				SORTED BY LOCATION				
/	LOCATION	06-0567	Account	108842	Date On	10/28/1999	Balance	
.′	200	CONLEY, CURTIS	Bill To	CURTIS CONLEY	Date Off		Туре	Residential
	BATH	197 PARADISE LN		197 PARADISE LANE	Dep Date		Status	Active
		OWINGSVILLE KY 🦯		OWINGSVILLE KY 40360	Dep Amt		Cr Rt	
					SSN	•	Phone	780-9208
\		-R01	Meter ID	99866094	PrevRead	128	PresRead	0

/		04.0540		1000	n . o	2/22/2000	ъ.	
	LOCATION	.,	Account	108977	Date On	2/23/2000	Balance	D 11 41 1
	BATH	BARRETT, CHARLES 132 PARDISE LN	Bill To	CHARLES BARRETT	Date Off		Type Status	Residential Active
	DAIR	OWINGSVILLE KY		132 PARDISE LN OWINGSVILLE KY 40360	Dep Date Dep Amt		Cr Rt	Active
>.		OWINGSVIELERI		OWINGSVILLE KT 40300	SSN		Phone	674-6300
'	WATER	R01	Meter ID	99815373	PrevRead	28	PresRead	0
	*******			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	110111000		110011000	· ·
_								
	LOCATION		Account	108728	Date On	8/31/1999	Balance	1
	n . m	LAWHORN,CARL	Bill To	CARL LAWHORN	Date Off		Type	Residential
	BATH	411 PARADISE LN		411 PARADISE LN	Dep Date		Status C- P4	Active
		OWINGVILLE KY		OWINGVILLE KY 40360	Dep Amt SSN		Cr Rt Phone	
	WATER	ROI	Meter ID	99809218	PrevRead	47	PresRead	0
-	*******			,		• • • • • • • • • • • • • • • • • • • •		J
	LOCATION	06-0572	Account	109216	Date On	8/28/2000	Balance	S
		RIDDLE,LACASSA	Bill To	LACASSA RIDDLE	Date Off		Type	Residential
	BATH	176 PRADISE LN		176 PARDISE LN	Dep Date		Status	Active
		OWINGSVILLE KY		OWINGSVILLE KY 40360	Dep Amt		Cr Rt	702 1062
	WATER	ROI	Meter ID	10845693	SSN PrevRead	0	Phone PresRead	783-1863 0
	WAIEK	RUI	Meter ID	10843093	rievkeau	U	FIESKEAU	U
\geq								
	LOCATION	06-0573	Account	108660	Date On	5/1/2000	Balance	
		LYKINS,KRYSTAL	Bill To	KRYSTAL LYKINS	Date Off	8/27/2000	Type	Residential
	BATH	95 PARADISE LN .		PO BOX 450	Dep Date		Status	Inactive
		OWINGSVILLE KY		SALT LICK KY 40371	Dep Amt		Cr Rt	
					SSN		Phone	683-3701
	WATER	ROI .	Meter ID	99865224	PrevRead	3	PresRead	0
\geq								
	LOCATION	06-0574	Account	109170	Date On	8/4/2000	Balance	
	LOCATION	STANLEY,TIM	Bill To	TIM STANLEY	Date Off	5/4/2000	Туре	Residential
	BATH	139 PARDISE LN	Dili 10	PO BOX 1422	Dep Date		Status	Active
	<i>5.</i> 1111	OWINGSVILLE KY		OWINGSVILLE KY 40360	Dep Amt		Cr Rt	
				0 1050 1050	SSN		Phone	768-9280
	WATER	R01	Meter ID	10830905	PrevRead	5	PresRead	0

					5	0.00.00.00	D 1	
	LOCATION	06-0575	Account	109217	Date On	8/28/2000	Balance	Desirate at a
	15 5 271 7	SHEFFIELD, KAREN	Bill To	KAREN SHEFFIELD	Date Off		Type	Residential Active
	BATH	27 PARADISE LN OWINGSVILLE KY		27 PARDISE LN OWINGSVILLE KY 40360	Dep Date Dep Amt		Status Cr Rt	Active
		OWINGSVILLERI		OWINGSVILLE KT 40300	SSN		Phone	674-2604
	WATER	R01	Meter ID	10845688	PrevRead	1	PresRead	0

		06-0577	Account	108843	Date On	10/21/1999	Balance	
		CARMICHAEL, RICHARD	Bill To	RICHARD CARMICHAEL	Date Off		Type	Residential
	BATH	14 WEAVER LANE		14 WEAVER LANE	Dep Date		Status	Active
		OWINGSVILLE KY		OWINGSVILLE KY 40360	Dep Amt SSN		Cr Rt Phone	400_0702
	WATER	R01	Meter ID	99808810	SSN PrevRead	68	Prone PresRead	499-0792 0
	WAI EK	NO1	MEGLID	2200010	TICALCOG	J 0	1 1031/080	v

BATH COUNTY WATER DISTRICT CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE SOUTH BY LOCATION

PAGE NO: 2 BY: SG1

				SORTED BY LOCATION	1			•
	LOCATION BATH	06-0579 BARRETT,SHELIA 126 WEAVER LN OWINGSVILLE KY	Account Bill To	109177 SHELIA BARRETT 126 WEAVER LN OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	8/30/2000	Balance Type Status Cr Rt Phone	Residential Active
	WATER	ROI	Meter ID	29801454	PrevRead	211	PresRead	0
	LOCATION BATH	06-0581 SPENCER,MATTHEW K BLEVINS VALLEY OWINGSVILLE KY	Account Bill To	108772 MATTHEW K SPENCER 2734 WYOMING RD OWINGSVILLE KY 40360	Date On- Date Off Dep Date Dep Amt SSN	10/1/1999	Balance Type Status Cr Rt Phone	Residential Active
	WATER	R01	Meter ID	99866130	PrevRead	5	PresRead	0
	LOCATION BATH	06-0582 RATLIFF,LUCINDA BLEVINS VALLEY RD OWINGSVILLE KY	Account Bill To	109218 LUCINDA RATLIFF BLEVINS VALLEY RD OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	9/14/2000	Balance Type Status Cr Rt Phone	0 Residential Active 768-6896
	WATER	R01	Meter ID	10845630	PrevRead	0	PresRead	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
/	LOCATION BATH	06-0583 KING,ERNIE 119 WEAVER LANE OWINGSVILLE KY	Account Bill To	109069 ERNIE KING 119 WEAVER LANE OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	4/30/2000	Balance Type Status Cr Rt Phone	Residential Active
_	WATER	ROI	Meter ID	10770980	PrevRead	40	PresRead	0
	LOCATION BATH	06-0585 HOMES, MEADOWBROOK BLEVINS VALLEY OWINGSVILLE KY	Account Bill To	108773 MEADOWBROOK HOMES 100 WILD RIDGE RD MOREHEAD KY 40351	Date On Date Off Dep Date Dep Amt SSN	9/28/1999	Balance Type Status Cr Rt Phone	Residential Active
	WATER	C01	Meter ID	99866132	PrevRead	19	PresRead	0
	LOCATION BATH	06-0587 SPARKS,ERIC BLEVINS VALLEY RD OWINGSVILLE KY	Account Bill To	109108 ERIC SPARKS 332 OLD STATE RD OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	6/14/2000	Balance Type Status Cr Rt Phone	Residential Active 674-2072
	WATER	ROI	Meter ID	10791419	PrevRead	3	PresRead	0
	LOCATION BATH	06-0588 ADKINS.RICHARD 16 OLD SATE RD OWINGSVILLE KY	Account Bill To	108978 RICHARD ADKINS 16 OLD STATE RD OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	3/15/2000	Balance Type Status Cr Rt Phone	Residential Active
	WATER	R01	Meter ID	99815295	PrevRead	11	PresRead	0
	LOCATION BATH	06-0589 DENTON,BRAD 49 CLEO'S CORNER OWN OF SYNCE FOR	Account Bill To	108918 BRAD DENTON PO BOX 356 OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt	12/22/1999	Balance Type Status Cr Rt	Residential Active
	WATER	R01	Meter ID	99866085	SSN PrevRead	19	Phone PresRead	784-9807 0

BATH COUNTY WATER DISTRICT CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE SORTED BY LOCATION

PAGE NO: 3 BY: SG1

				SORTED BT LOCATION				
	LOCATION BATH	06-0590 TOMBLIN,ALLEN 86 CLEO'S CORNER OWINGSVILLE KY	Account Bill To	108979 ALLEN TOMBLIN 86 CLEO'S CORNER OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt	2/23/2000	Balance Type Status Cr Rt	Residential Active
	WATER	ROI	Meter ID	99815331	SSN PrevRead	38	Phone PresRead	0
	LOCATION	REYNOLDS,BARNEY	Account Bill To	109033 BARNEY REYNOLDS	Date On Date Off	3/31/2000	Balance Type	Residential
	BATH	LOT 8 MEADOWBROOK SUBD		LOT 56 EUBANK TRAILOR P	Dep Date		Status	Active
		OWINGSVILLE KY		MT STERLING KY 40353	Dep Amt SSN		Cr Rt Phone	498-3173
	WATER	R01	Meter ID	10771002	PrevRead	10	PresRead	0
	LOCATION BATH	06-0593 MAZZA,KEVIN 125 WINDING WAY OWINGSVILLE KY	Account Bill To	109180 KEVIN MAZZA 125 WINDING WAY OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt	8/31/2000	Balance Type Status Cr Rt	Residential Active
	WATER	ROI	Meter ID	10791385	SSN PrevRead	2	Phone PresRead	674-9716 0
/	LOCATION	06-0594	Account	109034	Date On	3/31/2000	Balance	
	ВАТН	BAINES, DEBRA 196 WINDING WAY OWINGSVILLE KY	Bill To	DEBRA BAINES 196 WINDING WAY OWINGSVILLE KY 40360	Date Off Dep Date Dep Amt		Type Status Cr Rt	Residential Active 780-4772
	WATER	ROI	Meter ID	10771001	SSN PrevRead	39	Phone PresRead	0
>	LOCATION BATH	06-0595 MIDDLETON,KEVIN 336 WINDING WAY OWINGSVILLE KY	Account Bill To	109110 KEVIN MIDDLETON 336 WINDING WAY OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	6/14/2000	Balance Type Status Cr Rt Phone	Residential Active
	WATER	ROI	Meter ID	10791414	PrevRead	12	PresRead	0
	LOCATION		Account	104771	Date On	4/21/1997	Balance	B 2312.1
,	ВАТН	LITTLE, WILLIAM 43 WINDING WAY OWINGSVILLE KY	Bill To	WILLIAM LITTLE PO BOX 30 OLYMPIA KY 40358-0030	Date Off Dep Date Dep Amt SSN	4/21/1997	Type Status Cr Rt Phone	Residential Active 674-8201
:	WATER	ROI	Meter ID	99866133	PrevRead	39	PresRead	0
/	BATH	06-0597 STIDHAM,DORSEY 480 WINDING WAY OWINGSVILLE KY	Account Bill To	OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt	10/28/1999	Balance Type Status Cr Rt	Residential Active
	WATER	ROI	Meter ID		SSN ProvRoad	221	Phone ProsRend	780-0021 0
1	LOCATION	06-0598	Account	108845	Date On	10/28/1999	Balance	
/		ROSE, APRII. 184 ROSELAWN CT OWINGSVILLE KY	Bill To	184 ROSELAWN CT OWINGSVILLE KY 40360	Date Off Dep Date Dep Amt		Type Status Cr Rt	Residential Active
	WATER	ROI	Meter ID		SSN PrevRead	176	Phone PresRead	743-9076 0

BATH COUNTY WATER DISTRICT CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE SORTED BY LOCATION

PAGE NO: 4 BY: SG1

				SORTED BY LOCATION				
	LOCATION BATH	06-0599 CRUZ II.JUAN 80 ROSELAWN CT	Account Bill To	108846 JUAN CRUZ II 80 ROSELAWN CT	Date On Date Off Dep Date	10/28/1999	Balance Type Status	Residential Active
	WATER	OWINGSVILLE KY R01	Meter ID	OWINGSVILLE KY 40360 32091500	Dep Amt SSN PrevRead	32	Cr Rt Phone PresRead	987-9200 0
	********				4.4			
	LOCATION	06-0600 STEPHENS,BILL	Account Bill To	108847 BILL STEPHENS	Date On Date Off	10/28/1999	Balance Type	 Residential
	ВАТН	466 WINDING WAY OWINGSVILLE KY	B.11 10	PO BOX 46 FARMERS KY 40319	Dep Date Dep Amt		Status Cr Rt	Active
	WATER.	ROI	Meter ID	99866095	SSN PrevRead	193	Phone PresRead	780-9506 0
\nearrow	LOCATION	06-0601	Account	108848	Date On	10/28/1999	Balance	162
	LOCATION	PURVIS, OREG	Bill To	GREG PURVIS	Date Off	10/20/1777	Туре	Residential
/	ВАТН	554 WINDING WAY OWINGSVILLE KY		PO BOX 817 OWINGSVILLE KY 40360	Dep Date Dep Amt		Status Cr Rt	Active
	WATER	R01	Meter ID	99815326	SSN PrevRead	67	Phone PresRead	674-3267 0
_	********							
\succ	LOCATION	06-0605	Account	108729	Date On	9/15/1999	Balance	
/	ВАТН	WEBB,JAMES 209 WINDING WAY	Bill To	JAMES WEBB PO BOX 20	Date Off Dep Date	5/30/2000	Type Status	Residential Inactive
•		OWINGSVILLE KY		OLYMPIA KY 40358	Dep Amt SSN		Cr Rt Phone	780-0205
	WATER	ROI	Meter ID	20386095	PrevRead	210	PresRead	0

Two meters that need to be set.

Candi and Keith Denkins Paradise Lane Owingsville, KY 40360

Brad and Alicha Short 62 Weaver Lane Owingsville, KY 40360



Paul E. Patton, Governor

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Thomas M. Dorman
Executive Director
Public Service Commission

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD

POST OFFICE BOX 615 FRANKFORT, KENTUCKY 40602-0615 www.psc.state.ky.us (502) 564-3940 Fax (502) 564-3460

November 2, 2000

Martin J. Huelsmann Chairman

Edward J. Holmes Vice Chairman

> Gary W. Gillis Commissioner

Mr. Alfred Fawns, Jr. Bath County Water District Post Office Box 369 Salt Lick, Kentucky 40371

Re:

Case No. 99-436 -- Bath County Water District

Dear Mr. Fawns:

Commission Staff acknowledges receipt of your letter of October 10, 2000 in which Bath County Water District requests clarification of the Commission's Order of August 22, 2000 in the above-referenced case.

In its Order of August 22, 2000, the Commission directed Bath County Water District to "connect the current customers in the [Meadowbrook] Subdivision to the 3-inch line." Order at 6. In its Order, the Commission found that Bath County Water District was providing water service to 13 residences within the Meadowbrook Subdivision through 1-inch water service lines that were connected to a 4-inch water distribution main. It further found that, as of December 15, 1999, when the Division of Water imposed an extension ban upon Bath County Water District, the Complainant had paid Bath County Water District the meter fee for 18 additional connections.

Based upon its review of the Order of August 22, 2000, Commission Staff is of the opinion that, in addition to directing the connection of the 13 existing residences to the Bath County Water District's 4-inch water distribution main, the Commission directed the water district to make the other 18 connections for which the Complainant had paid a meter fee. In rendering its decision, the Commission clearly reasoned that the Division of Water's extension ban did not apply to these 18 connections, but would apply to any subsequent connections. Aside from directing that Bath County Water District to develop plans for upgrading its water distribution system, the Commission did not direct any additional action. Accordingly, Commission Staff believes that the Order of August 22, 2000 does not address any requests for connection beyond the 31 connections referred to therein and does not require Bath County Water District to take any action upon other requests for service while the extension ban is in effect.

Sincerely yours,

Thomas M. Dorman Executive Director

cc: Main Case File
Parties of Record

Division of Water - Vicki Ray





POST OFFICE BOX 369 SALT LICK, KENTUCKY 40371 TELEPHONE (606) 683-6363 OCF 12 2000

GENERAL COUNSLL

October 10, 2000

RECEIVED

OCT 12 2000

PUBLIC SERVICE COMMISSION

Public Service Commission Mr. Jerry Wuetcher 211 Sower Boulevard Post Office Box 615 Frankfort, KY 40602

RE: Case No. 1999-436

Dear Mr. Wuetcher:

After receiving the Commission's Order in the case number listed above we are in the process of connecting the 3-inch main lines.

The Division of Water gave approval for 13 meters only, the Commission's Order states in item number three "BCWD shall connect the current customers in the subdivision to the 3-inch line." We need clarification on the number of taps approved for the subdivision. Since the order has been issued there has been several other meters set outside the subdivision on the main line. At this time we have several meters that need to be moved to the lots of the customers being serviced.

Hourn h

If you have questions please contact us.

Sincerely,

Alfred Fawns, Jr., Manager Bath County Water District

cc: Vicki Ray, Division of Water

Diwil

Bath County Water District

P.O. Box 369 • Salt Lick • Kentucky 40371 606-683-6363

RECEIVER

TELECOPIER TRANSMITTAL SHEET

OCT 1 2 2000

PUBLIC SERVICE COMMISSION

FROM BATH Co Water Dist FAX NO.502-564-346

FROM BATH CO Water Dist FAX NO.606-683-991-7

TIME

COMMENTS Capy of Settento D.O.W. Vick. Ray

TOTAL PAGES INCLUDING THIS SHEET _______

IF YOU ARE NOT RECEIVING A CLEAR COPY, PLEASE CALL 606 683-6363

CONFIDENTIALITY NOTE:

The information contained in this facsimile message is legally privileged and confidential information intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any use, dissemination, distribution or copy of this telecopy is strictly prohibited. If you have received this telecopy in error, please immediately notify us by telephone and return the original message to us at the address above by the United States Postal Service. Thank you.

BATH COUNTY WATER DISTRICT

POST OFFICE BOX 369
SALT LICK, KENTUCKY 40371
TELEPHONE (606) 683-6363

RECEIVED

OCT 1 2 2000

PUBLIC SERVICE COMMISSION

October 11, 2000

Ms. Vicki Ray Division of Water 14 Reilly Road Frankfort, Kentucky

RE: Meadowbrook Subdivision

Dear Ms. Ray:

Attached is a list of the 20 meters in Meadowbrook Subdivision that need to be moved, and two meter with Customer User Agreements and permits from the local health department that need to be set. The original approval from Division of Water was for 13 meters only. The Public Service Commission Order Case No. 1999-436 orders the District to connect the current customers in the subdivision to the 3-inch mains in this subdivision.

We have the 3" inch lines of the subdivision connected to our main distrubution lines, the lines in the subdivision have been filled, pressure tested, and sterilized. We are to the point now where we need clarification as to the number of meters to move.

May we also note that Mr. Hatfield, developer of Meadowbrook has nine (9) meters paid for that have not yet been set. We have no Customer User Agreements signed, no specified lot numbers, and no permits from the local health department. Will you please advise the District on the nine meters?

Thank you for your time and consideration given to this matter. Please call if you need clarifications or have questions.

Cheel farings

Sincerely,

Alfred Fawns, Jr., Manager Bath County Water District

Ce: Jerry Wuetcher, PSC

Those with eithe Need to be moved

6066839917

RUN DATE: 10/10/2000

BATH COUNTY WATER DISTRICT CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE

PAGE NO: 1 BY: SGI

·		· · · · · · · · · · · · · · · · · · ·	۸۲۵	OUNT STATUS OF ACTIVE - SORTED BY LOCATION					
	LOCATION	06-0567 CONLEY,CURTIS 197 PARADISE LN OWINGSVILLE KY	Account Bill To	108842 CURTIS CONLEY 197 PARADISE LANE OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Aint SSN	10/28/1999	Balance Type Status Cr Rt Phone	Residential Active 780-9208	
	WATER -	-R01	Meter ID	99866094	PrevRead	128	PresRead	0	
<i>/</i>	LOCATION	06-0569 BARRETT, CHARLES 132 PARDISE LN OWINGSVILLE KY	Account Bill To	108977 CHARLES BARRETT 132 PARDISE LN OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Ami SSN	2/23/2000	Balance Type Status Cr Rt Phone	Residential Active 674-6300	
	WATER	ROI	Meter ID	99815373	PrevRead	28	PresRead	0	
	LOCATION BATH	06-0571 LAWHORN,CARL 411 PARADISE LN OWINGVILLE KY	Account Bill To	108728 CARL LAWHORN 411 PARADISE LN OWINGVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	8/31/1999	Balance Type Status Cr Rt Phone	Residential Active	
1	WATER	ROI	Meter ID	99809218	PrevRead	47	PresRead	0 ·	ij
	LOCATION	06-0572 RIDDLELACASSA 176 PRADISE LN OWINGSVILLE KY	Account Bill To	109216 LACASSA RIDDLE 176 PARDISE LN OWINGSVILLE KY 40360	Date On Date Off Dep Date Dop Ami SSN	8/28/2000	Balance Type Status Cr Rt Phone	Residential Active	
	WATER	R01	Meter 1D	10845693	PrevRead	Ö	PresRead	0	
	LOCATION	06-0573 LYKINS,KRYSTAL 95 PARADISF LN OWINGSVILLE KY	Account Bill To	108660 KRYSTAL LYKINS PO BON 450 SALT LICK KY 40371	Date On Date Off Dep Date Dep Aint SSN	5/1/2000 8/27/2000	Balance Type Status Cr Rt Phone	Residential Inactive	
	WATER	R01	Meter ID	99865224	PrevRead	3	PresRead	0	
	LOCATION	06-0574 STANLEY TIM 139 PARDISE LN OWINGSVILLE KY	Account Bill To	109170 TIM STANLEY PO BOX 1422 OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Aint SSN	8/4/2000	Balance Type Status Cr Rt Phone	Residential Active 768-9280	
	WATER	R01	Meter ID	10830905	PrevRead	5	PresRead	0	
	LOCATION	06-0575 SHEFFIELD,KAREN 27 PARADISE EN OWINGSVILLE KY	Account Bill To	109217 KAREN SHEFFIFLD 27 PARDISE EN OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	8/28/2000	Balance Type Status Cr Rt Phone	Residential Active 674-2604	,
	WATER	R01	Meter ID	10845688	PrevRead	1	PresRead	0	
Marie Control	LOCATION	06-0577 CARMICHAFI (RICHARD 14 WEAVER LAND OWINGSVILLE KY	Account Hill fo	108843 RICHARD CARMICHAEL 14 WEAVER LANE OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Anit	10/21/1999	Balance Type Status Cr Rt	Residential Active	
	WATER	R01	Meter ID	99808810	99N ProvRead	68	Phone PresRead	0	

BATH COUNTY WATER DISTRICT CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE

PAGE NO: 2 BY: SG1

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	LOCATION BATH	06-0579 BARRETT SHELIA 126 WEAVER IN OWINGSVILLE KY	Account Bill To	109177 SHELIA BARKETT 126 WEAVER I.N OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	8/30/2000	Balance Type Status Cr Rt Phone	Residential Active
)	WATER	R01	Meter ID	29801454	PrevRead	211	PresRead	0
一日 はんしょう いっこう	LOCATION BATH	06-0581 SPENCER,MATTHEW K BLEVINS VALLEY OWINGSVILLE KY	Account Bill To	108772 MATTHEW K. SPENCER 2734 WYOMING RD OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	10/1/1999	Balance Type Status Cr Rt Phone	Residential Active 674-6560
が対象的に	WATER	R01	Meter ID	99866130	PrevRead	5	PresRead	0
T	LOCATION BATH	06-0582 RATLIFF,LUCINDA BLEVINS VALLEY RD OWINGSVILLE KY	Account Bill To	109218 LUCINDA RATLIFF BLEVINS VALUEY RD OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	9/14/2000	Balance Type Status Cr Kt Phone	0 Residential Active
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	LOCATION	06-0583 KING,ERNIE 119 WEAVER LANF OWINGSVILLE KY	Account Bill To	109069 ERNIE KING 119 WEAVER LANE OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	4/30/2000	Balance Type Status Cr Rt Phone	Residential Active
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The state of the s	LOCATION	06-0585 HOMES,MEADOW BROOK BLEVINS VALLEY OWINGSVILLE KY	Account Hill to	108773 MEADOWBROOK HOMES 100 WILD RIDGE RD MOREHEAD KY 40351	Date On Date Off Dep Date Dep Anti SSN	9/28/1999	Balunce Type Status Cr Rt Phone	Residential Active
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A STATE OF THE PARTY OF THE PAR	LOCATION	06-0587 SPARKS,ERIC BLEVINS VALLEY RD OWINGSVILLE KY	Account Bill To	109108 ERIC SPARKS 332 OLD STATIERD OWINGSVILLE KY 40360	Date On Date Off Dop Date Dep Amt SSN	6/14/2000	Balance Type Status Cr Rt Phone	Residential Active
一年 日 大田大井	WATER	R()1	Meter ID	10791419	PrevRead	3	PresRead	0
	LOCATION	06-0588 ADKINS,RICHARD 16 OLD SATE RD OWINGSVILLE KY	Account Bill To	108978 RICTIARD ADKINS 16 OLD STATE RD OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt SSN	3/15/2000	Balance Type Status Cr Rt Phone	Residential Active
000	WATER	R01	Meter ID	99815295	PrevRend	11	Presicon	0
	LOCATION BATH	06-0589 DENTON BRAD 49 CLEO'S CORNER OWINGSVILLE KY	Account Bill To	10891K BRAD DENTON PO BON 356 OWINGSVILLE KY 40360	Date On Date Off Dep Date Dep Amt	12/22/1999	Balance Type Statos Cr Rt	Residential Active
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RUN DATE: 10/10/2000 BATH COUNTY WATER DISTRICT PAGE NO: 3 BY: SOI CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE SORTED BY LOCATION LOCATION 06-0590 Account 108979 Date On 2/23/2000 Balance TOMBLIN, ALLEN Date Off Residential Bill To ALLEN TOMBLIN Type BATH 86 CLEO'S CORNUR 86 CLEO'S CORNER Dop Date Status Active OWINGSVILLEKY OWINGSVILLE KY 40360 Dep Amt Cr Rr SSN Phone **PrevRead** 0 WATER RO! Meter ID 38 **PresRead** 99815331 Date On 3/31/2000 Balance LOCATION 06-0592 Account 109033 Residential REYNOLDS, BARNEY Bill To BARNEY REYNOLDS Date Off Турс LOT 8 MEADOWBROOK BATH LOT 56 EUBANK TRAILOR P Dep Date Status Active SUBD OWINGSVILLE KY Cr Rt MT STERLING KY 40353 Dep Amt SSN Phone 498-3173 PresRead WATER PrevRead 10 ٥ ROI Meter ID 10771002 LOCATION 109180 Date On 8/31/2000 Balance 06-0593 Account MAZZA,KEVIN Bill To KEVIN MAZZA Date Off Type Residential Dep Date 125 WINDING WAY 125 WINDING WAY Status Active BATH OWINGSVILLERY OWINGSVILLE KY 40360 Dep Amt Cr Ri 674-9716 SSN Phone WATER RO! Meter ID 10791385 **PrevRead PresRead** LOCATION 06-0594 Date On 3/31/2000 Balance Account 109034 Residential BAINES, DEBRA Bill To DEBRA BAINES Date Off Type 196 WINDING WAY 196 WINDING WAY Dep Date Status Active BATH OWINGSVILLE KY OWINGSVILLE KY 40360 Dep Anit Cr Ri 780-4772 Phone SSN WATER 39 PresRead 0 ROI Meter ID 10771001 **PrevRead** LOCATION 06-0595 6/14/2000 Balance Account 109110 Date On Residential Date Off Type KEVIN MIDDLETON MIDDLETON, KENIN Bill To 336 WINDING WAY Dep Date Status Active 336 WINDING WAY BATH Cr Rt OWINGSVILLE KY OWINGSVILLE KY 40360 Dep Ami Phone 776-4008 SSN Meter ID 10791414 PrevRead 12 PresRead 0 WATER ROI 4/21/1997 Balance LOCATION 06-0596 104771 Date On Account WILLIAM LITTLE Date Off Type Residential LITTLEWILLIAM Bill To Status Active Dep Date 4/21/1997 BATH 43 WINDING WAY PO BOX 30 OLYMPIA KY 40358-0030 Dep Ami Cr Rt OWINGSVILLE KY 674-8201 SSN Phone WATER 99866133 PrevRead 39 PresRoad ROI Meter ID LOCATION 06-0597 Date On 10/28/1999 Balance Account 108844 Residential STIDHAM,DORSEN DORSEY STIDITAM Date Off Type Bill Ga Active PO BOX 527 Dep Date Status BATH 480 WINDING WAY **OWINGSVILLE KY** OWINGSVILLE KY 40360 Dep Amt Cr Rt 780-0021 SSN Phone PresRead WATER Meter ID 99866098 Previcead 221 LOCATION 06-0598 108845 Date On 10/28/1999 Balance Account ROSE, APRII APRII ROSE Residential Bill To Date Off Type 184 ROSELAWN CT 184 ROSELAWN CT Dep Date Status Active . BATH OWINGSVILLE KY 40360 OWINGSVILLE KY Cr Rt Dep Ann 743-9076 SSN Phone

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PAGE NO: 4 BATH COUNTY WATER DISTRICT RUN DATE: 10/10/2000 BY: SGI CUSTOMER DETAIL LISTING REPORTING LOCATION 06-0567 TO 06-0606 ACCOUNT STATUS OF ACTIVE - INACTIVE SORTED BY LOCATION 10/28/1999 Balance Date On 108846 Account LOCATION 06-0599 Турс Date Off JUAN CRUZII Bill To CRUZ ILJUAN Status Dep Date 80 ROSELAWN CT 80 ROSELAWN CT BATIL Cr Rt Dep Aut OWINGSVILLE KY 40360 OWINGSVILLERY Phone SSN PresRead 32 **PrevRead** Meter ID 32091500 WATER ROI 10/28/1999 Balance Date On Account 108847 LOCATION 06-0600 Type Date Off BILL STEPHENS Bill To STEPHENS, BILL. Status Dep Date PO BOX 46 BATH 466 WINDING WAY Cr Ri FARMERS KY 40319 Dep Amt OWINGSVILLE KY Phone SSN PresRoad PrevRoad 193 Moter ID 99866095 WATER R01 Balance 10/28/1999 Date On 108848 Account Type Date Off **GREG PURVIS** Bill To PURVIS, OREG Status Dep Date **PO BOX 817** 554 WINDING WAY BATH Cr Rt Dep Amt OWINGSVILLE KY 40360 **OWINGSVILLE KY** Phone SSN PresRead PrevRead 99815326 Meter ID R01 WATER Balance 9/15/1999 Date On 108729 06 0605 Account COCATION 5/30/2000 Type Date Off JAMES WEBB Bill To WEBBJAMES Status Dep Date

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Dep Amt

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SSN

Two meters that need to be set.

Candi and Keith Denkins Paradisc Lane Owingsville, KY 40360

209 WINDING WAY

OWINGSVILLE KY

R01

BATH

WATER

Brad and Alicha Short 62 Weaver Lane Owingsville, KY 40360 J.x.w.(

Bath County Water District

P.O. Box 369 • Salt Lick • Kentucky 40371 616-683-6363

RECEIVED

OCT 11 2000

TELECOPIER TRANSMITTAL SHEET

PUBLIC SERVICE COMMISSION

TO PSC. Jerry Weetcher FROM BATE Co. Water Dut DATE 10-10-00 COMMENTS PSC Oider 1999-436	TIME
TOTAL PAGES INCLUDING THIS SHEET _2	E CALL 606 683-6363

CONCEDENTIALITY NOTE:

The information contained in this facsimile message is legally privileged and confidential information intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any use, dissemination, distribution or copy of this telecopy is strictly prohibited. If you have received this telecopy in error, please immediately notify us by telephone and return the original message to us at the address above by the United States Postal Service. Thank you.

BATH COUNTY WATER DISTRICT

POST OFFICE BOX 369
SALT LICK, KENTUCKY 40371
TELEPHONE (606) 683-6363

RECEIVED

OCT 11 2000

October 10, 2000

PUBLIC SERVICE COMMISSION

Public Service Commission Mr. Jerry Wuetcher 211 Sower Boulevard Post Office Box 615 Frankfort, KY 40602

RE: Case No. 1999-436

Dear Mr. Wuetcher:

After receiving the Commission's Order in the case number listed above we are in the process of connecting the 3-inch main lines.

The Division of Water gave approval for 13 meters only, the Commission's Order states in item number three "BCWD shall connect the current customers in the subdivision to the 3-inch line." We need clarification on the number of taps approved for the subdivision. Since the order has been issued there has been several other meter set outside the subdivision on the main line. At this time we have several meter that need to be moved to the lots of the customers being serviced.

If you have questions please contact us.

Sincerely,

Alfred Fawns, J., Manager Bath County Water District

cc: Vicki Ray, Division of Water



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION 211 SOWER BOULEVARD POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 1999-436

BATH COUNTY WATER DISTRICT

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on August 22, 2000.

See attached parties of record.

Secretary of the Commission

SB/hv Enclosure Mr. Alfred Fawns
Manager
Ath County Water District
21 Church Street
P. O. Box 369
Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

Honorable Earl Rogers Attorney for Bath County Water Dist. Campbell & Rogers 154 Flemingsburg Road Morehead, KY. 40351

Michael B. Fox Attorney (for Robert Hatfield) Fox Law Offices 185 West Tom T. Hall Blvd. P.O. Box 1450 Olive Hill, KY. 41164 1450

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

n the Matter of:	
ROBERT HATFIELD)
COMPLAINANT) }
v.) CASE NO. 99-43
BATH COUNTY WATER DISTRICT) }
DEFENDANT)

ORDER

On October 18, 1999, Robert Hatfield ("Complainant") filed a formal complaint against the Bath County Water District ("BCWD"). Complainant requested that the Commission order BCWD to extend water service to Complainant's property and the residents therein. BCWD filed its answer on January 12, 2000 stating that it had denied Complainant's request for water service, but claiming that it had not acted wrongfully and requesting that the complaint be dismissed.

Findings of Fact

The essence of the complaint is that BCWD, in rejecting the Complainant's request for water service to his subdivision, treated Complainant unfairly in violation of the law. Complainant, at his own expense, has installed a 3-inch water line throughout the interior of the proposed subdivision. Complainant requested BCWD to connect the 3-inch line to BCWD's 4-inch mains that are contiguous to the south and east sides of

the subdivision. Complainant's purpose in constructing this line was to "loop" it with BCWD's 4-inch mains in the south and east sides of the proposed subdivision.

BCWD claims that it refused to provide service to Complainant because it was concerned that if it makes the connection it will assume ownership of the line and will be required to extend service to all future residents of the subdivision who request service. BCWD is concerned because it fears that it does not have the necessary resources to serve the future residents of the subdivision and continue to serve other residents and future residents on the system outside of the subdivision.

BCWD is concerned with its water supply and the ability to maintain the statutory minimum pressure of 30 psi in its system. BCWD must purchase the water for its system from neighboring water suppliers because it lacks a water treatment facility. In order to meet the demand on its system, BCWD has exceeded its contractual amount of water from Morehead Utility Plant Board ("Morehead") on numerous occasions. Morehead has allowed BCWD to exceed the contractual amount, but BCWD fears that the providing of service to Complainant's subdivision will require BCWD to further exceed its contractual amount and that Morehead will refuse BCWD this excess.

BCWD is also concerned that adding additional customers from Complainant's subdivision will cause the pressure in the system to fall below 30 psi, the minimum established by 807 KAR 5:066, Section 5(1). A study conducted by the BCWD engineer indicated that the system could not provide 30 psi if 60 new customers were added, but the system still could provide the minimum pressure if 30 additional customers were connected to BCWD's service. The original plat for the subdivision contained 75 individual lots, but Complainant reports that many residents are purchasing two or three

lots and placing one residence on the combined lots. Complainant estimates that a total of 45 residents will live in the subdivision. BCWD contends that if all 45 residents receive service it will make the water pressure fall below 30 psi.

Currently twenty houses have been built on Complainant's property and receive service from BCWD. Thirteen of these houses are located in the interior of the subdivision and had to run 1-inch lines 4,000 to 5,000 feet to BCWD's 4-inch main. These lines were ordered to remain uncovered by the plumbing inspector. This resulted in the pipes freezing in November, depriving the 13 residents of water service for a period of time. The Division of Water of the Natural Resources and Environmental Protection Cabinet ("Division of Water") approved the plan for Complainant's 3-inch line to connect to the 13 houses currently connected to BCWD's 4-inch main. Not withstanding the Division of Water's approval of the 3-inch line and the advice of BCWD's engineer, BCWD still refused to connect Complainant's 3-inch line to its system.

Another concern presented by BCWD is that by extending service to the 3-inch line, the residents in the subdivision would be entitled to all the available new meter connections allowed by the Division of Water. Complainant purchased 18 additional meters in December and later, on December 15, 2000, the Division of Water instituted an extension ban. This ban extended to all meters not purchased at the time. This means that although Complainant has not placed the 18 meters yet, he may place them and receive service because he purchased them prior to the extension ban. However, this also means that no other potential customers will receive service until the extension

ban is lifted. BCWD feels that this is unfair to other potential customers. BCWD's tariff does not provide any rules for applying for service or extension of service.

Discussion

The sole issue before the Commission is whether BCWD properly denied water service to the Complainant. Administrative Regulation 807 KAR 5:006, Section 5(2), provides, in pertinent part, that a customer who has complied with Commission administrative regulations shall not be denied service for failure to comply with the utility's rules which have not been made effective in the manner prescribed by the Commission. BCWD's tariff provides for no such conditions relating to extension of service, see KRS 278.160, and it appears that Complainant has complied with all Commission regulations regarding the request of service. Even more crucial here is KRS 278.280, which provides that a utility may be "compelled to make any reasonable extension." The record indicates that the extension requested by Complainant is reasonable.

BCWD argues that its refusal of service was proper because BCWD would be unable to provide water service to more than 30 customers on Complainant's property in accordance with the Commission's minimum pressure standards. Administrative Regulation 807 KAR 5:066, Section 5(1), provides that "[I]n no event ... shall the pressure at the customer's service pipe under normal conditions fall below 30 psig nor shall the static pressure exceed 150 psig." BCWD asserts that the water facilities in the disputed area could not provide service to all future residents at 30 pounds per square inch and that, therefore, it should not be required to provide the requested service.

BCWD also argues that requiring the water district to provide service to the Complainants will effectively force it to bear all of the costs for the system improvements necessary to serve the entire area in which Complainant's property is located. Once service is provided to the residents in the subdivision, BCWD contends, additional people will seek service from the same water main extension as they purchase land within the proposed development. Eventually the water main will not be capable of serving at acceptable levels and the water district will be forced to make system improvements at its own cost.

Finally, BCWD argues that if the extension is granted, the residents in the proposed development will obtain all available taps and the additional strain on the system will prohibit BCWD from extending service to other applicants for service outside of the proposed development. BCWD provides no legal authority to support its contention that this is an adequate reason to deny Complainant the extension.

There is no merit to any of the above arguments based upon the record that is now before us. BCWD is not faced with any emergency situation at present. Its apprehension that such a situation will arise in the future should result in plans to expand its water capacity rather than in summary refusal of service now.

Having considered the evidence on record and being otherwise sufficiently advised the Commission HEREBY ORDERS that:

1. BCWD shall extend service to the 3-inch line located on Complainant's property.

2. Upon completion of the extension of service, BCWD shall so notify the Commission. When providing notice to the Commission, BCWD shall serve a copy of said notice upon the Complainant.

3. BCWD shall connect the current customers in the subdivision to the 3-inch line.

4. BCWD shall file with the Commission a plan to upgrade its water system within 6 months of issuance of this Order. The upgrade shall be completed no more than 5 years after submission of the plan to upgrade the system to the Commission.

5. When making this and other water extensions, BCWD shall henceforth strictly comply with the provisions of its filed rate schedules.

Done at Frankfort, Kentucky, this 22nd day of August, 2000.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the	Matter of:		RECEIVEL
V.	ROBERT HATFIELD	COMPLAINANT	JUL 28 2000 PUBLIC SERVICE COMMISSION
	BATH COUNTY WATER DISTR)	
		DEFENDANT	,

DEFENDANT'S BRIEF AND MEMORANDUM OF LAW

Comes now the Defendant, Bath County Water District, by and through counsel, and hereby submits the following Memorandum:

ISSUES PRESENTED

The issues presented in this matter before the Public Service Commission is whether or not the Bath County Water District, a water district created pursuant to KRS Chapter 74, is required to accept a privately constructed water line extension to a private subdivision. If the Bath County Water District is required to accept a privately constructed water line extension, was the Bath County Water District justified by not accepting the waterline extension constructed by the Complainant (hereinafter referred to as Hatfields).

HISTORY

The Bath County Water District (hereinafter referred to as BCWD) is a rural water supplier located in Bath County, Kentucky. On 01 October 1997 the Kentucky Division of Water imposed a waterline extension ban on the BCWD and prohibiting any

new waterline extensions. The reason for the ban was that the BCWD had been experiencing water shortages during the summer for several months and had hydraulic problems in the BCWD system relating to high usage. (See Exhibit J to the Affidavit of Alfred Fawns, Jr. offered into evidence.)

At a Board meeting of the BCWD on 25 May 1999 the Hatfields appeared, requesting BCWD connect to a waterline extension that the Hatfields had constructed in their subdivision, known as Meadowbrook Subdivision. At that point the Hatfields were informed of the Division of Water's imposed extension ban. (See the Minutes of BCWD meeting of 25 May 1999, Exhibit B to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

Thereafter, on 27 May 1999 the Division of Water lifted the waterline extension ban. The Division of Water expressly stated to BCWD in its correspondence lifting the extension ban, that "future expansion of Bath County Water District's service area should be proactively planned to ensure that growth and demand does not outstrip the pace of upgrades in the system." (See the correspondence of the Division of Water, Exhibit K to the Affidavit of Alfred Fawns, Jr. introduced into evidence.) On 26 October 1999 at a regular meeting of the BCWD, the Hatfields were present with their engineer, Gerald Sussong, again requesting that BCWD accept their waterline extension. The Board requested that its engineer do a study to determine the impact of the extension on BCWD's existing customers and that there be a meeting called when this study was completed. (See Minutes of BCWD meeting of 26 October 1999, Exhibit F of the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

On 22 November 1999 the consulting engineer for BCWD, D. Scott Taylor, issued correspondence to Alfred Fawns, Jr., manager of the BCWD, stating that the plans

and specifications for the proposed extension submitted by the Hatfields were insufficient for acceptance. Further, Mr. Taylor stated that the hydraulics of the area in which the Meadowbrook Subdivision was located was insufficient to support an addition of sixty more customers that were proposed to accumulate in the Meadowbrook Subdivision. At the next meeting of BCWD on 23 November 1999 the correspondence of D. Scott Taylor was read to the Board and the Board expressed its concern that accepting this extension would reduce pressures of existing customers below the state mandate 30 psi. Therefore, the proposed waterline extension plans were denied by BCWD as presented. (See Minutes of BCWD meeting of 23 November 1999, Exhibit G to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

On 15 December 1999 the Division of Water reinstated the waterline extension ban on BCWD by way of correspondence. (See Exhibit L to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

ARGUMENT

II. THE BATH COUNTY WATER DISTRICT IS NOT REQUIRED BY ANY STATE LAW TO ACCEPT PRIVATELY CONSTRUCTED WATERLINE EXTENSIONS INTO BATH COUNTY WATER DISTRICT'S WATER SUPPLY SYSTEM.

There are no provisions in the Kentucky Revised Statutes or the Kentucky Administrative Regulations that mandate that water districts are required to accept privately constructed waterline extensions that are offered to them to be accepted into the public utility system. 807 KAR 5:066§11(1) requires a utility to make an extension from an existing distribution main to a prospective customer who is located within fifty feet of the existing distribution main and who will contract for water use for at least one year. This provision

deals with prospective individual customers and does not mandate that the utility must accept privately constructed extensions into their distribution system. The Hatfields have constructed a three-inch distribution main to run throughout their proposed subdivision. It is that distribution main that the BCWD has declined to accept.

807 KAR 5:066§11(2) and (3) set forth alternative methods for repayment when a utility accepts a privately constructed distribution main or extension. However, those provisions do not mandate their acceptance, they merely provide alternatives for repayment of the construction costs to the private individual who constructed the extension.

Further, the tariff of BCWD that is filed with the Public Service Commission makes no provision which mandates that BCWD is obligated to accept private construction of waterline extensions into the BCWD system. (See Exhibit A attached to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

II. THE BATH COUNTY WATER DISTRICT CORRECTLY DECLINED ACCEPTANCE OF THE HATFIELDS' PROPOSED THREE-INCH WATER MAIN EXTENSION.

BCWD could not accept the Hatfield's proposed extension. The reasons BCWD could not accept the extension are expressed throughout the Minutes of the BCWD Board meetings that were introduced into evidence. However, those reasons were best expressed in summary by sworn testimony of Alfred Fawns, Jr., manager of BCWD. Those reasons are as follows:

1. If BCWD accepts this extension, 807 KAR 5:066§11(1), requires BCWD to connect all residences within that subdivision as they would all be within fifty feet of this new distribution line. The resulting effect of accepting this many new customers would be to drain the water pressure of the existing main distribution lines in that area to the extent

that water pressures of other customers in that area who live at higher elevations would drop below 30 psi which is the minimum pressure required by 807 KAR 5:066§5;

- 2. BCWD does not have any additional water to sell to the prospective customers that would be connecting to the Hatfields' proposed extension; and
- 3. The Hatfields never submitted acceptable plans and specifications to BCWD for their approval.

The area in which Meadowbrook Subdivision is located is served by a four-inch distribution line. Prior to accepting the extension proposed by the Hatfields, the BCWD requested that its engineer do a study to determine whether or not the additional customers who would tap into this proposed extension would adversely affect the water pressures of existing BCWD customers served by the four-inch distribution main in the area. 807 KAR 5:066§5 mandates that water pressures for customers must be above 30 psi at each customer's meter.

The engineer for BCWD, D. Scott Taylor, created a model of BCWD's distribution lines in that area using his knowledge of the water lines, the slopes, elevations, and pressures in that area. This information was readily available to Mr. Taylor as he has been a consulting engineer for the BCWD for a number of years and in fact, was the engineer charged with the construction of these very distribution lines. Mr. Taylor then inserted the additional sixty users that were being proposed by the Hatfields into his model and as a result, determined that the pressures for existing customers in the area of the Hatfields' subdivision would reduce water pressure below the mandated 30 psi level. (See the Affidavit of D. Scott Taylor, introduced into evidence and his correspondence dated 22 November 1999 attached to his Affidavit and introduced into evidence.)

The Hatfields' engineer, Gerald Sossong, has by his sworn testimony, been critical of Mr. Taylor's model. However, Sossong acknowledges that he has only designed eight water systems during his career and has never submitted plans to the Division of Water for approval. (See T.E., page 51, Line 2-16.) Further, Mr. Sossong acknowledged on cross-examination that his study only determined whether or not the BCWD system had sufficient pressure to serve the proposed additional customers to Meadowbrook Subdivision. Mr. Sossong acknowledged under cross-examination that he did not do any study to determine what effect the additional customers of the Hatfield subdivision would have on the existing customers of BCWD in the surrounding area. (See T.E., page 56, line 3-9, and page 56, line 20 through page 57, line 15.)

In essence it is the position of BCWD that they are between a rock and a hard place. At present they are under no legal obligation to accept this waterline extension and although they would very much like to have the additional customers and to serve the Hatfields, they have an obligation to their existing customers as well as a legal duty to ensure that the existing customers' water pressure remains above 30 psi.

Further, BCWD does not treat its own water. All water distributed by the BCWD is purchased from other sources, with the main source being the City of Morehead, Kentucky. (See the Affidavits of D. Scott Taylor, Engineer and Alfred Fawns, Jr., introduced into evidence). In 1999 BCWD exceeded its contractual amount of water that it is allowed to purchase from the City of Morehead by a substantial amount. Until the City of Morehead constructs a new water treatment plant, which is presently in the works and which will have additional capacity that BCWD may purchase, BCWD is limited in the amount of water they may purchase. BCWD acknowledges that it has gone over this allotted capacity and that

the City of Morehead has thus far been lenient in allowing them to exceed their allotted capacity. However, BCWD must make precautions to ensure that they do not grossly exceed that capacity so as to cause the Morehead Utility Plant Board to limit or hold BCWD to its contractually allowed amount.

The Hatfields have never submitted satisfactory plans for this waterline extension to BCWD for their approval. Engineer, D. Scott Taylor, noted in his correspondence of 22 November 1999 that the plans he had looked at were only in draft form and that the details and specifications were needed. Further, Tina Hatfield acknowledged under cross-examination that no final plans were produced until December of 1999. (See T.E. page 39, line 23-40.)

It should be noted that BCWD was prohibited by the Division of Water from accepting any waterline extensions until 27 May 1999. That extension ban was re-imposed on 15 December 1999. Therefore, BCWD only had a limited window of opportunity in which to accept any new waterline extensions and no suitable plans were submitted before the BCWD Board during that time.

It should also be noted that although final plans were never submitted to BCWD, and as a result never approved by BCWD, the Hatfields went ahead and submitted their final plans to the Division of Water for acceptance. The Hatfields submitted their entire plans for this waterline extension to the Division of Water for their approval and yet the Division of Water approved only thirteen existing customers on that extension, not the entire plan. (Cross-examination of Robert Hatfield, T.E. page 14, line 3-18; See Exhibit M and N to the Affidavit of Alfred Fawns, Jr., introduced into evidence.) Pursuant to 401 KAR 8:100§1(6), the Hatfields must obtain approval from BCWD for their plans prior to submitting the plans

to the Division of Water. The Hatfields submitted those plans to the Division of Water prior to acceptance by BCWD.

III. SHOULD BATH COUNTY WATER DISTRICT BE ORDERED TO ACCEPT THE HATFIELDS' THREE-INCH WATERLINE EXTENSION, THEN THE HATFIELDS SHOULD BE REQUIRED TO PAY THE ENTIRE COST TO BATH COUNTY WATER DISTRICT FOR THE EXTENSION, INCLUDING THE UPGRADE OF BATH COUNTY WATER DISTRICT'S FACILITIES TO SERVICE THIS EXTENSION.

807 KAR 5:066§11(3) provides that "An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire costs of the extension." It is the position of BCWD that should BCWD be required to accept this extension proposed by the Hatfields, then the Hatfields should be responsible for the entire cost of the extension which would include the upgrade of BCWD's existing system facilities to allow service to Meadowbrook Subdivision without adversely affecting existing BCWD customers.

There are two options available that would increase water pressure to the service area where the Hatfield subdivision is located. The first option is the construction of another four-inch line to run parallel to the existing four-inch distribution line of BCWD. (See testimony of Engineer D. Scott Taylor, T.E. page 181, line 9-18.) The other option is the installation of a booster pump. (See testimony of Engineer D. Scott Taylor, T.E. page 182, line 9-24.) The cost of installation of a booster pump is estimated by Engineer D. Scott Taylor to be approximately \$71,000.00. (See T.E. page 185, line 1-8.) Further, it is the estimation of Engineer D. Scott Taylor that the booster pump installation would be cheaper than installation of a four-inch parallel line. (See T.E. page 186, line 7-16.)

IV. BATH COUNTY WATER DISTRICT SIMPLY HAS NO ALTERNATIVE BUT TO DENY THE HATFIELDS' PROPOSED EXTENSION TO AVOID ADVERSELY AFFECTING EXISTING CUSTOMERS OR TREATING PROSPECTIVE CUSTOMERS UNFAIRLY.

Engineer, D. Scott Taylor, has determined that he believes thirty additional customers can be adequately served in the area where Meadowbrook Subdivision is located. (See Affidavit of D. Scott Taylor and attached correspondence dated 03 December 1999, introduced into evidence.) However, to accept the Hatfields' proposed three-inch waterline extension under a stipulation that only thirty additional customers may be added, would be unfair to any other prospective BCWD customer that wished to tap on in that area. The Hatfields acknowledge that they do not currently have thirty customers ready to tap on. Therefore, BCWD would be committing all of its available taps in that area to one developer, the Hatfields, regardless of whether or not the Hatfields need taps. To commit all of the available taps in the area would be unfair to any other individual who desired to construct a home or tap in to the BCWD system in that area.

The Hatfields already have twenty to twenty-two existing meters in their subdivision. (See T.E. page 23, line 8-14.) Mr. Hatfield has already placed deposits for eighteen more meters with the BCWD even though those meters are not active nor is there any home to be serviced by those meters. (Cross-examination of Robert Hatfield, T.E. page 16, line 18 through page 17, line 18.) The Hatfields want to buy up all available taps in that area for their subdivision to the exclusion of any other person, regardless of whether those taps are needed by them right away.

During the hearing, the examiner for the Public Service Commission posed the question as to why BCWD could not connect to the Hatfields' three-inch waterline

extension under the express provisions that the line was not being accepted and not owned by BCWD and therefore, not subject to the mandatory hook-up provisions of 807 KAR 5:066§11(1). That proposal presents many complications. First of all, if BCWD does not own the distribution line, then who is responsible for water quality, water quantity, and water pressure in that line? Furthermore, if the line is not owned by BCWD, then the question remains as to who is responsible for any water loss in that line. Unless a master meter is located at the point in which the Hatfields' extension joins BCWD's distribution main, there would be no way of determining how much water would be lost due to a leak or break. As a result, BCWD would experience financial loss for the lost water and the Hatfields would have no incentive to repair the leak or break as they would not bear any financial burden for the loss. If a master meter is placed at a point where the Hatfields' extension joins the BCWD's distribution main, then the Hatfields would be in jeopardy of meeting the definition of a utility as defined in KRS 278.010 and therefore, be subject to regulations and laws concerning testing, sampling, billing, reading meters, and would be required to maintain as certified operator.

CONCLUSION

Although this case presents an unfortunate situation for the Hatfields, BCWD has done nothing wrong and in fact, is doing everything it can to protect its existing customers, stay within the mandates of the law, and remain in compliance with the Division of Water. There is no legal requirement that BCWD accept the Hatfields' extension. If there were such a requirement, BCWD is justified in not accepting this extension due to the Hatfields' neglect to submit adequate plans to BCWD during the time that extensions could be accepted according to the Division of Water; the fact that BCWD only has a

limited amount of water to sell; and due to the fact that BCWD's system is inadequate to maintain service with existing customers should it serve the Meadowbrook Subdivision.

There is no reasonable alternative for BCWD and therefore, the Hatfield's extension is not a part of the BCWD water distribution system.

WHEREFORE, BCWD respectfully requests the Public Service Commission to enter an Order dismissing the Hatfields' Complaint.

Respectfully submitted,

CAMPBELL & ROGERS ATTORNEYS AT LAW 154 Flemingsburg Road Morehead, KY 40351 (606) 784-8926

BY:

EARL ROGERS III
Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served on the parties by mailing or hand-delivering the same to the following:

Hon. Michael Fox Attorney at Law P. O. Box 1450 Olive Hill, KY 41164

Martin Huelsmann, Executive Director Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, KY 40602

THIS the 29th day of July, 2000.

EARL ROGERS III

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:			RECEIVED
V.	ROBERT HATFIELD	COMPLAINANT) JUL 28 2000 PUBLIC SERVICE COMMISSION
	BATH COUNTY WATER DISTRICT)
		DEFENDANT)

DEFENDANT'S BRIEF AND MEMORANDUM OF LAW

Comes now the Defendant, Bath County Water District, by and through counsel, and hereby submits the following Memorandum:

ISSUES PRESENTED

The issues presented in this matter before the Public Service Commission is whether or not the Bath County Water District, a water district created pursuant to KRS Chapter 74, is required to accept a privately constructed water line extension to a private subdivision. If the Bath County Water District is required to accept a privately constructed water line extension, was the Bath County Water District justified by not accepting the waterline extension constructed by the Complainant (hereinafter referred to as Hatfields).

HISTORY

The Bath County Water District (hereinafter referred to as BCWD) is a rural water supplier located in Bath County, Kentucky. On 01 October 1997 the Kentucky Division of Water imposed a waterline extension ban on the BCWD and prohibiting any

new waterline extensions. The reason for the ban was that the BCWD had been experiencing water shortages during the summer for several months and had hydraulic problems in the BCWD system relating to high usage. (See Exhibit J to the Affidavit of Alfred Fawns, Jr. offered into evidence.)

At a Board meeting of the BCWD on 25 May 1999 the Hatfields appeared, requesting BCWD connect to a waterline extension that the Hatfields had constructed in their subdivision, known as Meadowbrook Subdivision. At that point the Hatfields were informed of the Division of Water's imposed extension ban. (See the Minutes of BCWD meeting of 25 May 1999, Exhibit B to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

Thereafter, on 27 May 1999 the Division of Water lifted the waterline extension ban. The Division of Water expressly stated to BCWD in its correspondence lifting the extension ban, that "future expansion of Bath County Water District's service area should be proactively planned to ensure that growth and demand does not outstrip the pace of upgrades in the system." (See the correspondence of the Division of Water, Exhibit K to the Affidavit of Alfred Fawns, Jr. introduced into evidence.) On 26 October 1999 at a regular meeting of the BCWD, the Hatfields were present with their engineer, Gerald Sussong, again requesting that BCWD accept their waterline extension. The Board requested that its engineer do a study to determine the impact of the extension on BCWD's existing customers and that there be a meeting called when this study was completed. (See Minutes of BCWD meeting of 26 October 1999, Exhibit F of the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

On 22 November 1999 the consulting engineer for BCWD, D. Scott Taylor, issued correspondence to Alfred Fawns, Jr., manager of the BCWD, stating that the plans

and specifications for the proposed extension submitted by the Hatfields were insufficient for acceptance. Further, Mr. Taylor stated that the hydraulics of the area in which the Meadowbrook Subdivision was located was insufficient to support an addition of sixty more customers that were proposed to accumulate in the Meadowbrook Subdivision. At the next meeting of BCWD on 23 November 1999 the correspondence of D. Scott Taylor was read to the Board and the Board expressed its concern that accepting this extension would reduce pressures of existing customers below the state mandate 30 psi. Therefore, the proposed waterline extension plans were denied by BCWD as presented. (See Minutes of BCWD meeting of 23 November 1999, Exhibit G to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

On 15 December 1999 the Division of Water reinstated the waterline extension ban on BCWD by way of correspondence. (See Exhibit L to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

ARGUMENT

II. THE BATH COUNTY WATER DISTRICT IS NOT REQUIRED BY ANY STATE LAW TO ACCEPT PRIVATELY CONSTRUCTED WATERLINE EXTENSIONS INTO BATH COUNTY WATER DISTRICT'S WATER SUPPLY SYSTEM.

There are no provisions in the Kentucky Revised Statutes or the Kentucky Administrative Regulations that mandate that water districts are required to accept privately constructed waterline extensions that are offered to them to be accepted into the public utility system. 807 KAR 5:066§11(1) requires a utility to make an extension from an existing distribution main to a prospective customer who is located within fifty feet of the existing distribution main and who will contract for water use for at least one year. This provision

deals with prospective individual customers and does not mandate that the utility must accept privately constructed extensions into their distribution system. The Hatfields have constructed a three-inch distribution main to run throughout their proposed subdivision. It is that distribution main that the BCWD has declined to accept.

807 KAR 5:066§11(2) and (3) set forth alternative methods for repayment when a utility accepts a privately constructed distribution main or extension. However, those provisions do not mandate their acceptance, they merely provide alternatives for repayment of the construction costs to the private individual who constructed the extension.

Further, the tariff of BCWD that is filed with the Public Service Commission makes no provision which mandates that BCWD is obligated to accept private construction of waterline extensions into the BCWD system. (See Exhibit A attached to the Affidavit of Alfred Fawns, Jr. introduced into evidence.)

II. THE BATH COUNTY WATER DISTRICT CORRECTLY DECLINED ACCEPTANCE OF THE HATFIELDS' PROPOSED THREE-INCH WATER MAIN EXTENSION.

BCWD could not accept the Hatfield's proposed extension. The reasons BCWD could not accept the extension are expressed throughout the Minutes of the BCWD Board meetings that were introduced into evidence. However, those reasons were best expressed in summary by sworn testimony of Alfred Fawns, Jr., manager of BCWD. Those reasons are as follows:

1. If BCWD accepts this extension, 807 KAR 5:066§11(1), requires BCWD to connect all residences within that subdivision as they would all be within fifty feet of this new distribution line. The resulting effect of accepting this many new customers would be to drain the water pressure of the existing main distribution lines in that area to the extent

that water pressures of other customers in that area who live at higher elevations would drop below 30 psi which is the minimum pressure required by 807 KAR 5:066§5;

- 2. BCWD does not have any additional water to sell to the prospective customers that would be connecting to the Hatfields' proposed extension; and
- 3. The Hatfields never submitted acceptable plans and specifications to BCWD for their approval.

The area in which Meadowbrook Subdivision is located is served by a four-inch distribution line. Prior to accepting the extension proposed by the Hatfields, the BCWD requested that its engineer do a study to determine whether or not the additional customers who would tap into this proposed extension would adversely affect the water pressures of existing BCWD customers served by the four-inch distribution main in the area. 807 KAR 5:066§5 mandates that water pressures for customers must be above 30 psi at each customer's meter.

The engineer for BCWD, D. Scott Taylor, created a model of BCWD's distribution lines in that area using his knowledge of the water lines, the slopes, elevations, and pressures in that area. This information was readily available to Mr. Taylor as he has been a consulting engineer for the BCWD for a number of years and in fact, was the engineer charged with the construction of these very distribution lines. Mr. Taylor then inserted the additional sixty users that were being proposed by the Hatfields into his model and as a result, determined that the pressures for existing customers in the area of the Hatfields' subdivision would reduce water pressure below the mandated 30 psi level. (See the Affidavit of D. Scott Taylor, introduced into evidence and his correspondence dated 22 November 1999 attached to his Affidavit and introduced into evidence.)

The Hatfields' engineer, Gerald Sossong, has by his sworn testimony, been critical of Mr. Taylor's model. However, Sossong acknowledges that he has only designed eight water systems during his career and has never submitted plans to the Division of Water for approval. (See T.E., page 51, Line 2-16.) Further, Mr. Sossong acknowledged on cross-examination that his study only determined whether or not the BCWD system had sufficient pressure to serve the proposed additional customers to Meadowbrook Subdivision. Mr. Sossong acknowledged under cross-examination that he did not do any study to determine what effect the additional customers of the Hatfield subdivision would have on the existing customers of BCWD in the surrounding area. (See T.E., page 56, line 3-9, and page 56, line 20 through page 57, line 15.)

In essence it is the position of BCWD that they are between a rock and a hard place. At present they are under no legal obligation to accept this waterline extension and although they would very much like to have the additional customers and to serve the Hatfields, they have an obligation to their existing customers as well as a legal duty to ensure that the existing customers' water pressure remains above 30 psi.

Further, BCWD does not treat its own water. All water distributed by the BCWD is purchased from other sources, with the main source being the City of Morehead, Kentucky. (See the Affidavits of D. Scott Taylor, Engineer and Alfred Fawns, Jr., introduced into evidence). In 1999 BCWD exceeded its contractual amount of water that it is allowed to purchase from the City of Morehead by a substantial amount. Until the City of Morehead constructs a new water treatment plant, which is presently in the works and which will have additional capacity that BCWD may purchase, BCWD is limited in the amount of water they may purchase. BCWD acknowledges that it has gone over this allotted capacity and that

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to the Division of Water. The Hatfields submitted those plans to the Division of Water prior to acceptance by BCWD.

III. Should Bath County Water District be ordered to accept the Hatfields' three-inch waterline extension, then the Hatfields should be required to pay the entire cost to Bath County Water District for the extension, including the upgrade of Bath County Water District's facilities to service this extension.

807 KAR 5:066§11(3) provides that "An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire costs of the extension." It is the position of BCWD that should BCWD be required to accept this extension proposed by the Hatfields, then the Hatfields should be responsible for the entire cost of the extension which would include the upgrade of BCWD's existing system facilities to allow service to Meadowbrook Subdivision without adversely affecting existing BCWD customers.

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CONCLUSION

Although this case presents an unfortunate situation for the Hatfields, BCWD has done nothing wrong and in fact, is doing everything it can to protect its existing customers, stay within the mandates of the law, and remain in compliance with the Division of Water. There is no legal requirement that BCWD accept the Hatfields' extension. If there were such a requirement, BCWD is justified in not accepting this extension due to the Hatfields' neglect to submit adequate plans to BCWD during the time that extensions could be accepted according to the Division of Water; the fact that BCWD only has a

limited amount of water to sell; and due to the fact that BCWD's system is inadequate to maintain service with existing customers should it serve the Meadowbrook Subdivision. There is no reasonable alternative for BCWD and therefore, the Hatfield's extension is not a part of the BCWD water distribution system.

WHEREFORE, BCWD respectfully requests the Public Service Commission to enter an Order dismissing the Hatfields' Complaint.

Respectfully submitted,

CAMPBELL & ROGERS ATTORNEYS AT LAW 154 Flemingsburg Road Morehead, KY 40351 (606) 784-8926

BY:

EARL ROGERS III
Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served on the parties by mailing or hand-delivering the same to the following:

Hon. Michael Fox Attorney at Law P. O. Box 1450 Olive Hill, KY 41164

Martin Huelsmann, Executive Director Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, KY 40602

THIS the $27^{\frac{1}{10}}$ day of $\frac{\text{July}}{\text{July}}$, 2000.

EARL ROGERS III

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION CASE NO. 99-436

In the Matter of:

ROBERT HATFIELD



BRIEF OF THE COMPLAINANT

BATH COUNTY WATER DISTRICT

DEFENDANT

STATEMENT OF THE CASE

On December 22, 1998 Robert and Tina Hatfield, complainants, herein ("Hatfields"), purchased a 120 acre farm in Bath County, Kentucky for residential development. Prior to the purchase, the Hatfields were assured that county water line extensions in future subdivisions "would not be a problem." They purchased the property in reliance on these assurances. (See Tina Hatfield affidavit).

After the development was underway several requests for a main line water extension were made by the Hatfields, each yielding only rejection. The Bath County Water Board, Respondent, herein ("Bath"), initially gave no specific reason for the denial, but in the spring of 1999 there was a main line ban in place because of water shortages in the county which may have justified the denial at that time.

In June, the line extension ban for Bath County was lifted. After hearing the Hatfield's renewed request, the board declined to extend the water line into the Hatfield

v.

property. It should be noted that the Hatfields were willing to privately fund the cost of the extension.

Many months passed without Bath approving the requests of the Hatfields. Meanwhile, the development gradually proceeded with the new residents running one-inch water lines to their property off the main lines that bordered the development. This manner of installation was not approved by applicable inspection standards and the Hatfields and subsequent purchasers were not permitted to cover the lines. Winter came and when temperatures fell below freezing, the water lines froze. Residents went for weeks without running water.

This action followed.

At the conclusion of the hearing the Commission asked the parties to specifically brief the following issues:

- 1. What obligation will the Water District face when the number of customers that are requesting service exceed the ability of the Water District to provide service in conformity with the Commission's Regulations and Standards?
- 2. Does the Water District have to accept the three-inch line as an extension in order to allow the meter to be placed on that three-inch line?

The Commission also invited the parties to brief additional issues as each deemed necessary. (See Trans. P. 224-225).

ARGUMENTS

I. What obligation will the Water District face when the number of customers that are requesting service exceed the ability of the Water District to provide service in conformity with the Commission's Regulations and Standards?

The applicable regulation concerning this issue is 807 KAR 5:066. <u>Water.</u> Section 11 states:

Extension of Service.

(1) Normal extension. An extension of fifty (50) feet or less shall be made by a utility to its existing distribution main without charge for a prospective customer who shall apply for and contract to use service for one (1) year or more.

(2) Other extensions.

- (a) When an extension of the utility's main to serve an applicant or group of applicants amounts to more than fifty (50) feet per applicant, the utility may, if not inconsistent with its filed tariff, require the total cost of the excessive footage over fifty (50) feet per customer to be deposited with the utility by the applicant or the applicants, based on the average estimated cost per foot of the total extension.
- (b) Each customer who paid for service under such extension shall be reimbursed under one (1) of the following plans, which shall be included in the utility's filed tariff:
- (3) An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year, for a refund period of not less than ten (10) years, the utility shall refund to the applicant 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 therefrom. Total amount refunded shall not exceed the amount paid to the utility. No refund shall be made after the refund period ends.
- (4) Nothing contained herein shall be construed to prohibit the utility from making extensions under different arrangements if such arrangements have received the prior approval of the commission.

- (5) Nothing contained herein shall prohibit a utility from making at its expense greater extensions than herein prescribed, provided like free extensions are made to other customers under similar conditions. The conditions under which such extensions will be made shall be stated in the utility's filed tariff.
- (6) Upon complaint to and investigation by the commission a utility may be required to construct extensions greater than fifty (50) feet upon a finding by the commission that such extension is reasonable and that an extension of fifty (50) feet or less is unreasonable under the circumstances. (emphasis added).

807 KAR 5:006 Section 1. Definitions, states:

- (2) "Distribution main" means a line from which service connections with customers are taken at frequent intervals.
- (5) "Point of service" means the outlet of a customer's water meter, or valve if no meter is placed.
- (6) "Service connection" means the line from the main to the customer's point of service, and shall include the pipefittings and valves necessary to make the connection.
- (7) "Service line" means the water line from the point of service to the place of consumption.
- (8) "Transmission main" means a line which is used for conveying water to the distribution system, reservoirs, tanks or standpipes, and has generally no service connections with customers.

The three-inch distribution main line extension in this matter is inarguably longer than the fifty (50) feet specified in sub-paragraph (1) above. Therefore the provisions of sub-paragraph (2) apply. The language of the regulation in no way mandates that residents with property contiguous to a distribution main line have a "right" to tap onto the distribution main line, as is argued by Bath (Trans. P 112). However, Bath may construe the language under sub-paragraph (1) above to require such extensions. When one considers the language

of <u>Section 5</u> of the same regulations, it becomes patently obvious that this argument doesn't hold ... well, doesn't hold water.

Section 5. Pressures. (1) Standard pressure. Each utility shall, subject to the approval of the commission, adopt and maintain a standard pressure in its distribution system at locations to be designated as the point or points of "standard pressure." The selection of such points shall be confined to locations fairly representative of average conditions. In selecting points for fixed standard pressure, a utility may divide its distribution system into districts, if division is necessary due to differences of elevation or loss of pressure, because of friction, or both, and may either adopt a standard pressure for each division or establish a single standard pressure for its distribution system as a whole. In no case shall the constant difference between the highest and lowest pressures in a district for which a standard has been adopted exceed fifty (50) percent of such standard. In the interpretation of this rule it shall be understood that in districts of widely varying elevations or low customer density a utility may undertake to furnish a service which does not comply with the foregoing specifications if the customer is fully advised of the conditions under which average service may be expected. It shall be understood that nothing shall prevent the commission from requiring improvements when, upon investigation, it appears right and proper that such betterments should be made. In no event, however, shall the pressure at the customer's service pipe under normal conditions fall below thirty (30) psig nor shall the static pressure exceed 150 psig. (emphasis added).

Given the specific language of the regulation, Bath can and should develop policies that permit it to provide service to those residences in proximity to its distribution main lines. Since the regulation requires extensions and requires minimum pressures to its customers, Bath has an obligation to adopt the extensions until such time as the customer burden prevents it from accepting more customers. Bath seeks to hide behind the limiting language regarding required pressures, but ignores the equally strong language that requires extensions.

In any event, <u>Section 11</u>, sub-paragraph four (4) above provides Bath with the option of making "different arrangements" with the approval of the Commission. This regulation obviates any argument Bath can make regarding its inability to make accommodations to or

for the Hatfields. Bath at no time sought the Commission's approval of "different arrangements" even though the Hatfields made their position very clear that they were willing to do anything within reason to cooperate with Bath.

Bath should be expected to make all reasonable efforts to provide service, rather than be permitted to divine excuses for not serving customers, but it has no obligation under the regulations to continue to add customers when to do so causes violations of other regulations. A common sense application of the regulations should be implicit. Bath has had several options available to it short of simply denying the Hatfield's request. It could have adopted the distribution main line extension and slowly added customers until such time as the pressure burden was determined. It could have accepted its own engineer's best estimate (See Taylor affidavit) and approved customers up to that limit and then revisited the issue after usage patterns were established by the customers. Instead, Bath simply chose to deny service without statutory, regulatory or rational basis.

II. Does the Water District have to accept the three-inch line as an extension in order to allow the meter to be placed on that three-inch line?

The regulations provide guidance on this issue as well. It is uncontroverted that scores of residents spent long periods of time during the winter of 1999-2000 with no water service due to frozen water lines. This was directly due to the fact that Bath allowed these customers to run one-inch lines (in uncovered ditches) instead of utilizing the three inch distribution main line extension.

807 KAR 5:066 Section 4 states:

Continuity of Service. (1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its consumers and the general public. If an emergency interruption of service affects service to any public fire protection device, the utility shall immediately notify the fire chief or other public official responsible for fire protection.

Section 7 states:

Standards of Construction. Design and construction of the utility's facilities shall conform to good standard engineering practice. Plans and specifications for water supplies shall be prepared by an engineer registered in Kentucky, with the submitted plans bearing the engineer's seal. The utility's facilities shall be designed, constructed and operated so as to provide adequate and safe service to its customers and shall conform to requirements of the Natural Resources Cabinet with reference to sanitation and potability of water.

Section 9 states:

Service Lines

- (1) Size of service line. The size, design, material and installation of the service line shall conform to such reasonable requirements of the utility as may be incorporated in its rules and administrative regulations. However, the minimum size of the line shall not be less than three-fourths (3/4) inch nominal size except under unusual circumstances, which shall be clearly defined.
- (2) Depth of service line. All service lines shall be laid at a depth sufficient to prevent freezing during the coldest weather normally experienced except where services are not intended for use during freezing weather and are actually drained during such periods.
- (3) Inspection of service line. In the installation of the service line, the utility shall require the customer to leave the trench open and pipe uncovered, and the utility shall inspect the line to determine it is free from any tee, branch connection, irregularity or defect. The utility may substitute for its inspection an inspection by the appropriate state or local plumbing inspector, if proof of that inspection is presented to the utility by the customer. (emphasis added).

The regulations cited above obviously intend the water district to ensure that the lines are installed in such manner as to reduce, as much as possible, interruptions of service caused by mechanical, natural or other forces. The *status quo* is not acceptable under the regulations and the use of the one-inch lines should be discontinued as soon as is practicable.

The issue of whether Bath must adopt the three-inch line as an "extension" is really a non-issue created by Bath's misunderstanding of its obligations under the regulations. Bath should adopt the three-inch line as a distribution main line extension and provide service to as many customers as feasible considering its pressure obligations discussed above.

III. Did the Hatfields make its request for services properly?

Bath also complains that the Hatfields plans for the design and location of the three-inch distribution main line extension did not comply with Bath's requirements. However, Bath admittedly has no written policies outlining procedures to follow when requesting extensions of service. (Trans. P 103-106). Without written policies and procedures to regulate the application process for distribution main line extensions, Bath has no way to ensure that applicants are treated fairly or to prevent abuse of approvals and denials. (See Trans. P. 104-106).

IV. Bath's findings regarding the impact on water pressure of existing customers were based on estimates, not "true" pressure readings.

807 KAR 5:066 Section 5 (3) states:

(3) Pressure surveys. At least once annually, each utility shall make a survey of pressures in its distribution system of sufficient magnitude to indicate the quality of service being rendered at representative points in its system. Pressure charts for these surveys shall show the date and time of beginning and end of the test and the location at which the test was made. Records of these pressure surveys shall be maintained at the utility's principal office in Kentucky and shall be made available to the commission upon request.

Had Bath complied with this regulation, there would have been no need to conduct a pressure survey when the Hatfields made their request. In any event, the pressure survey introduced at the hearing of this matter does not comply with the requirements of this regulation in its mandate for the "date and time of beginning and end of the test and the location at which the test was made". Further, the location of the test was not determined to be taken at "representative points" in the system to determine average or peak pressures for existing or potential customers. Since Bath utilizes this information as the basis for its denial of service to the Hatfields, the denial is without foundation.

CONCLUSION

For the foregoing reasons, the Hatfield's request for water service from Bath should be mandated by the Commission. There are numerous remedies available to Bath short of simply denying the request for service. It should not be forgotten that there are many families living in the Meadowbrook Subdivision in Bath County, Kentucky who are facing yet another winter of frozen water lines and hazardous conditions caused by open ditches.

The record of the hearing in this matter reveals no evidence or basis in law for Bath's denial of service to the Hatfields and the residents of the Meadowbrook Subdivision in Bath County, Kentucky.

Respectfully submitted:

Michael B. Fox

CERTIFICATE

I hereby certify, that in accordance with CR Rules 5.02 and 5.03, a true copy of the foregoing Brief of Complainant has been served upon Hon. Earl Rogers, Campbell & Rogers, 156 Flemingsburg Road, Morehead, KY 40351, and Martin Huelsmann, Executive Director, Public Service Commission, 730 Schenkel Lane, P. 0. Box 615, Frankfort, KY 40602, by mailing a copy of the same by postage prepaid this the 26 day of July, 2000.

Michael B. Fox

FOX LAW OFFICE

P.O. Box 1450

185 W. Tom T. Hall Blvd. Olive Hill, KY 41164-1450

(606) 286-5351

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION CASE NO. 99-436

In the Matter of:

ROBERT HATFIELD



BRIEF OF THE COMPLAINANT

BATH COUNTY WATER DISTRICT

DEFENDANT

* * * * * *

STATEMENT OF THE CASE

On December 22, 1998 Robert and Tina Hatfield, complainants, herein ("Hatfields"), purchased a 120 acre farm in Bath County, Kentucky for residential development. Prior to the purchase, the Hatfields were assured that county water line extensions in future subdivisions "would not be a problem." They purchased the property in reliance on these assurances. (See Tina Hatfield affidavit).

After the development was underway several requests for a main line water extension were made by the Hatfields, each yielding only rejection. The Bath County Water Board, Respondent, herein ("Bath"), initially gave no specific reason for the denial, but in the spring of 1999 there was a main line ban in place because of water shortages in the county which may have justified the denial at that time.

In June, the line extension ban for Bath County was lifted. After hearing the Hatfield's renewed request, the board declined to extend the water line into the Hatfield

property. It should be noted that the Hatfields were willing to privately fund the cost of the extension.

Many months passed without Bath approving the requests of the Hatfields. Meanwhile, the development gradually proceeded with the new residents running one-inch water lines to their property off the main lines that bordered the development. This manner of installation was not approved by applicable inspection standards and the Hatfields and subsequent purchasers were not permitted to cover the lines. Winter came and when temperatures fell below freezing, the water lines froze. Residents went for weeks without running water.

This action followed.

At the conclusion of the hearing the Commission asked the parties to specifically brief the following issues:

- 1. What obligation will the Water District face when the number of customers that are requesting service exceed the ability of the Water District to provide service in conformity with the Commission's Regulations and Standards?
- 2. Does the Water District have to accept the three-inch line as an extension in order to allow the meter to be placed on that three-inch line?

The Commission also invited the parties to brief additional issues as each deemed necessary. (See Trans. P. 224-225).

ARGUMENTS

I. What obligation will the Water District face when the number of customers that are requesting service exceed the ability of the Water District to provide service in conformity with the Commission's Regulations and Standards?

The applicable regulation concerning this issue is 807 KAR 5:066. <u>Water.</u> Section 11 states:

Extension of Service.

(1) Normal extension. An extension of fifty (50) feet or less shall be made by a utility to its existing distribution main without charge for a prospective customer who shall apply for and contract to use service for one (1) year or more.

(2) Other extensions.

- (a) When an extension of the utility's main to serve an applicant or group of applicants amounts to more than fifty (50) feet per applicant, the utility may, if not inconsistent with its filed tariff, require the total cost of the excessive footage over fifty (50) feet per customer to be deposited with the utility by the applicant or the applicants, based on the average estimated cost per foot of the total extension.
- (b) Each customer who paid for service under such extension shall be reimbursed under one (1) of the following plans, which shall be included in the utility's filed tariff:
- (3) An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year, for a refund period of not less than ten (10) years, the utility shall refund to the applicant 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 therefrom. Total amount refunded shall not exceed the amount paid to the utility. No refund shall be made after the refund period ends.
- (4) Nothing contained herein shall be construed to prohibit the utility from making extensions under different arrangements if such arrangements have received the prior approval of the commission.

- (5) Nothing contained herein shall prohibit a utility from making at its expense greater extensions than herein prescribed, provided like free extensions are made to other customers under similar conditions. The conditions under which such extensions will be made shall be stated in the utility's filed tariff.
- (6) Upon complaint to and investigation by the commission a utility may be required to construct extensions greater than fifty (50) feet upon a finding by the commission that such extension is reasonable and that an extension of fifty (50) feet or less is unreasonable under the circumstances. (emphasis added).

807 KAR 5:006 Section 1. Definitions, states:

- (2) "Distribution main" means a line from which service connections with customers are taken at frequent intervals.
- (5) "Point of service" means the outlet of a customer's water meter, or valve if no meter is placed.
- (6) "Service connection" means the line from the main to the customer's point of service, and shall include the pipefittings and valves necessary to make the connection.
- (7) "Service line" means the water line from the point of service to the place of consumption.
- (8) "Transmission main" means a line which is used for conveying water to the distribution system, reservoirs, tanks or standpipes, and has generally no service connections with customers.

The three-inch distribution main line extension in this matter is inarguably longer than the fifty (50) feet specified in sub-paragraph (1) above. Therefore the provisions of sub-paragraph (2) apply. The language of the regulation in no way mandates that residents with property contiguous to a distribution main line have a "right" to tap onto the distribution main line, as is argued by Bath (Trans. P 112). However, Bath may construe the language under sub-paragraph (1) above to require such extensions. When one considers the language

of <u>Section 5</u> of the same regulations, it becomes patently obvious that this argument doesn't hold ... well, doesn't hold water.

Section 5. Pressures. (1) Standard pressure. Each utility shall, subject to the approval of the commission, adopt and maintain a standard pressure in its distribution system at locations to be designated as the point or points of "standard pressure." The selection of such points shall be confined to locations fairly representative of average conditions. In selecting points for fixed standard pressure, a utility may divide its distribution system into districts, if division is necessary due to differences of elevation or loss of pressure, because of friction, or both, and may either adopt a standard pressure for each division or establish a single standard pressure for its distribution system as a whole. In no case shall the constant difference between the highest and lowest pressures in a district for which a standard has been adopted exceed fifty (50) percent of such standard. In the interpretation of this rule it shall be understood that in districts of widely varying elevations or low customer density a utility may undertake to furnish a service which does not comply with the foregoing specifications if the customer is fully advised of the conditions under which average service may be expected. It shall be understood that nothing shall prevent the commission from requiring improvements when, upon investigation, it appears right and proper that such betterments should be made. In no event, however, shall the pressure at the customer's service pipe under normal conditions fall below thirty (30) psig nor shall the static pressure exceed 150 psig. (emphasis added).

Given the specific language of the regulation, Bath can and should develop policies that permit it to provide service to those residences in proximity to its distribution main lines. Since the regulation requires extensions and requires minimum pressures to its customers, Bath has an obligation to adopt the extensions until such time as the customer burden prevents it from accepting more customers. Bath seeks to hide behind the limiting language regarding required pressures, but ignores the equally strong language that requires extensions.

In any event, <u>Section 11</u>, sub-paragraph four (4) above provides Bath with the option of making "different arrangements" with the approval of the Commission. This regulation obviates any argument Bath can make regarding its inability to make accommodations to or

for the Hatfields. Bath at no time sought the Commission's approval of "different arrangements" even though the Hatfields made their position very clear that they were willing to do anything within reason to cooperate with Bath.

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II. Does the Water District have to accept the three-inch line as an extension in order to allow the meter to be placed on that three-inch line?

The regulations provide guidance on this issue as well. It is uncontroverted that scores of residents spent long periods of time during the winter of 1999-2000 with no water service due to frozen water lines. This was directly due to the fact that Bath allowed these customers to run one-inch lines (in uncovered ditches) instead of utilizing the three inch distribution main line extension.

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CONCLUSION

For the foregoing reasons, the Hatfield's request for water service from Bath should be mandated by the Commission. There are numerous remedies available to Bath short of simply denying the request for service. It should not be forgotten that there are many families living in the Meadowbrook Subdivision in Bath County, Kentucky who are facing yet another winter of frozen water lines and hazardous conditions caused by open ditches.

The record of the hearing in this matter reveals no evidence or basis in law for Bath's denial of service to the Hatfields and the residents of the Meadowbrook Subdivision in Bath County, Kentucky.

Respectfully submitted:

Michael B. Fox

CERTIFICATE

I hereby certify, that in accordance with CR Rules 5.02 and 5.03, a true copy of the foregoing Brief of Complainant has been served upon Hon. Earl Rogers, Campbell & Rogers, 156 Flemingsburg Road, Morehead, KY 40351, and Martin Huelsmann, Executive Director, Public Service Commission, 730 Schenkel Lane, P. 0. Box 615, Frankfort, KY 40602, by mailing a copy of the same by postage prepaid this the 26 day of July, 2000.

Michael B. Fox

FOX LAW OFFICE

P.O. Box 1450

185 W. Tom T. Hall Blvd.

Olive Hill, KY 41164-1450

(606) 286-5351



COMMONWEALTH OF KENTUCKY **PUBLIC SERVICE COMMISSION** 211 SOWER BOULEVARD POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

June 30, 2000



To: All parties of record

RE: Case No. 1999-436

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell Secretary of the Commission

SB/hv Enclosure Mr. Alfred Fawns
Manager
Bath County Water District
21 Church Street
P. O. Box 369
Salt Lick, KY 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY 40351

Honorable Earl Rogers Attorney for Bath County Water Dist. Campbell & Rogers 154 Flemingsburg Road Morehead, KY 40351

Michael B. Fox Attorney (for Robert Hatfield) Fox Law Offices 185 West Tom T. Hall Blvd. P.O. Box 1450 Olive Hill, KY 41164 1450

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

n the	e Matter of:		
	ROBERT HATFIELD)	
	COMPLAINANT)	
	V.)	CASE NO. 99-436
	BATH COUNTY WATER DISTRICT)	
	DEFENDANT	,	

ORDER

Upon motion of the Commission, IT IS HEREBY ORDERED that the briefs upon the hearing of this case are to be filed no later than July 22, 2000.

Done at Frankfort, Kentucky, this 30th day of June, 2000.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION



In the Matter of:

	ROBERT HATFIELD)
V.	COMPLAINANT)) CASE NO. 99-436
	BATH COUNTY WATER DISTRICT))
	DEFENDANT	,

Comes now the Affiant, ALFRED FAWNS, JR., after first being duly sworn, states under oath as follows:

- 1. I, ALFRED FAWNS, JR., am presently the manager of the Bath County Water District. I have been so employed since August of 1999.
- 2. I have had an opportunity to review the affidavits filed by the Complainants in this action and would like to respond to some of the assertions made in those affidavits.
- 3. Mr. Hatfield asserts that in February he purchased 18 water meters from the Bath County Water Board but hasn't had any meters set up to this point. I would like to point out that Mr. Hatfield purchased and made deposits on 18 water meters, but has not indicated the location of the property to be served or provided a plumbing permit for those water meters and as a result, they cannot be set until that point in time. In fact, at the time Mr. Hatfield purchased those water meters, he informed me that he had heard that the Division of Water was going to impose a tap-on ban and therefore, he was trying to get these purchased prior to the tap-on ban occurring.

- 4. Ms. Hatfield has asserted that I have lied to her by stating that the Bath County Water Board did not have authority to approve water line extensions and that it was done by the Division of Water. Her assertion that I lied to her is false. Although I am sure that I explained to her than any water line extension would have to be approved by the Division of Water, I in no way indicated to her that the Bath County Water District did not have to approve the extension also. Furthermore, I have never told Ms. Hatfield that the Bath County Water District was wrong in denying her request for a water line extension nor did I ever tell her that the Bath County Water District Board did not know what they were doing.
- 5. The current number of actual water customers in the area used by Scott Taylor in his hydraulics assessment is 216, not 105 as relied upon by Mr. Scott from a customer count performed on a previous year for a project.

THIS $\frac{7}{}$ day of $\frac{4-0}{}$, 2000.

ALFRED FAWNS, JR., Affigit

Subscribed, sworn to, and acknowledged before me by the Affiant, **ALFRED FAWNS, JR.**, this the <u>1724</u> day of <u>Lyrie</u>, 2000.

My Commission expires 12 June 2002

Margaret Sue Anderson NOTARY PUBLIC. STATE AT LARGE

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVEL
APR - 5 2000
PUBLIC SERVICE

In the Matter of:

	ROBERT HATFIELD)	
V.	COMP	PLAINANT)	CASE NO. 99-436
	BATH COUNTY WATER DISTRICT)	
	DEFE) NDANT	

<u>DEFENDANT'S ANSWER TO INTERROGATORIES</u> AND REQUEST FOR PRODUCTION OF DOCUMENTS

Comes now the Defendant, Bath County Water District, and hereby submits the following answers to the Complainant's Interrogatories and Request for Production of Documents, and states under oath as follows:

INTERROGATORY NO. 1: State your name, address, date of birth, employment status, and identify your employer.

ANSWER: David Scott Taylor; 1428 Corona Drive, Lexington, Ky.; dob 4/21/52; Vice President of Water Supply and Project Engineer with Mayes, Sudderth & Etheredge, Inc., 624 Wellington Way, Lexington, Ky.

Alfred Fawns Jr., 436 Ferguson Road, Owingsville, Ky.; dob 7/12/44; General Manager of Bath County Water District.

INTERROGATORY NO. 2: Describe the nature of your employment with the Bath County Water District, length of employment, and positions held with applicable dates indicated.

ANSWER: Scott Taylor, professional services contractor for the Bath County Water

District, since approximately 1983.

Alfred Fawns Jr., General Manager of Bath County Water District, since August 1999.

INTERROGATORY NO. 3: State with specificity the basis for Defendant's denial of Complainant's requests for water service.

ANSWER: The Bath County Water District has refused to accept the Complainant's proposed 3 inch water line extension for the following reasons:

- 1. The Complainant's have not provided the District competed and acceptable plans and specifications for the water line extension.
- 2. The Complainant's have not provided the District with hydraulic calculations or assurances that the additional water demands of the proposed subdivision would not adversely affect the subdivision's service or the service of existing District customers in the area.
- The District has severe concerns that the proposed subdivision water demands would reduce the water pressure of existing District customers and customers of the subdivision below the state mandated 30 PSI.
- The Bath County Water District has exceeded its water purchase contract limits from all suppliers.

5. Due to water purchase contract limits and limited system facilities for distribution the Division of Water has in the past and is presently imposing a water line extension ban. Further, the District is under threat of a tap on ban due to above reasons.

INTERROGATORY NO. 4: With regard to engineering calculations, describe with specificity all calculations used to determine the demand for a given portion of the water system, including information regarding the minimum quantity of water (gallons per minute) and pressure (psi) that is used in the analysis.

ANSWER: The basis for the demands used in the calculations by Engineer Scott Taylor is based upon the number of existing and proposed water users and the formula Q = 10 times the square root of C. Q is peak flow in gpm and C is the number of customers served through a single line. The pressures were computed based upon the flows determined above and the hydraulic geometry.

INTERROGATORY NO. 5: What is the required quantity of water (gallons per minute) for residential use, and at what minimum pressure must it be supplied to comply with all regulations adopted by the Commonwealth of Kentucky.

ANSWER: There is no required quantity of water for residential use. Assuming you are asking what amount the engineer used in his calculations, the Engineer used the amount calculated in the formula set out in Answer to Interrogatory No.

4. The required minimum pressure is 30 psi.

INTERROGATORY NO. 6: If the Defendant has determined peak demand in the Defendants subdivision which is the subject of this litigation, state the means and method,

including applicable formulas, that were used to determine such demand.

ANSWER: The estimated peak demand was calculated by Engineer Scott Taylor by use of the formula set out in Answer to Interrogatory No. 4.

INTERROGATORY NO. 7: What is the average household water use in Bath County per month?

ANSWER: In 1998 4,717 gallons per month. In 1999 4,921 gallons per month.

INTERROGATORY NO. 8: For all recordings, evaluations, or studies regarding the subdivision which is the subject of this litigation, describe the time period, and time frame with which such recordings were taken.

ANSWER: A pressure recording chart beginning Wednesday November 3, 1999 and concluding Friday November 5, 1999.

INTERROGATORY NO. 9: Describe, in detail, all sources of water that may affect the distribution of water to the property in reference, as provided to the Bath County Water Board on November 23, 1999.

ANSWER: The City of Morehead, Morehead Utility Plant Board water purchase contract which allots 20% of the Water Treatment Plant capacity of 4.4 million per day or 880,000 gallons per day.

The City of Mount Sterling water purchase contract which allows for the purchase of 3,550,000 gallons per month.

INTERROGATORY NO. 10: Provide and describe the sketch and all of the legs of the waterline diagram, all the sources of water, on or off of the sketch, that may effect the distribution of water to the Hatfield property.

ANSWER: See the attachments of the correspondence of Scott Taylor dated 22 November 1999.

INTERROGATORY NO. 11: Describe the number of households and how such number was determined in these calculations.

ANSWER: Assuming that the Interrogatory refers to the calculations of Scott Taylor, the number was 105. The number was determined estimated from drive counts and topographical maps for a previous project.

INTERROGATORY NO. 12: Are these households and tap quantities estimated or actually counted and known to exist?

ANSWER: According to Engineer Scott Taylor they are based on an actual count for a previous project. As of now the figure would have to be considered an estimate. Based upon information from the Manager of Field Operations the actual number has increased since that last count.

INTERROGATORY NO. 13: How were the lengths of pipes and elevations on each of the legs of this system determined? Are they measured or estimated?

ANSWER: Engineer Scott Taylor measured from U.S.G.S. topographic maps and from Plan View of Site and Layout of Septic System provided by Gerrod T. Sossong P.E.

INTERROGATORY NO. 14: Are the calculations referred to in Interrogatories No. 11, 12, and 13 an estimate or an accurate assessment of the actual conditions that will occur?

ANSWER: An assessment of the actual existing conditions by Engineer Scott Taylor.

INTERROGATORY NO. 15: If the calculations are an estimate, what is the calculated margin of error?

ANSWER: None calculated by Engineer Scott Taylor.

INTERROGATORY NO. 16: If you conducted studies that measured the quantity or volume of water used by the Defendant's subdivisions, and/or their neighbors, describe the following:

A. What were the measured quantities and where were the measuring devised located?

B. When and for how long were these measurements taken?

ANSWER: No studies performed.

INTERROGATORY NO. 17: Is it possible for the system to be altered, such as throttling back the inflow quantities into the system, so as to reduce the pressures at the measurement devices?

ANSWER: According to Engineer Scott Taylor, yes.

INTERROGATORY NO. 18: Provide a description and explanation of the engineering calculations for the recent analysis that shows how you derived the numbers for the proposed pressures at the Hatfield property considering the addition of those households.

ANSWER: The Engineer Scott Taylor use the Hazen-Williams Headloss Formula to determine pressure loss in the pipes based upon the pipe lengths, diameters, and flows as calculated as described above.

INTERROGATORY NO. 19: How many Hatfield property households are presently using water off of the water main of Blevins Valley road and Old State road?

ANSWER: Presently 24 meters are set.

INTERROGATORY NO. 20:

How many Hatfield property households did you consider

in your calculations?

ANSWER: Scott Taylor considered zero, 60, and 30.

INTERROGATORY NO. 21:

How many Hatfield property households did you consider

would ultimately be tapped on to the system at the Hatfield Property?

ANSWER:

Scott Taylor considered 30 and 60.

INTERROGATORY NO. 22:

Describe the policy and procedure of the Defendant that

determines the order in which those who have applied for water service from Defendant

receive service.

ANSWER:

There is no standard policy or procedure written or adopted by the District.

However, based upon past practice any applications for water service have

been granted. However, applications for water line extensions have been

reviewed on a case by case basis, with approval and priority determined

based upon available water capacity, feasibility, estimated construction cost

per household, and amount of money available.

REQUEST FOR PRODUCTION OF DOCUMENTS

REQUEST NO. 1:

Please provide a copy of Curriculum Vitae for all professional

persons or employees providing information in this matter.

ANSWER: Provided.

REQUEST NO. 2:

Please provide a copy of all charts, recordings, surveys, maps

or designs in your possession regarding or related to the subject property.

ANSWER: Provided.

REQUEST NO. 3:

Please provide a copy of all sketches, calculations, or diagrams

prepared by Defendant's engineer relating to this litigation.

ANSWER: Provided.

REQUEST NO. 4: Please provide a copy of all lists or other documents identifying those persons or other entities who have applied for water service from Defendant but have not yet received it.

ANSWER: Provided.

REQUEST NO. 5: Please provide a copy of all written policies or procedures of Bath County Water Board relating to the acceptance or denial of requests or applications for water service.

ANSWER: None.

REQUEST NO. 6: Please provide a copy of all minutes and audio records of defendants meeting wherein the Complainant's requests for water service have been discussed.

ANSWER: Minutes provided. No audio recordings.

Respectfully submitted,

CAMPBELL & ROGERS ATTORNEYS AT LAW 154 FLEMINGSBURG ROAD MOREHEAD, KY 40351 (606) 784-8926

EARL ROGERS III

ATTORNEY FOR Defendant

I, ALFRED FAWNS, JR., hereby certify that I have read the foregoing and the statements contained therein are true and correct to the best of my knowledge and belief
This 3 day of 4-00, 2000. Office Free ALFRED FAWNS, JR.
STATE OF KENTUCKY
SS COUNTY OF ROWAN
Subscribed, sworn to, and acknowledged before me this day or, 2000, by ALFRED FAWNS, JR.
My commission expires: 9/30/2000
NOTARY PUBLIC
I, SCOTT TAYLOR, hereby certify that I have read the foregoing and the statements contained therein are true and correct to the best of my knowledge and belief.
This 3 rd day of <u>April</u> , 2000. SCOTT TAYLOR
STATE OF KENTUCKY
SS COUNTY OF ROWAN
Subscribed, sworn to, and acknowledged before me this day of, 2000, by SCOTT TAYLOR.
My commission expires: 3/34/2020
52
NOTARY PUBLIC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served on the parties by mailing or hand-delivering the same to the following:

Hon. Michael Fox Attorney at Law P. O. Box 1450 Olive Hill, KY 41164

Martin Huelsmann, Executive Director Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, KY 40602

THIS the ______, 2000.

EARL ROGERS III

D. SCOTT TAYLOR, P.E. Chief Engineer

EMPLOYMENT	MAYES, SUDDERTH & ETHEREDGE, INC.	23 years Lexington, Kentucky
	Other firms or Agencies	4 years
EDUCATION	Bachelor of Science UNIVERSITY OF KENTUCKY Major: Civil Engineering	1975 Lexington, Kentucky
REGISTRATIONS	1979 / P.E ./ Civil / KY Mr. Taylor is an Associate Member of the National Engineers, Kentucky Society of Professional Enginee Civil Engineers and the Chi Epsilon Civil Engineering	ers, American Society of
EXPERIENCE SUMMARY	Mr. Taylor is a graduate of the University of Kentucky with Degree in Civil Engineering and is a Registered P Kentucky. Mr. Taylor is responsible for the design and supply and distribution projects handled by the firm manager or project engineer on the design and construct major water system expansion projects. His responsible for the design and construct major water system expansion projects. His responsible for the design and construct management, design of facilities, preparation of project managements, general inspection and construct documents, general inspection and construct acquisition of pertinent State and Federal permits.	rofessional Engineer in coordination of all water. He has been project tion of more than twenty nsibilities have included plans, specifications and
	Mr. Taylor's work on water system facilities have includ transmission mains and distribution lines, elevated an cathodic protection, booster pumping stations with telemequipment, raw water intake structures and water to projects have included new system construction as replacement of deteriorating systems including lines, tan For most of the systems he designs, Mr. Taylor utility hydraulic network analysis of flows and pressures be projected water demands.	nd ground storage tanks, netering and chlorination reatment facilities. The well as renovations and ks, pumps and services.

EXPERIENCE SUMMARY (continued)

Mr. Taylor also has prepared hydraulic studies and analysis of distribution networks to determine capacities of various system components for existing and future use conditions. One such study outlined the necessary construction improvement to meet water sales contracts for purchases at various system locations as well as determined the cost of water production and transmission for each contract. The computer analysis allows for calibration of the data to measure field conditions to accurately predict results of simulated conditions. He has also analyzed systems to meet fire protection requirements in conjunction with ISO standards.

Mr. Taylor has extensive experience working with State and Federal Funding Agencies in conjunction with water system design and construction projects.

He has made significant contributions to several successful CDBG Public Facilities Applications and has managed CDBG funded projects that also included funding by FmHA, EDA, ARC, and area development funds. He is familiar with pertinent regulations of each funding agency as they pertain to design and construction.

Mr. Taylor was project engineer on feasibility studies for formation and extensions of water districts. These studies analysis of sources, treatment schemes and distribution networks. The cost analysis for the most attractive design includes developing a schedule of income and expenses based upon a calculated rate schedule operation and maintenance costs, debt service and reserves.

PROJECT EXPERIENCE

The following is a list of Kentucky clients on whose water supply projects Mr. Taylor has recently served as project manager or project engineer.

- Russell Kentucky Water Improvements Project
- Muhlenberg County Water District
- Todd County Water District
- City of Bardstown
- Bath County Water District
- Sharpsburg Water District, Bath County

PROJECT EXPERIENCE (continued)

- Magoffin County Water District
- ▶ Green Hills Water District, Harlan County
- City of Walton
- Kenton County Water District
- City of McKee
- Johnson County
- ► City of Elizabethtown
- City of Springfield
- Western-Lewis Water Project
- Marion County Water District
- Green Taylor Water District
- ▶ Barnesburg Water Association
- Marion County Water District
- City of Campbellsville
- Stanford Water Lines
- ▶ Augusta (Bracken County) Water Line Treatment
- ► Flemingsburg to Maysville Water Project
- ► CSX Corporation Water Project
- Wilmore High Bridge Water Project
- Southern Madison Water District



Engineers Architects Planners

624 Wellington Way Lexington Kentucky, 40503 606-223-5694 FAX 808-223-2607 E-Mail: MSEINC@aol.cc

December 3, 1999

Alfred Fawns, Jr., Manager Bath County Water District P.O. Box 369 Salt Lick, Ky 40371

RE: Bath County Water District - Meadowbrook Subdivision Revised Hydraulic Calculations for 30 Lot Proposal MSE Project No. 9520-16

In your November meeting we discussed the hydraulics of your system and the effect of the proposed subdivision's water drafts. I was asked to consider the effect of 30 customers instead of the 60 as originally proposed. Enclosed is the calculation with only the number of proposed users changed to 30. It shows pressures above 30# for all the users instead of 29# and 23# as previously predicted with the larger number of lots.

All other comments regarding the subdivision water system plan deficiencies and total available water from Morehead as stated in our November 22, 1999 letter are still applicable. We have not received any revised plans, water facility details or hydraulic calculations from the Hatfields or their engineer, Mr. Sossong.

If you have any questions please contact us.

Sincerely,

Mayes, Sudderth & Etheredge, Inc.

D. Scott Taylor, P.E

Project Engineer



November 22, 1999

RE:

Engineers Architects Planners

624 Wellington Way Lexington Kentucky, 40503 606-223-5694 FAX 606-223-2607 E-Mail: MSEINC@aol.c

Alfred Fawns, Jr., Manager Bath County Water District P.O. Box 369 Salt Lick, Ky 40371

Bath County Water District - Meadowbrook Subdivision

Plan Review and Recommendation

MSE Project No. 9520-16

We received an e-mailed file of the basic layout of the Meadowbrook subdivision on 11/18/99 from Gerard Sassong, engineer for the Hatfield's. The plans are draft with only the proposed water lines, gate valvess, air release valves and blow off shown. He is completing the plans including details and specification for submittal to the state for the DOW review. Here are our review comments to date:

The new layout of the waterlines looks good with only one dead end and blow off valve required. The previous plan had several dead end lines and odd layout. The lines follow the roads well and should make for reasonable maintenance. Easements need to be provided.

The subdivision plans show a lot of "proposed septic lines" that are parrallel and crossing the waterlines. The state's rule for water and sewer separation or construction techniques for encroachments will be a problem. Much of the pipe will have to be encased or planed differently to meet the regulations. No notes are present for line separation, casings, etc.

Without the details or specifications, we could not review the following:

Water Line Class, burial depth, barrel protection, casing size and end treatments.

Installation procedures, pressure testing or disinfection

Creek crossing plans

Details of all valve types, valve boxes, bedding, surface restoration

Our initial review of the hydraulics of your system feeding the Blevins Valley area shows that the addition of 60 users in the subdivision may cause the pressure to existing customers and some of the proposed new users to fall below the state required 30 psi residual. See the attached profiles showing before and after the new users.

The area can be served off of the discharge side of the Preston PS by re-valving the area. The draw back there is the pump capacity of the station. Last year the station ran 24 hours per day and you still had to supplement the area's usage with water from Mt. Sterling.

Also, you are aware of the Morehead supply contract and capacity problems until their new

WTP is constructed. The Fearing Road Station which feeds the proposed extension is scheduled to be upgraded to eliminate having to use both pumps all of the time. No funds are available for the system upgrade yet. The HELP2 project will address these problems along with the service to Owingsville but completed facilities are a few years away.

Please advise if you have any questions regarding the award for this project.

Sincerely,

Mayes, Sudderth & Etheredge, Inc.

D. Scott Taylor, P.E

Project Engineer

After Meadowbrook Subdivision

Bath County Water District

75

7000 9000 9000 2000 2000 2000 1500

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0.40 0.20 0.15

AVERAGE

*********PIPE DATA***********************

Beginning Grade (ft MSL) =

Pressure =

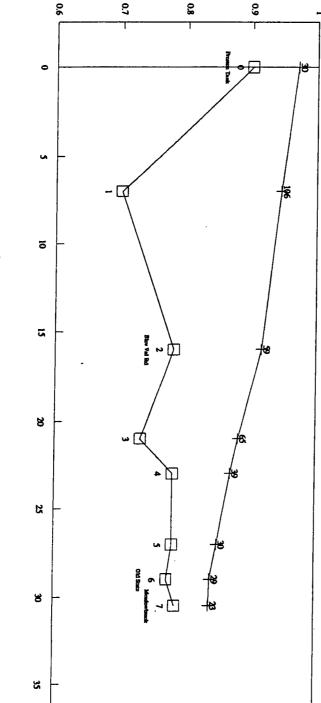
970 0

C-VALUE 140

E-VALUE

PUMP TOH

PRV HGL



Ground Line

+ HGL for Peak Flow

Preston Tank to Meadowbrook

(Thousands)

Parallel Pipe Equivalent Diameter Calculation Table

First Pipe Second Pipe Equivalent Pipe

Length 29000 29000 29000

Dia 6 6 7.81

Profiled Route Name: File Name:

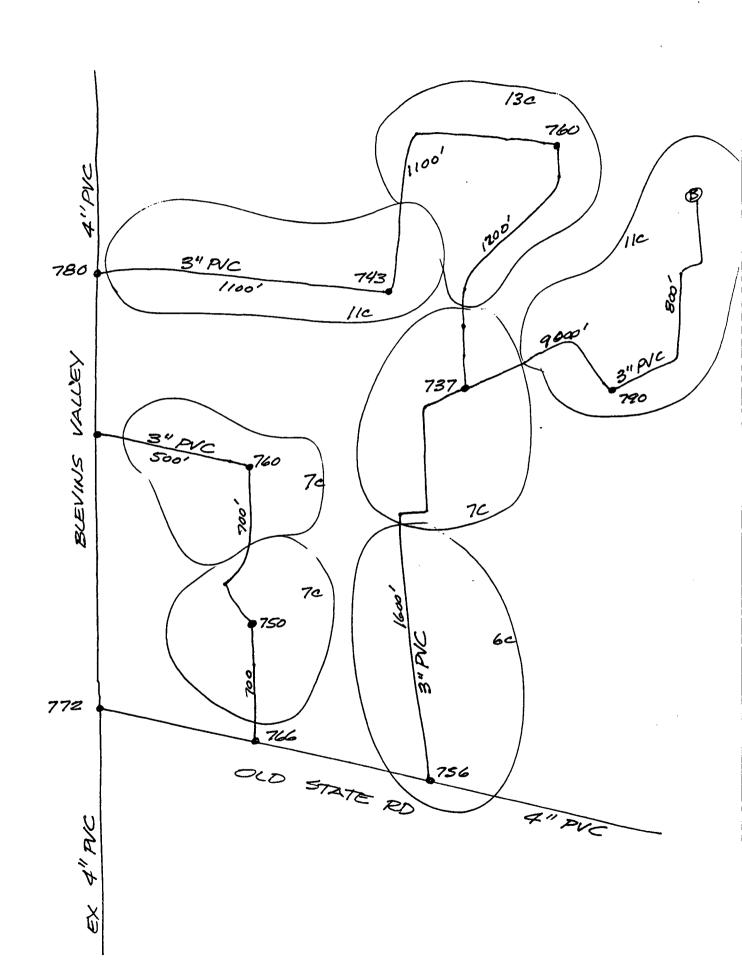
Project Title:

Profile Data Input Range

After Meadowbrook Subdivision Bath County Water District

HL(ft)= 132.8544

MEADOWBROOK SBOVN

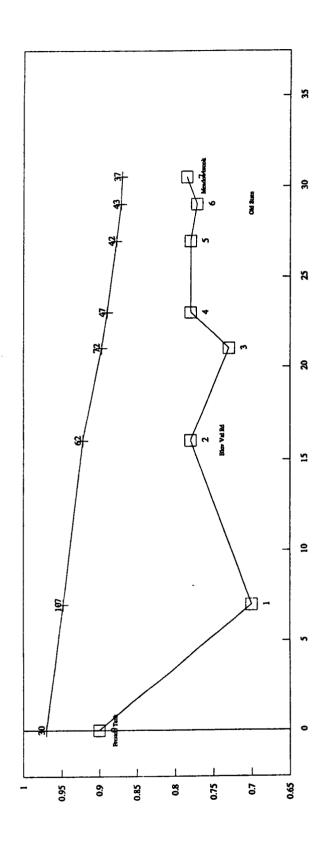


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Profile Data Input Range	nput Rang	٠	:	!		Parallel Pipe Equivalent Diameter Calculation Table	equivalent D	iameter Calcu	lation Table		HL(ft)=	100.0825
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File Name:	M	Meadow2 .PRO	0			Second Pipe		29000	9	140		
Average Usage/Customer:		0.1141552 gpm or	n of	5000 gal/mo	om/	Equivalent Pipe	¥	29000	7.81	140		
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			SPB	SPECIAL DEMANDS	****	*******	********	***************************************	****	*****	*****	******
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	€	730	20		•	4	2000	4.00	140	0.20		
	4	780	10			5	4000	4.00	140	0.40		
	2	780				9	2000	4.00	140	0.20		
Old State	9	772	30			7	1500	4.00	140	0.15		
Meadowbrook	7	785	9)
Pigcon Porge	00 ,	820	4									•
				After Meado	After Meadowbrook Subdivision w/ 30 Customers	30 Customers						

Bath County Water District



Ground Line + HGL for Peak Flow

Preston Tank to Meadowbrook

(Thousands)

(abrasuorIT)

ELEVATION IN FT (MSL.)

Project Title:

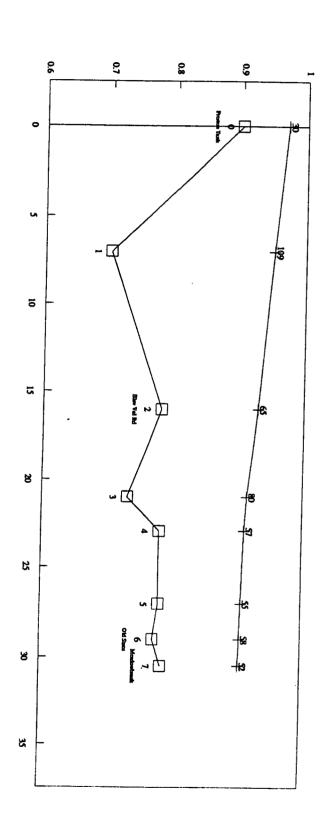
Profiled Route Name:
File Name:
Average Usage/Customer:

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alent Diameter Cald	Parallel Pipe Equivalent Diameter Calo		Profile Data Input Range Before Meadowbrook Subdivision	

Figure Forms	Meadowbrock	Old State				Blov Val Rd		Preston Tank	ABOUTEL LION			***
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								HOT WY	******	Pressure =	ft MSL) =	
							i	NA HOL	*****	0	970	

Before Meadowbrook Subdivision

Bath County Water District



ELEVATION IN FT (MSL)

(Thousands)

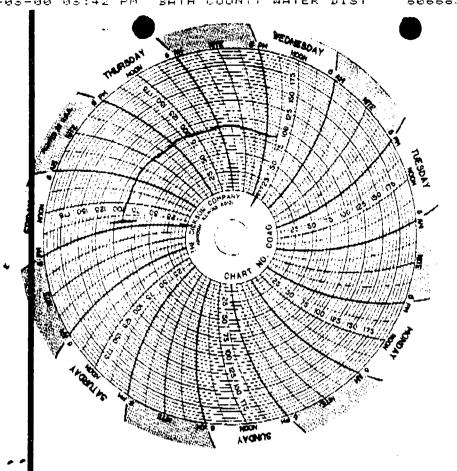
(Thousands)

Preston Tank to Meadowbrook

Ground Line + HOL for Poets Flow

PETITIONS

DATE	ROAD NAME	CUSTOMERS	MILES
		•	•
August 1993	Pendleton Branch	14	
Apri (1994	Leather Wood Project	163	9.09
Sept inber 27, 1994	Day Road	14	3.0
Sept inber 28, 1994	Washington Branch	10	1.3
Sept inber 1994	Stepstone Road to HWY 60	13	1.7
October 21, 1994	Turley Road	8	2.5
Apri (25, 1995	McCarty Branch	2	.7
June 22, 1995	Old State Road	7	2 .
1995	East Fork Road	9	
July 996	HWY 36 Slate Furnace	-5	.6
September 1996	Tunnel Hill	9	.9 '
December 1996	Mudlick Road	5	1.2
November 1997	Potterville Road	33	1.3
1997	Old Peasticks Road	3	.5



MA + P. E. W. Out 11-5-99

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MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING MAY 25, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, May 25, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Commissioner Edna Phillips, Commissioner Mike Ginter and Commissioner Earl James Norris. Chairman Albert Calvert and Secretary/Treasurer Tim Ray were not present. Employees present were Darryl Grimes, Kenneth Barber, and Jeanette Walton. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Commissioner Norris moved to appoint Commissioner Phillips as temporary Acting Chairman for the meeting due to the absence of the Chairman. Commissioner Ginter seconded. All voted aye.

Commissioner Phillips moved to appoint Commissioner Ginter as temporary Acting Secretary Treasurer for the meeting due to the absence of the Secretary/Treasurer. Commissioner Norrris seconded. All voted aye.

Commissioner Phillips moved to approve the minutes of the April 27, 1999 regular meeting. Commissioner Ginter seconded. All voted aye.

Robert and Tina Hatfield were in attendance to discuss with the Board their plans for development of subdivision on Blevins Valley and Old State Roads. They requested that the Board consider a line extension for the subdivision. The Board explained the situation the District is presently in with the line extension ban and the fact that the District is limited in what it can add to the system before the Morehead plant expansion is completed. It was explained that the Board would review this request along with the other requests once the ban was lifted.

Visitors were also present from the Potterville Road in Menifee County. This road has had a petition for service turned in to the District for some time. Manager Grimes explained to these residents that the road was not a part of the current project and that it was planned to be a part of a future expansion project. The elevation of the road is higher than the District can serve with its current tank and pump in that area. The residents asked that the District consider the road in future requests for project funding.

Manager Grimes reported to the Board on the progress of the "HELP 1" Construction Project. Grimes explained that there had been no word from Division of Water as of yet on the line extension ban being lifted. The parallel lines laid by D.F. Bailey, Inc. are in

and have been tested. The engineer has provided the system improvement information to the DOW. Grimes mentioned that the contractor would not be able to move to the other lines until we receive approval from DOW.

The Board discussed the Hawkins Branch line in Menifee County. According to figures from the engineer, the District could save approximately \$20,000 by running the line off the main road to reach the new customers along Hawkins Branch Road. The project was bid to lay the line down US 460 to reach the Hawkins Branch Road, but the costs associated with the gas lines, driveway bores, and extra distance has necessitated looking at the route through the fields. Since the customers on US 460 and the end of Hawkins Branch Road are already served by another water utility, the District would not have served any customers along the main road. Easements have been worked out for an alternate route, which includes some areas that may be potential maintenance problems. Following a discussion of the new route, maintenance concerns, etc., it was decided that District personnel would meet with the engineer and contractor to lay out the most practical, cost-effective route.

Grimes also talked to the Board about the need for an upgrade to the Fearing Road pump station. Although the suction pressure has increased significantly at the pump station due to the new 12" line, changes inside the station appear necessary in order to get better performance out of this station. Grimes has been in contact with the engineer regarding potential immediate, short-term, and long-term improvements to the pump station.

The Board reviewed a list of pay items requested by D.F. Bailey, Inc. for the "HELP 1" Project. Following a discussion of each item, on a motion by Commissioner Norris and second by Commissioner Ginter, the Board voted to pay the contractor \$2,890.00, the amount requested for the underground flush hydrant on Hart Pike and the 6" aboveground hydrant on US 60. All voted aye. The other items requested were determined to be incidental expenses and not payable as separate pay items.

Grimes reported to the Board on the bids for the Preston Tank painting project. The bid opening was held May 7th at the District office. The low bidder was the Currens Company from Versailles. Paint tests are being done on the tank at this time to be sure that overcoating the exterior of the tank will be permissible. With the low bid being in the range discussed at last month's meeting, Commissioner Norris moved that the Board accept the low bidder pending final recommendation from the project engineer. Commissioner Ginter seconded. All voted ave.

The Board approved a contract for MSE Engineers to do the engineering for a line relocation on HWY 111 at Happy Hollow. The line is being relocated due to highway construction at this location and will be fully reimbursed by the state DOT. The motion to approve the contract was made by Commissioner Phillips and seconded by Commissioner Norris. All voted aye.

Manager Grimes explained to the Board that he had received the price from Utility Service Company for the remaining four tank inspections. The tanks will be inspected

for \$1,505 per tank, which is a decrease in price from the ones done last year. Once these inspections are done, all seven tanks will have been cleaned and inspected during the past three years.

The financial report for the period ending April 30, 1999 showed that the District had a net income of \$14,000 through the first four months of the year.

The Board was informed that the past due notices had been mailed.

In Other Business:

Various line extension requests were again discussed; however, no action was taken at the meeting.

The Board approved a bill adjustment for a leak on Hart Pike for Darrell and Angela Fuller. The leak took place recently during the time the contractor was laying the new 8" line along this road. Although District personnel, the engineering inspector, and the contractor have looked at the situation, the exact cause of the leak remains unclear. It was the opinion of the Board that the District should adjust the bill for the amount of water above the average bill for the time period in question. The motion was made by Commissioner Norris and seconded by Commissioner Phillips. All voted aye.

The Board discussed the service line between Frenchburg's main line and the 1" master meter which now serves the Pendleton Branch Road. Residents along this road have complained about low pressure at their residences. The County Judge/Executive has contacted the District regarding a local contractor providing the bore free of charge if the District will pay the cost of replacing the existing 1" service line with a 3" service line in an effort to provide better service to these customers. The project is estimated to cost \$1,500. Commissioner Norris moved to approve the project, Commissioner Ginter seconded, and all voted aye.

There being no further business, Commissioner Phillips moved to adjourn. Commissioner Ginter seconded. All voted ave.

SECRETARY

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JUNE 22, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, June 22, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Mike Ginter and Commissioner Earl James Norris. Employees present were Darryl Grimes and Kenneth Barber. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Visitors were present from Old State Road to discuss the possibility of a line extension project with the Board. There has been a petition in for several years for service along this road. After discussing the project again, the Board asked for a pressure check to be done to help determine the feasibility of the project before discussing the project further.

Visitors were also present representing two new proposed subdivisions in the Blevins Valley area. The Board was asked to approve a request for line extensions for the new developments. The Board and Manager reiterated to those requesting the extension the situation the District has in regards to overall water usage, water purchase contracts, etc. The Board did not approve the request at this time.

Manager Grimes reported to the Board that the District was under conservation measures to curtail water usage. Morehead has requested that all of their customers (including wholesale customers) cut back on overall water usage, which has increased due to the unusually dry weather conditions. Grimes also discussed that he had contacted Mt. Sterling again for additional water and did not receive a positive response. The District has managed to remain on par this year with the amount of water requested from Morehead last year due to the increased contract obtained last fall from Mt. Sterling.

The "HELP 1" Project was discussed. The line extension ban from the Division of Water was lifted since the last meeting. Most of the work on the contractor's original contract has been completed. The Board authorized the project engineer to process the necessary paperwork for a change order for the remaining funds. The limited funds will be used to extend lines to other areas that were part of the original "HELP" project, as funding and hydraulics allow. The motion was made by Commissioner Ray and seconded by Commissioner Ginter. All voted aye.

Commissioner Ray moved to approve the minutes of the May 25, 1999 regular meeting. Commissioner Ginter seconded, All voted aye.

The financial report for the period ending May 31, 1999 showed that the District had a net income of \$21,000 through the first five months of the year.

The Board was informed that the past due notices had been mailed.

Scott Taylor of MSE Engineers was present to discuss system improvements with the Board. After a thorough discussion of several projects, the Board authorized Taylor and the Manager to proceed with plans for an upgrade of the Fearing Road Pump Station to be paid for out of District funds. The upgrade is estimated by the engineer to cost around \$30,000-35,000 and will be advertised for bids. The improvement is vital to the District in order to keep pace with the demand for water beyond the station. The motion was made by Commissioner Phillips and seconded by Commissioner Norris. All voted aye.

Another motion was made by Commissioner Ray and seconded by Commissioner Norris to allow for the upgrade at the Preston Pump Station and to pay for the improvement out of District funds. Engineer Taylor and Manager Grimes will check into the possibility and cost of three-phase power for the pump and will compare the cost of establishing power to the cost of a three-phase converter to run the motors. The estimated cost for the project is \$15,960 and will be done as part of the "HELP 1" Project. All Commissioners were in favor of the action.

In Other Business:

In the interest of cost savings, the Board voted to change property, liability, and workers compensation insurance coverage from Public Entity Insurance to KACO based on the quotes received as of this time by the Manager. Commissioner Ray moved, Commissioner Ginter seconded, and all voted aye.

There being no further business, Commissioner Norris moved to adjourn. Commissioner Ray seconded. All voted aye.

SECRETARY

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JULY 27, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, July 27, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Mike Ginter, and Commissioner Earl James Norris. Employees present were Darryl Grimes and Kenneth Barber. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Commissioner Phillips moved to approve the minutes of the June 22, 1999 regular meeting. Commissioner Ray seconded. All voted aye.

Wisitors were present from Old State Road again to discuss the possibility of a line extension project with the Board. After discussing the project again, the Board asked that the District's engineer be contacted for project details prior to the next meeting and that he be asked to attend the meeting. The Board will discuss the project further at that time.

Visitors were also present again representing a proposed subdivision in the Blevins Valley area. There was a discussion of the request, however, the Board did not approve the request at this time.

The status of the "HELP 1" Project was given by Manager Grimes. He reported that the initial scope of the project was close to being completed. The contractor is now working on the items approved as a change order to the original contract. A progress meeting is scheduled for July 28th at the District's office.

Manager Grimes reported to the Board that the District had gone under a water shortage alert in response to a recommendation from Division of Water. This conservation measure is necessary to curtail water usage during the hot, dry conditions this summer. Morehead and Mt. Sterling (our water suppliers) are also under water conservation measures.

The financial report for the period ending June 30, 1999 showed that the District had a net income of \$36,000 through the first six months of the year.

The Board was informed that the past due notices had been mailed.

In Other Business:

Manager Grimes reported to the Board on the actions the District has taken to ensure Year 2000 (Y2K) compliance. Grimes stated that the District's computer hardware, billing software, and accounting software is Y2K compliant according to the computer vendors. Tests have been done on the hardware and the software programs were just purchased this year and were designed to comply with Y2K. Morehead Utility Plant Board and EIC have been contacted regarding whether the District should expect any problems with the supply of water or telemetry service. Both agencies report that the District should encounter no problems. The District's engineer was contacted regarding the District's own equipment including our pump stations. Based on his knowledge of our system, the District's equipment does not rely on computer chips or time sensitive programming for its operation. Other concerns include other vendors the District relies on such as electric companies, telephone companies, etc. Each of these companies are also addressing Y2K and should be in compliance. The District does plan to purchase a generator which will be on-hand for any emergencies, including any which could possibly occur as a result of lack of power next year.

Grimes reported to the Board that the electrical changes have been made at the Fearing Road pump station to allow both pumps to operate simultaneously when needed. Ron Spencer did the electrical work and has submitted his invoice for the work in the amount of \$2,400.00. Manager Grimes and Kenneth Barber, Field Manager, reported that the change has allowed the Ore Mines storage tank to fill with water. The District has experienced problems with the level of this tank in the past. This will benefit the District until a more complete upgrade of the station can be done. Commissioner Ray moved to approve the payment for the work. Commissioner Ginter seconded. All voted aye.

The need for an office machine to be purchased to separate the computer generated billing cards was discussed. Office personnel has contacted other utilities regarding their use of this type of equipment. The machine automatically tears the cards apart and removes the edges of the computer paper. This is now being done manually and takes a considerable amount of time considering the fact that approximately 3,000 bills are sent each month. The estimated cost of the machine is \$3,700.00. Commissioner Ray moved to approve the purchase. Commissioner Phillips seconded. All voted aye.

At the request of Manager Grimes, the Board went into Closed Session to discuss a personnel matter. Following the session, action was taken in open session to formally accept the resignation of Darryl Grimes as Manager of the District. The motion was made by Commissioner Ray and seconded by Commissioner Norris. All voted aye.

There being no further business, Commissioner Norris moved to adjourn. Commissioner Ray seconded. All voted aye.

RETARY CHAIRMA

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING AUGUST 24, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, August 24, 1999, at 7:00p.m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Earl James Norris and Commissioner Mike Ginter. Employees present were Jeanette Walton, Kenneth Barber and Sherri Greene. Several visitors attended and are listed on an attached sign-in sheet.

The meeting was called to order at 7:00 p.m.

Commissioner Phillips moved to approve the minutes of the July 27, 1999 regular meeting. Commissioner Ray seconded. All voted aye.

Commissioner Ray moved to approve the minutes of the Special Called Meeting of August 24, 1999. Commissioner Norris Seconded. All voted aye.

Commissioners at this time moved to take comments from visitors since there were several different areas to be heard.

Several residents of Pendleton Branch Road had questions about an extension in their area. Commissioner Ray explained the contract situation with Morehead Utility Plant Board and upgrade plans for the treatment plant to get underway the in near future, stating that until the upgrades are done Morehead Utility Plant Board is monitoring this Districts usage and extensions very closely and there was not a lot that could be done until plant upgrades were completed. Employee Walton also explained the elevation problem and the need for a pump to serve this area. Residents were reassured that they were on a list for extension.

Some customers from the Howard Mill- Peeled Oak area were in attendance with a concern of water being purchased from Mt. Sterling Water through a master meter at Howard Mill to serve the customers in these areas. It was explained that in order to meet the demands of usage we were pulling water from all sources to get through the drought situation and that customers had been asked to conserve or cut back. The upgrades with the MUPB treatment plant were again explained. Customers were told that this District would have to rely on water from all sources until upgrades are completed. Question was asked about the Customer User Agreement "Does it state that water will be furnished from Cave Run Lake"? The customers were told that the agreement no where states the source or Cave Run Lake. And that as of August 8, there had been no water taken from Mt Sterling. However, customers were still complaining about taste and order, samples had been taken that day and sent to lab for analysis according to the Field Manager

Barber. The customers were reassured that the water from whatever source had to comply with Division of Water Standards.

Mr. Sparks from Johnson Ford Road ask about an extension. It was explained that his road was on a preapproved list under the Help 1 project with Division of Water approval. Commissioner Ray explained the 100ft-extension rule to Mr. Sparks.

Marshall Coyle ask about an extension on Washington Branch. Mr. Coyle was willing to construct lines and pay the cost. Commissioner Ray explained that no extensions were being done at this time other than the preapproved under Help 1.

Mrs. Stamper on Old State Road ask to have a 4" (four inch) meter set at the end of the existing line closer to Blevins Valley, and approval to construct a 4" (four inch) PVC private service line to her property. The line would be on the County Right of Way easement and one private easement. Mrs. Stamper wanted someone from the water District to inspect the line as it was being built incases others wanted to tie into the line in the future. If this happens Mrs. Stamper's meter would be moved to her property and the water District would take the line over under the Public Service Commission extension rule either the 5-year or 10-year payback. Mrs. Stamper will be paying all cost. Employees explained to the Stampers that this District did not have an approval to install 4" meters. The largest meter that could be set would be a 2" (two inch) and Employee Barber did not think it would be necessary to set a 2" meter. Mrs. Stamper's son was going to get information on different size meters and make the decision on meter size later. There was some discussion on the need for a pump because of previous studies of elevation. The pump would cost around \$20,000 for pump and housing, or pump and pressure tank approximately \$3,000. It was addressed that the area has to have a pump in order to meet pressures required to operate. Commissioner Ray moved to set Mrs. Stamper a meter to furnish her own private service line and to arrange for service line to be inspected as it is constructed by the Water District personnel. Commissioner Phillips seconded the motion. All voted aye.

It was brought to the attention of the Board that water conservation notices are continuing to be published in the local paper.

HELP I construction project is nearing completion and is expected to run in excess of \$3,000. of funds available. A motion was made by Commissioner Ray to transfer funds from Revenue Fund to the construction fund to cover the excess. Commissioner Norris seconded the motion. All voted aye.

Employee Walton had discussed bid tabs on the painting of the Preston tank with Engineer Scott Taylor. Mr. Taylor recommended accepting the low bid of Currens, for \$30,340. Commissioner Ray moved to authorize the Chairman to executed necessary documents to proceed with the painting of the Preston Tank. Commissioner Ginter seconded. All voted aye.

The past due report was discussed and it was noted that in the month of September, customers with delinquent sewer bills will receive cut-off notices. As agreed between the Water District and Morehead Utility Plant Board and under KRS 96.932. The Plant Boards service personnel will be with the Water District personnel when disconnections are made due to non-payment of sewer bills.

Walton, noting that revenues were up over last year gave a brief financial report partly due to rate increase as well as an increase in usage. For the Month of July there was an increase of \$9,200.

Employee Walton explained to the Board that the District had been nominated for an award called the Wooden Bucket Award. This award is for outstanding performance and is to be presented at the Kentucky Rural Water Conference, August 30th through September 1st in Bowling Green. Districts nominated would be recognized at a breakfast on August 31 and the Award presented on September 1. Employees Walton and Greene planned to attend the Conference to represent the Water District. It was agreed by the Board to let employee Loria Barber work on September 1, and to close the office on Tuesday, August 31st, at noon for prior commitments that Barber had made. It was noted that August 30 and 31 were regular working days for Mrs. Barber.

IN OTHER BUSINESS

Bill Stiltner in the Means area had contacted the office stating the contractors had crossed his property without an easement on Highway 460 and ask that we set him a meter in exchange for an easement. It is the contention of employees that a previous easement signed by Mr. Stiltner covers the same property in question. It is the policy of the Board not to buy easements. Commissioner Norris moved that Mr. Stiltner be denied a meter setting. Commissioner Phillips seconded. All voted aye.

Commissioner Ray made a motion to enter a closed session. Commissioner Ginter seconded. All voted aye.

After returning to open session Commission Phillips moved to authorize the Chairman to execute a contract with Alfred Fawns, Jr. for the position of manager at a rate of \$35,000. annually for four years. Commissioner Ray seconded the motion. Vote was taken with four (4) voting yes and one (1) no.

There being no further business coming before the Board. Commissioner Ray moved to adjourn the meeting. Commissioner Norris seconded.

Secretary

Cháirman

Board Meeting Hargust 24, 1999 Dignoln Ruleaca Howard Int. Sterling Wale Mrs Mrs Ray alking May & Gall Mobil Weane Hatton mpelode Harton Hattlew Crouch Cardleton ... Dany Crouch ...Inella Sons Diana Frager I frile Domatha Samet amitogo Jarshal Coyle Humon Ciande James & Sparks Werbert B Lelation Wagne Lifain Mitchell Crooks Mary E. Stamper Fancel Cho Phyllin Fittle Vantura RS There Walters Ventura Rd. Highli Packeris-Sour Gorings Exact
Bail Crooks-Mc Carty Brown Road

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING OCTOBER 26, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, October 26, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Earl James Norris, Commissioner Mike Ginter and Commissioner Mitchell Crooks. Commissioner Ray was absent. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached sign-in sheet.

The meeting was called to order at 7:00 p.m.

A draft of the minutes for the regular meeting of September 28, 1999 was mailed with the agenda and Commissioner Ginter moved to approve the minutes as written. Commissioner Norris seconded. All voted aye.

A draft of two special called meeting was mailed also mailed along with the agenda. Commissioner Ginter moved to approve the minutes of October 4, 1999 special called meeting. Commissioner Norris seconded. All voted aye. And Commissioner Ginter moved to approve minutes of special called meeting of October 12, 1999. Commissioner Norris seconded. All voted aye.

Commissioners left the order of the agenda to hear from visitors.

The Cophers of 2727 Old State Road wanted service off the line Mrs. Stamper had installed at her own expense. It was explained to the Cophers that the Districts Engineer would have to conduct pressure studies and flow test before the District could accept the line due to the elevation this area made require a pump station. It was also pointed out, by one on the Commissioners that valve boxes are in the ditch line on county right-of-way and may need to be lowered. Commissioner Crooks moved Districts Engineer to start study and advise the board. Commissioner Norris seconded. All voted aye.

Gerard T. Sossong, P. E. spoke on behalf of Robert Hatfield. Mr. Sossong presented a drawing of a subdivision development in the Blevins Valley area with proposed water lines of four-med mains to serve 75 homes over the next two years. Mr. Sossong asks a letter of intent to serve, from the District. After much discussion, and concern of impact on our present customers, the Board determined it would be best if Mr. Sossong and the Districts engineer Scott Taylor of Mayes Sudderth and Etheredge get together and report back to the Board with the concerns discussed about our present facilities being sufficient to supply the subdivision, and Water Purchase Contract and amount of water needed to supply the 75 future homes. It was suggested that the Board give Manager Fawns the approval to issue the letter of intent after study had been made based on the two

engineers' facts and finding. Commissioners Crooks moved for Chairman to call a special Board meeting if information was available before the next regular in order not to delay the plans for Division of Water Approval, so all Commissioners would be aware of the facts and findings. Commissioner Norris seconded. All voted aye.

Curt Dimsdale with Utility Service (a tank painting and inspection company) gave a report on tanks remaining to be inspected Means, Owingsville and Perry Road to be completed within the next three months. Mr. Dimsdale mentioned the service their company offered on routine and preventive maintenance.

The financial report was review along with the past due report and connection report.

Some Personal Policy changes were discussed concerning Employees Benefits sections Vacation and sick leave. The policy was implemented for a four day work week and now Employees are required to work five days a week. Changes were made on pages 22, 23, and 24. Commissioner Ginter moved to let employees take vacation and sick leave in smaller increments of one hour or actual time off rather than ½ day increments. Commissioner Norris seconded. All voting aye. Commissioner Crooks moved to approve twelve (12) sick days per year for full time employees and vacation days as follows: after completion of one (1) year, ten (10) days after completion of ten (10) years Twelve (12) days, after completion of fifteen years fifteen (15) days of vacation Commissioner Ginter seconded. All voted aye.

IN OTHER BUSINESS:

Commissioner Norris moved to authorize Manager Fawns to sign close out paper work on HELP I Project for D F Bailey contract with RD (Final Adjusting Change Order, ROW certificates, etc.) Commissioner Crooks seconded. All voted aye.

After reviewing Change Order # 2 Commissioner Norris moved to approve payment to D F Bailey in the amount of \$626.78. Commissioner Ginter seconded. All voted aye. The Board did not approve payment for the removal and replacement of AC pipe on US 60 for \$3,051.08.

Commissioner Crooks moved to authorize Manager Fawns to sign for payments with RD once Bailey has satisfied BCWD, Engineers and RD final inspection punch list. Commissioner Ginter seconded. All voted aye.

An updated petition on McCarty Branch Road was presented to the Board. Commissioner Crooks moved for the Board spend up to \$2,000. In materials and supplies, if Maze would be agreeable to furnish the labor. All three must be committed to taking a meter by signing an application and paying a tap fee. Commissioner Norris

seconded. All voted aye. Manager informed the Board that extension would have to be submitted to Division of Water for approval.

Commissioner Crooks moved to change the number of users on Johnson Ford Road to three instead of five. Commissioner Norris seconded. All voted aye.

There being no further business coming before the Board the meeting adjourned.

Secretary-

Chairman

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING NOVEMBER 23, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, November 23, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Earl James Norris, Commissioner Tim Ray, Commissioner Mike Ginter and Commissioner Mitchell Crooks. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber and Loria Barber. Visitors in attendance are listed on an attached sign-in sheet.

The meeting was called to order by the Chairman at 7:00 p.m.

Commissioner Crooks moved to approve the minutes of the October 26,1999 meeting as Prepared. Commissioner Ginter seconded the motion. All voted aye.

The third item of the agenda was for an update on the request from Robert Hatfield. Both the engineers for the Water District, Mr. Scott Taylor, and Mr. Sossong an engineer representing the Hatfields were present. A revised set of plans was reviewed by the Board with more detail of sewer layout in relation to water lines, some looping of lines to avoid dead ends in the subdivision these changes were made and reviewed by Mr. Taylor about two weeks prior to the meeting date. Mr. Taylor stated that some other details would have to worked out and he read a letter to the Board as to what they were, however, with the number of proposed customers, pressures could drop below the PSC required 30 PSI. Hatfields were insisting on the Board giving them a letter saying they would serve their subdivision. After approximately two hours of discussion the Board ask if they could reduce the number of customers to 30 and they would take another look at it then, if the Water Districts engineer could state that this would not jeopardize other customers pressures in the district and our Purchased Water Contract with Morehead in which we are now exceeding. In summary Commissioner Crooks made a motion to deny the request and plans as presented. Commissioner Ray seconded the motion. Others voting aye and Commissioner Ginter abstained.

Some residents of Old State Road were present requesting water service off the line that Mrs. Stamper had built for her private use. Nicki Copher stated she had talked to Mrs. Stamper about turning the line over to the District at no cost. Ms. Copher was reminded that pressure was not adequate to supply 30 PSI at all times and would require a pump and tank. Commissioner Crooks moved that Scott Taylor, Districts engineer, design a pump suitable for this area and report cost. Commissioner Ray seconded the motion. All voted aye.

Residents of Pendleton Branch Road were again requesting service. This road has elevation problems. Commissioner Ray moved to have a cost study done for a pump and

tank for this area as well as Old State with possible assistance from the county for cost of pumps and tanks. Commissioner Crooks seconded the motion. All voted aye.

The Board reviewed the financial report.

The past due report was also reviewed by the Board. After some discussion Commissioner Ray moved for the Manager to give Morehead Utility Plant Board notice that the Water District would not continuing sewer billing next year. Commissioner Norris seconded the motion. All voted aye.

IN OTHER BUSINESS:

Loria Barber asks the Board to reconsider her for full-time employment since it was tabled in the September meeting.

The Board then entered closed session to look at applications for a field worker and to discuss personnel. After returning to open session Commissioner Ray moved to hire Michael Crouch, Dudley Rogers, and Loria Barber as full-time employees on a three month trial basis. Commissioner Crooks seconded the motion. All voted aye.

Commissioner Crooks moved to change personal policy to state that all employees be employed on a three month trail basis. Commissioner Norris seconded the motion. All voted aye.

After some discussion of much need upgrades, potential growth and new customers service Commissioner Ray moved to give the engineer authority to design improvements in order to utilize the new water treatment plant when it is finished. Commission Norris seconded the motion. All voted aye.

There being no further business coming before the board meeting adjourned.

Secretary

Chairman

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING DECEMBER 28, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, December 28, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Mitchell Crooks, Commissioner Earl James Norris, and Commissioner Mike Ginter. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached "sign-in" sheet.

The meeting was called to order by Chairman at 7:00 p. m.

Commissioner Ginter moved to approve the minutes of the November 23, 1999 meeting as prepared. Commissioner Norris seconded the motion. All voted aye.

Some residents of Pendleton Branch wanted to know what the engineer had reported on their service since last months meeting. Mr. Taylor had not sent cost or reports to the Distirct. Commissioner Crooks volunteered to meet with the engineer personally and report to the other members of the board. Mr. Fawns was to make an appointment with Scott Taylor, Districts Engineer to meet with Commissioner Crooks.

Robert Hayfield and others from Belgians Valley Road were wanting the approval to install approximately 8,000 L.F. of 3" line to serve a subdivision named Meadow Brook to serve 13 existing users that have long service lines that were not covered and have frozen. The Division of Water had sent plans also, for 13 existing users.

Commissioner Norris moved to move the 13 exiting meters to the property of users at an approximate cost of \$75.to be paid for by the users. Commissioner Ginter seconded the motion. Commissioner's present voting yes and Commissioner Crooks abstained from voting. There was no approval by the Board for the 8,000 L.F. of 3" line.

The Board then entered executive session to discuss hiring an attorney to answer the formal complaint of Robert Hatfield to the Public Service Commission.

Upon returning to open session Commissioner Norris moved to contact first Earl Rogers III, second Julie Williamson, and third Kim Hunt Price, for answering the Hatfield complaint. Commissioner Ginter seconded the motion. All voting aye.

Commissioner Norris moved to approve a year end salary adjustment of \$250. for Commissioners and an adjustment employees that had been with the District for one year. Commissioner Ginter seconded the motion. All voting aye.

There being no further business coming before the Board the meeting adjourned.

Secretary

Chairman '

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JANUARY 25, 2000

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, January 25, 2000, at 7:00 p.m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Mike Ginter, Commissioner Earl Norris, Commissioner Mitchell Crooks, and Secretary Treasurer Tim Ray. Employees present for the meeting were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached "Sign-In" sheet.

The meeting was called to order by the Chairman at approximately 7:10 p. m.

A draft of the December 28, 1999 minutes was circulated by mail with the agenda and Income Statement. Commissioner Ray moved to approve the minutes as prepared. Commissioner Norris seconded the motion.

Brad Frizzell, Mayor of Salt Lick with several residents of Sewer District were present to express their concerns that the Water District had opted not to continue sewer billing for the Plant Board. After some discussion and the Plant Board stating that some of issues and problems were being worked toward. Walton expressed some concerns to those present of outstanding and delinquent accounts with no policy or procedure to collect and that the decision not to bill was only briefly discussed before the board made the decision not to enter a contract for billing next year. The Board suggested that Manager and Office Personal get together to further discuss the problems and issues. A motion was made by Commissioner Norris to continue the sewer billing for the Plant Board at this time. Commissioner Ray seconded the motion. All Commissioners voting aye.

Scott Taylor, Districts engineer, called with figures arrived at from a meeting with, Commissioner Crooks on some short line extensions that were discussed in the regular December meeting. Commissioner Crooks reported as follows:

Pendleton Branch Road	2.3 miles	14 customers	\$40,000.	\$99, 000.
McCarty Branch Road	2.3 miles	4 customers		94,000.
Mudlick Road	1.2 miles	5 customers		50,000.

To bid these extensions add one-third.

After some discussion of cost a member of the Bath County Fiscal Court, Mr. Vernon Crouch was present and stated that the County Judge and Fiscal Court would be willing to furnish labor for short extensions and pump cost to help get water to these areas, if the Water District could come up with funds to furnish the pipe. It was then interacted that

Old State Road needed a pump also, and what was done for one area would have to be offered to the others as well. Commissioner Crooks made the motion that a formal written agreement be executed between the Bath County Water District and the Bath County Fiscal Court in detail as to what each party responsible and obligations. Commissioner Ray seconded the motion. All Commissioners voting aye.

The Board then discussed the purchase of a meter test bench for testing meters as required by the Public Service Commission. The District is required to test a minimum of 250 meters annual to comply. Waterworks Supply had given a quote of \$3,600. for used manual equipment and \$4,600. for automatic. Commissioner Crooks made the motion to purchase the automatic equipment. Commissioner Norris seconded the motion. All voting aye.

An agreement was discussed by the Board and executed by the Chairman to finalize Contract 9 & 10. The agreement was to settle a claim made by Shirley Williams against Kenney Inc. the contractor. It was agreed by all parties to issue a check to Shirley Williams \$2,000. that had been retained out of construction funds and placed in an escrow account until settlement.

The past due report was reviewed by the Board.

Discussion was held on the need to retain an attorney for day to day advice and to prepare legal documents for the Water District. A motion was made by Commissioner Norris to give Manager Fawns authority to contact Ira Kilburn and Earl Rogers, III for hourly rates and to submit a letter for approval by the County Judge Executive. Commissioner Ray seconded the motion. All Commissioners voted aye.

David Bailey had billed the district for the balance of a change order. According to Section VII, Article 22, second and last paragraph Mr. Bailey feels he is entitled to payment. The Board tabled this issued.

There being no further business coming before the Board the meeting adjourned.

Secretary

Chairman

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 3 0 2000

PUBLIC SERVICE COMMISSION

In	the	M	atter	of:

	ROBERT HATFIELD)	
V.	COMPLAINA	NT))	CASE NO. 99-436
	BATH COUNTY WATER DISTRICT)	
	DEFENDAN	т ,	

Comes now the Affiant, ALFRED FAWNS, JR., after first being duly sworn, states under oath as follows:

- 1. I, ALFRED FAWNS, JR., am presently the manager of the Bath County Water District. I have been so employed since August of 1999.
- 2. As the manager of Bath County Water District I am charged with overseeing the day-to-day activities of the Water District, as well as carrying out the wishes of the Bath County Water District Board of Directors.
- 3. Also, as part of my responsibility is managing the central office of the Bath County Water District. As part of my managerial duties I am charged with being custodian of the records of the District.
- 4. Attached hereto are certain documents that are within my custody and control as manager of the Bath County Water District and are kept as a part of our regular business activity. Further, these records are public records of the Bath County Water

District. I hereby affirm that the exhibits attached hereto, Exhibit A through S, are true and accurate copies of documents maintained by the Bath County Water District:

Exhibit A - Bath County Water District Charter, dated 03 March 1998, filed with the Public Service Commission;

Exhibit B - Minutes of the 25 May 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit C - Minutes of the 22 June 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit D - Minutes of the 27 July 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit E - Minutes of the 24 August 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit F - Minutes of the 26 October 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit G - Minutes of the 23 November 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit H - Minutes of the 28 December 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit I - Minutes of the 25 January 2000 Bath County Water District Board of Commissioners' meeting;

Exhibit J - A copy of correspondence dated 01 October 1997 from the Natural Resources and Environmental Protection Cabinet, Department for Environmental

Protection, Division of Water, (hereinafter referred to as Division of Water) to the Bath County Water District;

Exhibit K - A copy of correspondence dated 27 May 1998 from the Division of Water to the Bath County Water District. However, the date of that correspondence is incorrect and the correct date at the top of that correspondence should be 27 May 1999 as the correspondence was not received by our office until May of 1999;

Exhibit L - A copy of correspondence dated 15 December 1999 from the Division of Water to the Bath County Water District;

Exhibit M - A copy of correspondence dated 17 December 1999 from the Division of Water to the Bath County Water District;

Exhibit N - A copy of correspondence dated 25 January 2000 from the Division of Water to the Bath County Water District;

Exhibit O - A copy of a Water Purchase Contract dated 11 June 1979 by and between The City of Morehead, Morehead Utility Plant Board, Rowan Water, Inc., and the Bath County Water District;

Exhibit P - A copy of an extension of Water Purchase Contract dated 08 February 1993, by and between Morehead Utility Plant Board and the Bath County Water District and accompanying Minutes and Resolutions showing the adoption of that contract;

Exhibit Q - Seventeen water user agreements entered into with the Bath County Water District for properties contained in the Hatfield-owned subdivision, Meadowbrook Subdivision;

Exhibit R - A User Agreement with the Bath County Water District for a lot contained in the Hatfield subdivision, Meadowbrook Subdivision, for which the water meter has yet to be set; and

Exhibit S - A User Agreement with the Bath County Water District that is yet to be signed and further no meter is yet to be set, but has been paid for, for a lot located in the Hatfield subdivision, Meadowbrook Subdivision.

5. The Bath County Water District has severe concerns over accepting the proposed three-inch water line extension for Meadowbrook Subdivision, the subdivision owned by the Hatfields, due to concerns over its effect on water pressures in that area not only for the proposed future customers located at Meadowbrook Subdivision but also existing customers and possible future customers in the immediate vicinity of that subdivision. A foremost concern is that by accepting a three-inch extension into Meadowbrook Subdivision, Bath County Water District would be obligated pursuant to Public Service Commission regulations to set a meter and supply water to each lot contained in the subdivision which would be within fifty feet of this three-inch extension. Should the District be obligated to provide water to every lot contained in the subdivision, it is the District's belief based upon its engineering reports, that water pressures for the subdivision and the surrounding area would be in serious jeopardy of falling below the Public Service Commission mandated 30 psi.

Even if an agreement could be fashioned that would binding upon the Hatfields to limit the number of lots that would be provided water within Meadowbrook Subdivision, it is the position of the Bath County Water District Board that such an agreement would be unfair to other prospective customers in that same area in that such

an agreement would allot all of our available water capacity to one subdivision regardless of whether or not the lots are prepared and ready to hook on. Therefore, should another prospective customer desire to hook on in that area, we would have to deny service to that customer due to the fact that all of our capacity would be set aside for the Hatfield subdivision.

Even though the water line extension ban imposed upon the Bath County Water District by the Division of Water was lifted on 27 May 1999, the Division of Water cautioned Bath County Water District that "Future expansion of Bath County Water District's service area should be pro-actively planned to ensure growth and demand does not outstrip the pace of upgrades in the system." *See Exhibit K attached hereto*. Bath County Water District is attempting to comply with this warning by the Division of Water. Furthermore, the water line extension ban was re-instated on 15 December 1999. *See Exhibit L attached hereto*.

Another reason the Bath County Water District declined to accept the proposed three-inch water line extension into Meadowbrook Subdivision is that at no time was an acceptable and final set of plans presented to the Bath County Water District for acceptance.

Further, the Bath County Water District purchases its water from the City of Morehead, Morehead Utility Plant Board by virtue of a Water Purchase Contract. *See Exhibits O and P.* Pursuant tot he terms of that Contract, Bath County Water District is allowed to purchase 20% of the total capacity of the Morehead Water Treatment Plant, amounting to 880,000 gallons per day. In 1999 the Bath County Water District exceeded

its allotted capacity and averaged 962,000 gallons per day, with five months of the year exceeding 1,000,000 gallons per day. Thus, in addition to pressure concerns arising as a result of our facilities, we also have severe concerns over our water supply.

THIS 28 day of March, 2000.

ALFRED FAWNS, JR., Affiant

Subscribed, sworn to, and acknowledged before me by the Affiant, **ALFRED FAWNS, JR.**, this the <u>28th</u> day of <u>March</u>, 2000.

NOTARY PUBLIC, STATE AT LARGE

COMMONWEALTH OF KENTUCKY

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION

MAR 3 0 2000

In the	Matter of:		COMMISSION
	ROBERT HATFIELD)
V.		COMPLAINANT)) CASE NO. 99-436
	BATH COUNTY WATER DISTR	ICT) \
		DEFENDANT)

Comes now the Affiant, D. SCOTT TAYLOR, after first being duly sworn, states under oath as follows:

- 1. I, D. Scott Taylor, am a duly licensed engineer within the Commonwealth of Kentucky. I am employed by Mayes, Sudderth & Etheredge, Inc., at 624 Wellington Way, Lexington, KY 40503.
- 2. For a number of years I have been the engineer for the Bath County Water District.
- 3. On or about October, 1999 I was contacted by Bath County Water District to review proposed plans for a subdivision development in the Blevins Valley area. The plans were prepared by Mr. Gerard Sossong on behalf of Robert Hatfield. The plans were inefficient in that they had several dead-end lines and an odd layout. Further, the plans did not provide for septic lines. The plans were insufficient for my approval and for submission to the Division of Water for their approval.
- 4: On 18 November 1999 I received an e-mail file containing the basic layout of the proposed subdivision, Meadowbrook Subdivision, from Gerard Sossong on behalf

of Robert Hatfield. Again, the plans were in draft form with only the proposed water lines, gate valves, air release valves, and blow-offs shown. The new layout was improved over the previous plans and appeared reasonable. However, the new layout showed "proposed septic lines" that were parallel and crossing waterlines, which could be contrary to state law concerning the proximity of water and sewer lines. There were no notes providing details for line separation, casings, etc. Further, the plans were not accompanied by any hydraulic calculation and did not contain required specifications for water line class, burial depth, barrel protection, casing size and end treatments, installation procedures, pressure testing or disinfection, creek crossing plans, or details of the valve types, valve boxes, bedding, and surface restoration. These plans were insufficient for my approval and were insufficient to be submitted to the Division of Water for their approval.

- 5. Based upon the information that I had, I created a model of our existing water supply system to determine the impact of sixty additional customers for the Meadowbrook Subdivision. Based upon the model that I created for sixty customers in the subdivision, water pressures for existing customers as well as customers of the proposed subdivision would fall below the state required 30 psi residual. A copy of my report to the Bath County Water District, Alfred Fawns, Jr., manager, dated 22 November 1999 is attached hereto and incorporated by reference.
- 6. It should be noted that the area in which Meadowbrook Subdivision is located is presently served by a pump station located at Fearing Road. However, in 1999 that pump station was in operation twenty-four hours a day just to meet its existing load. Further, even though that pump station was in operation twenty-four hours a day, water supply had to be supplemented with water purchased from Mt. Sterling.

,

- 7. The Bath County Water District in their November meeting asked that I re-examine my model to determine the resulting water pressures for the area in which the Meadowbrook Subdivision is located and to re-calculate those pressures based upon thirty additional users as opposed to sixty. As noted in my correspondence attached hereto, dated 03 December 1999, which is incorporated by reference, is my opinion that thirty additional users in the Meadowbrook Subdivision would not reduce water pressures for our existing customers or any new customers for Meadowbrook Subdivision below the statemandated 30 psi residual. However, these calculations are based upon the assumption that these additional users and all current users will remain and be as typical users and not use gross amounts of water. Further, additional customers over and above the thirty that I calculated, whether they be located in Meadowbrook Subdivision, or in any other part of that area, could adversely affect the system causing water pressure to reduce below the mandated 30 psi.
- 8. Further, Bath County Water District purchases its water from the City of Morehead, Kentucky. This purchase occurs by virtue of a Water Purchase Contract entered into with the City of Morehead and the Rowan County Water District wherein the Bath County Water District is allotted 20 percent of the total plant capacity of the Morehead water treatment plant. As a result, Bath County Water District is allotted only 880,000 gallons per day to be purchased from the City of Morehead. In 1999 Bath County Water District far exceeded its allotted capacity and averaged 962,000 gallons per day with 5 months of the year exceeding 1,000,000 GPD.

- 9. Currently the City of Morehead has begun the process to rebuild and expand its water treatment plant. However, it will be several years before this plan is operational.
- 10. The City of Morehead, Kentucky, has been cooperative with Bath County Water District by allowing it to exceed its allotted plant capacity. However, the City of Morehead has done so only because the extra plant capacity is available. Should that plant capacity become unavailable and needed by the party to whom it is allotted, the City of Morehead would be well within its legal rights to cut off or restrict our water supply to our contractually allotted amount.
- 11. Lastly, to date I have yet to have been provided any completed plans for the proposed Meadowbrook Subdivision that I would feel comfortable approving irrespective of the water supply and pressure issues.

THIS 28th day of March , 2000.

Subscribed, sworn to, and acknowledged before me by the Affiant, **D. SCOTT TAYLOR**, this the <u>28th</u> day of <u>march</u>, 2000.

My Commission expires <u>February 19, 2002</u>

Beverly Buford

NOTARY PUBLIC, STATE AT LARGE



Engineers Architects Planners

624 Weilington Way Lexington Kentucky, 40503 608-223-5694 FAX 608-223-2607 E-Mail: MSEINC@aol.com

December 3, 1999

Alfred Fawns, Jr., Manager Bath County Water District P.O. Box 369 Salt Lick, Ky 40371

RE:

Bath County Water District - Meadowbrook Subdivision Revised Hydraulic Calculations for 30 Lot Proposal MSE Project No. 9520-16

In your November meeting we discussed the hydraulics of your system and the effect of the proposed subdivision's water drafts. I was asked to consider the effect of 30 customers instead of the 60 as originally proposed. Enclosed is the calculation with only the number of proposed users changed to 30. It shows pressures above 30# for all the users instead of 29# and 23# as previously predicted with the larger number of lots.

All other comments regarding the subdivision water system plan deficiencies and total available water from Morehead as stated in our November 22, 1999 letter are still applicable. We have not received any revised plans, water facility details or hydraulic calculations from the Hatfields or their engineer, Mr. Sossong.

If you have any questions please contact us.

Sincerely,

Mayes, Sudderth & Etheredge, Inc.

D. Scott Taylor, P.E

Project Engineer



November 22, 1999

Engineers Architects Planners

624 Weilington Way Lexington Kentucky, 40503 608-223-5694 FAX 606-223-2607 E-Mail: MSEINC@aol.com

Alfred Fawns, Jr., Manager Bath County Water District P.O. Box 369 Salt Lick, Ky 40371

RE: Bath County Water District - Meadowbrook Subdivision Plan Review and Recommendation

MSE Project No. 9520-16

We received an e-mailed file of the basic layout of the Meadowbrook subdivision on 11/18/99 from Gerard Sassong, engineer for the Hatfield's. The plans are draft with only the proposed water lines, gate valvess, air release valves and blow off shown. He is completing the plans including details and specification for submittal to the state for the DOW review. Here are our review comments to date:

The new layout of the waterlines looks good with only one dead end and blow off valve required. The previous plan had several dead end lines and odd layout. The lines follow the roads well and should make for reasonable maintenance. Easements need to be provided.

The subdivision plans show a lot of "proposed septic lines" that are parrallel and crossing the waterlines. The state's rule for water and sewer separation or construction techniques for encroachments will be a problem. Much of the pipe will have to be encased or planed differently to meet the regulations. No notes are present for line separation, casings, etc.

Without the details or specifications, we could not review the following:

Water Line Class, burial depth, barrel protection, casing size and end treatments.

Installation procedures, pressure testing or disinfection

Creek crossing plans

Details of all valve types, valve boxes, bedding, surface restoration

Our initial review of the hydraulics of your system feeding the Blevins Valley area shows that the addition of 60 users in the subdivision may cause the pressure to existing customers and some of the proposed new users to fall below the state required 30 psi residual. See the attached profiles showing before and after the new users.

The area can be served off of the discharge side of the Preston PS by re-valving the area. The draw back there is the pump capacity of the station. Last year the station ran 24 hours per day and you still had to supplement the area's usage with water from Mt. Sterling.

Also, you are aware of the Morehead supply contract and capacity problems until their new

WTP is constructed. The Fearing Road Station which feeds the proposed extension is scheduled to be upgraded to eliminate having to use both pumps all of the time. No funds are available for the system upgrade yet. The HELP2 project will address these problems along with the service to Owingsville but completed facilities are a few years away.

Please advise if you have any questions regarding the award for this project.

Sincerely,

Mayes, Sudderth & Etheredge, Inc.

D. Scott Taylor, P.E

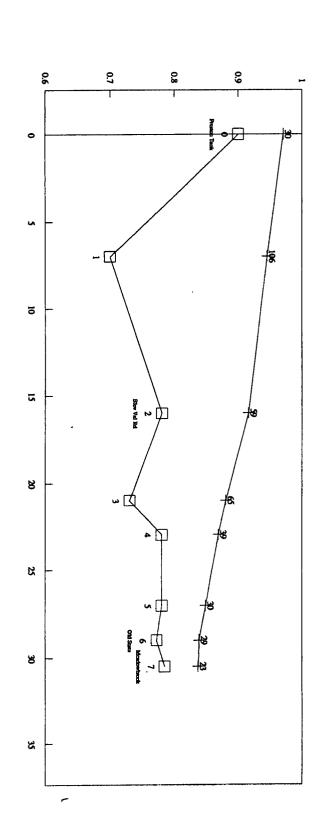
Project Engineer

Project Title: Profile Data Input Range
After Meadowbrook Subdivision
Bath County Water District Parallel Pipe Equivalent Diameter Calculation Table Length D. C-Value HL(ft)= 132.8544

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	ر.	780				σ,	2000	4.00	140	0.20		
Old State	0	772	8			7	1500	4.00	140	0.15		
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Figean Farge	00	820	4									

After Meadowbrook Subdivision Bath County Water District

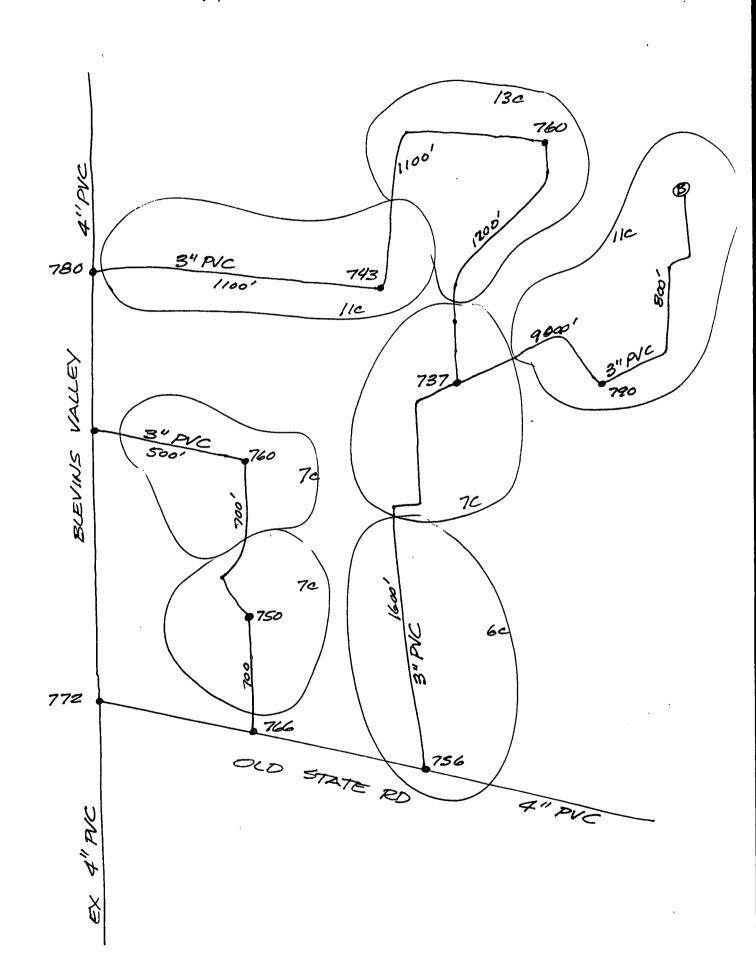


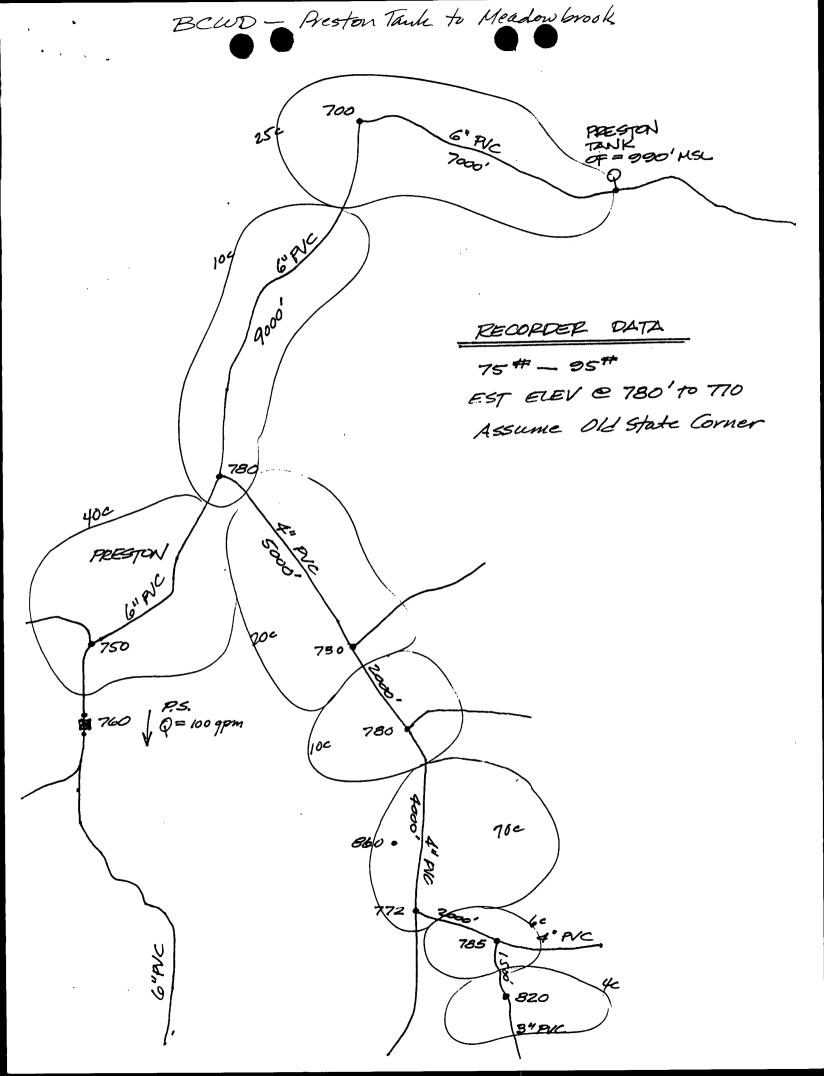
(Thousands)

Preston Tank to Meadowbrook (Thousands)

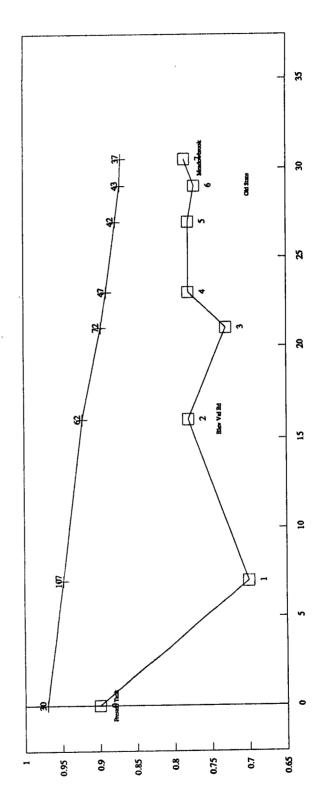
Ground Line + HGL for Peak Flow

MEADOWBROOK SEDVN





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After Meadowbrook Subdivision w/ 30 Customers	After Meadow-brook Subdivision w/ 30 Customers Rath County Water District		•	820	4)
	Bath County Water District					After Mead	owbrook Subdivisi	on w/30 Customers						



(Thousands)
Preson Tank to Meadowhrook

Ground Line + HGL for Peak Flow

ELEVATION IN FT (MSI.)

(sbassuodT)

ELEVATION IN FT (MSL)

Profile Data Input Range

Before Meadowbrook Subdivision
Bath County Water District
Preston Tank to Meadowbrook
B4Meadow PRO
0.1141552 gpm or

Profiled Route Name: File Name:

Project Title:

Average Usage/Customer:

Parallel Pipe Equivalent Diameter Calculation Table

HL(ft)=

65.55098

SPECIAL DEMANDS		A. T. A. 请请请请请请请请请请请请请请请请请请请请请请请请请请请请请请请	0.1141332 gpm or 3000 gal/mo		ston lank to Meadowbrook
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**********		Begin	7.81	6	6
***********	Pressure =	Beginning Grade (ft MSL) =	140	140	140
****	0	970			

PRV HGL

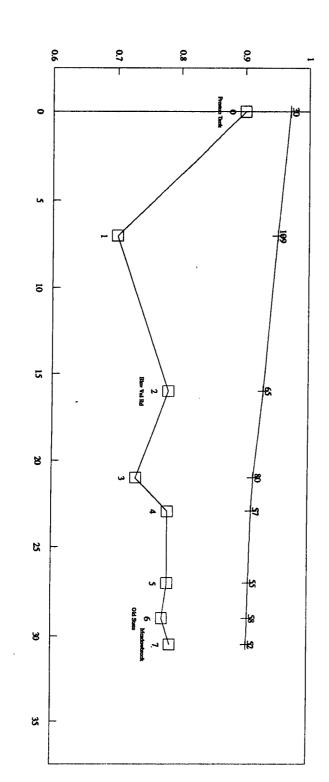
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Before Meadowbrook Subdivision

Pigeon Forge

820

Bath County Water District



(Thousands)

Preston Tank to Meadowbrook

+ HGL for Posts Flow

Ground Line

P.S.C. Ky.	No2						
Cancels P.S.C. Ky.	No						
	·						
BATH COUNTY WATER DISTRICT							
	······································						
OF							
SALT LICK, KENTUCKY	·						
Rates, Rules and Regulations for Furnishing							
WATER SERVICE							
AT							
SOUTHERN PORTION OF BATH COUNTY, KENTUCKY							
BOOTHERN TORTION OF BATH COUNTY, RENTOCKT							
Filed with PUBLIC SERVICE COMMISSION OF KENTUCKY							
ISSUED MARCH 3, 19 88 EFFECTIVE FEBRUARY	10, 10, 88						
SUBLIC SERVICE COMMISSION							
OF ABITOCKY TETEOTAE	D DISMBIAM						
ISSUED BY BATH COUNTY WATE	****************						
By Simil Mo	Y6						
CHAIRMAN OBJUSTICE COMMISSION MANAGER	EVLIBIT						
	EXHIBIT A						
	F						

Form for fili	ng Rate Schedules	FOR All	territories served
		Com	nmunity, Town, or City
	INTY WATER DISTRIC		SHEET NO.
		CANCELL	LING P.S.C. NO.
			SHEET NO.
	(CLASSIFICATION OF SERVICE	
			RATE PER UNIT
		MONTHLY WATER RATES	
5/8 Inch X ¾ I	Inch Meter:		
	2,000 Gallons		\$ 8.85 Minimum Bill
	3,000 Gallons		3.50 Per 1,000 Gallons
	5,000 Gallons		2.20 Per 1,000 Gallons 1.60 Per 1,000 Gallons
Next Next	10,000 Gallons 30,000 Gallons		1.40 Per 1,000 Gallons
Over	50,000 Gallons		1.30 Per 1,000 Gallons
1 Inch Meter:			
First	10,000 Gallons		\$30.35 Minimum Bill
Next	10,000 Gallons		1.60 Per 1,000 Gallons
Next	30,000 Gallons	PUBLIC SERVICE COMMISSION	1.40 Per 1,000 Gallons
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2 Inch Meter:			
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	•	PURSUANT TO 807 KAR 5:011.	·
Wholesale Wa		SECTION 9 (1)	# 1 56 Den 1 000 Callons
-	sburg Water District f Frenchburg	BY: Stephan Buy	\$ 1.56 Per 1,000 Gallons 1.37 Per 1,000 Gallons
Bulk S		SECRETARY OF THE COMMISSION	5.75 Per 1,000 Gallons
DATE OF IS	SUE August 28, 1	998 DATE EFFECTIV	E August 28, 1998
DITTO OF ID	Son August 2011		
ISSUED BY_	What a	unt TITLE Chew	mon
	Name of Office	r	

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 98-413 dated August 28, 1998.

Form for filing Rate Schedules BATH COUNTY WATER DISTRICT Name of Issuing Corporation	FOR All territories served Community, Town, or City P.S.C. NoSHEET NO CANCELLING P.S.C. NO
CLASSIFICAT	SHEET NO
	RATE PER UNIT
	ALL RETAIL CUSTOMERS
Tap Fees: 5 5/8 Inch X 3/4 Inch Meter 1 Inch Meter 2 Inch Meter	\$ 400.00 800.00 1,500.00
Non-Recurring Charges: Meter Reconnection Meter Reconnection (after hours) Meter Reading Verification (no error) Customer Side Leak Check Payment Collection at Residence	\$ 20.00 30.00 20.00 20.00 20.00 PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE
	AUG 28 1998 PURSUANT TO 507 KAR 5:011, SECTION 9 (1) BY: Stephano Bud SECRETARY OF THE COMMISSION
DATE OF ISSUE August 28, 1998 ISSUED BY August 28, 1998 Name of Officer	DATE EFFECTIVE August 28, 1998 TITLE Chemins

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 98-413 dated August 28, 1998.

	FOR All Territory Served
	P.S.C. Ky. No
	Sheet No
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No
	Sheet No
RULES AND REGI	JLATIONS
·	
PURCHASE WATER ADJUSTMENT CLAUSE: `	
Upon increase or decrease in the way its supplier, the utility may apply rates in accordance with 807 KAR 5:0 appliciation of the purchased water adjusted	y for an adjustment to its water 68. The base rate for furture
Supplier	Rate
City of Morehead	\$3,514.25 Capital Costs 10.00 Meter & Billing .401 Per 1,000 Gallons
	PUBLIC SERVICE COMMISSION
	OF KENTUCKY

EFFECTIVE

AUG 17 1994

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: Quaden C. Freed FOR THE PUBLIC TO ANSE (2)

DATE OF ISSUE August	19	994 DATE	EFFECTIVE A	August	17	1994
Month C	Day :	Year		Month	Dav	Year
ISSUED BY CONTROL WITH	shelanis &	Chair			Salt Lick	
Name of Off	icer	Ti	tle	Ad	dress	

	FO Sou ern section of Bath County
	P.S.C. Ky. No. 1
	Amended Sheet No. 4
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No. 1
	Original Sheet No. 4

RULES AND REGULATIONS

The following rules and regulations are subject to change by the Water District at any time and these regulations are subject to approval by the Public Service Commission and include and encompass the rules and regulations of said Commission.

- 1. All meters will be read monthly between the 10th and 20th of each month.
- 2. Water bills will be dated and mailed on the first of each month. Said bills will state that they are to be paid within ten days.
- 3. If service is disconnected by the District by reason of delinquecy in the payment of any water bill, reconnection of such service shall not be made until the owner or user pays all charges and penalties owed, plus the amount of \$10.00 as a reconnect charge.
- 4. The District may require from any customer for applicant for service a minimum eash deposit or other guaranty to secure payment of bills of an amount approximately twice the average monthly water bill. The District may require an equal deposit from all applicants for the same service. If the District retains a residential deposit for more than eighteen (18) months, it shall advise the customer that the deposit will be recalculated based on actual usage upon the customers request. The notice of recalculation shall state that if the deposit on account differs by more than ten (10) dollars from the deposit calculated or actual usage, then the District shall refund any over collection and may collect any underpayment. Refunds may be made by check or by credit to the customer's bill.
- 5. In conformity with 807 KAR 5:006, Section 9 of Commission regulations, whenever a meter service is found upon periodic request or complaint test to be more than two percent (2%) fast or two percent (2%) slow, then the customer's bill will be recomputed for the period in which the meter error occured. If the period in which the meter error existed is unknown, then the bill will be recomputed for one-half (1/2) of the elapsed time since the last previous test, but in no case to exceed twelve (12) months. When a meter is tested and it is found necessary to make a refund or back bill a customer, the customer shall be given written notification of the date, location, and result of the test, as well as the amount to be deducted from ar added to his regular bill.
- 6. All meters will be located on District mains and in the absence of special permission on the property to be served.

			ANCE COMMENSION MANAGER			
DATE OF ISSUE June 1985	DATE EFFECTIVE	July	15	(1985		
Month Year		Month	Day	Year		
SUED BY Wm I Rasor	Chairman	Salt	Lick, Ke	ntucky		
Name of Officer	Title		Address			

	FO Sout _rn section of Bath County
	P.S.C. Ky. No2
	Amended Sheet No. 48
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No. 1
	Original Sheet No. 4B
	RULES AND REGULATIONS

- 7. Complaints may be made to the operator or manager of the system and may be appealed to the District Commission.
- 8. The principal place of business of the District will be the Office of the Bath County Water District on Center Street, in Salt Lick, Bath County, Kentucky, Phone (606) 633-6363.
- 9. Water bills may be paid at the District Office on Center Street, in Salt Lick. Bath County, Kentucky, or may be mailed to the Bath County Water District, P. O. Box 369, Salt Lick, Kentucky 40371.

RUBLIO SERVICE COMMISSION TO RESIDENCE CARTOLIAS

FEB 101

PURSUANT TO MAY NAR 5:011,

-UBLIA CERUPE COMMISSION MANAGER

DATE OF ISSUE June 11 1985	DATE EFFECTIVE July	
Months Year	Mont	h Day Year Box 369
SUED BY Wm Rezort	Chairman	Salt Lick, Ky.
Name of Officer	Title	Address

					Menifee Counties	
		_		P.S.C.	Ky. No. 1	
				Original	Sheet No. 5	
BATH COUNTY WATER DISTRICT				Cancelling	g P.S.C. Ky. No	
				****	Sheet No	
	RULES	AND	REGULA	TIONS		

INSPECTION OF SERVICE LINES

APPLICABLE: Applicable to the entire service territory of the District where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 10 (3).

AVAILABILITY OF SERVICE:

Inspection of service lines is available to all customers of the District where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 10 (3) All service lines must be installed in strict compliance with the State Plumbing Code. The customer shall leave the trench open and the service line uncovered until inspected. The service line must be determined to be free from any tee, branch connection, irregularity or defect before service will be initiated.

RATE:

The customer shall be charged \$15.00 for each inspection of a service line.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 20 1991

PURSUANT TO 807 KAR 5:011. SECTION 9 (1)

PUBLIC SERVICE COMMISSION MANAGER

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DATE OF ISSUE Febr	uary 12	1991	DATE EFFECTIVE	March February		1991
Month	Day	Year		Month	Day	Year
ISSUED BY Sung	Tajoro		Chairman		#369 : Lick, KY	40371
Name of	Officer		Title		Address	

PUBLIC SERVICE COMMISSION OF KENTUCKY **FFFECTIVE**

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SECTION 9 (

COUNTY

BATH

WATER

Sheet No.

PUBLIC SERVICE COMMISSION MANAGER

AND REGULATIONS

PRIVATE FIRE CONNECTION SERVICE

Private Fire Connection Service is applicable to the entire service area. Service is available to all customers of the District.

The entire cost for labor, materials and other expenses incurred in installing a private fire connection will be paid by the applicant and any work done by the District in connection therewith will be at the expense and risk of the Customer.

A private fire service connection is furnished for the purpose of supplying water for the extinguishment of accidential fires only and the use of water from such private connection for any other use is absolutely forbidden.

No pipe or fixtures connected with a private fire service connection by the District shall be connected with pipes or fixtures supplied with water from any other source.

Water used for extinguishing accidential fires will not be charged for, provided prompt notice of use is given to the District in order that the installation may be monitored and inspected. No charge shall be made for water used for Underwriter's tests, providing prior notice of not less than 24 hours is given to the District. No water shall be drawn from a private fire service connection except for extinguishing accidential fires and Underwriters testing.

The District shall determine the size and location of connections made to its mains for private fire service.

Failure to pay private fire protection service charges shall be sufficient cause for discontinuance of water service to the property of the Customer after reasonable notice by the District.

The extent of the rights of the Customer for private fire service connection is to receive, but only at times of fire on said premises, such supply of water as shall then be available and no other or greater. The Bath County Water District shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires, or to protect any persons or property against loss or damage by fire, or otherwise, and it shall be free and exempt from any and all claims for damages on account of an injury to property or persons by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever.

The charge for a private fire service connection shall be \$10.00 per month.

26 March DATE OF ISSUE February 1991 DATE EFFECTIVE February 1991 12, Year Month Day P.O. Box 369 ISSUED BY Chairman Salt Lick, KY 40371 Title Address

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			P.S.C. Ky. No2
1		-	Original Sheet No. 5
BATH COU	NTY WATER DISTRICT		Cancelling P.S.C. Ky. No
		-	Sheet No
	CLA	SSIFICATION OF	SERVICE
	THE DISTRICT SHALL BILL	ALL CUSTOMERS ON	THE FOLLOWING BILLING FORM:
	BATH COUNTY WATER DISTRICT P.O. BOX 369 SALT LICK, KY 40371 683-6363		PRESORIED FIRST-CLASS MAIL US POSTAGE PAID SALT LICK, KY 40371 PREMIT NO.2
	TYPE METER READING OF SERVICE PRESENT PREVIOUS	USED CHARGES	
			CUSTOMER PAY GROSS AMOUNT AFTER THIS DATE
	MCTER HEAD CLASS NET AMOUNT TO BE PAID	PAY EARLY GROSS AMOUNT TO BE PAID	
		TAX	
	THIS AMOUNT NOW DUE AND	OTHER	
	PAYABLE · · · · · · · · · · · · · · · · · · ·	- IOIAL> :	PLEASE BRING THIS ENTIRE BILL TO OFFICE OR MAIL THIS STUB WITH YOUR PAYMENT
-		FORTH ON EAC	E AND PAYABLE BY DUE DATE SET H BILL. RECEIVE BILL DOES NOT EXCUSE
-		PAYMENT.	
			PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE
	CHECK BOX AT LEFT IF YOU DESIRE A CURRENT RATE		JUN 11 1992
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DATE OF I	SSUE May 12	1992 DATE Year	EFFECTIVE MBY:
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	Name of Officer	711	

	FOR Bath, Montgomery & Menifee Co
	P.S.C. Ky. No. 2
	Original Sheet No. 6
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No. 2
	Amended Sheet No. 4 (Sec. 4)
CLASSIFICATION	
The District may require a minimum cash of	<u>-</u>

The District may require a minimum cash deposit or other guaranty to secure payment of bills. Service may refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by law, will be paid annually either by refund or credit to the customer's account, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a customer's showing of satisfactory credit or payment history, and required deposits will be returned after on (1) year if the customer had established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The District may require a deposit in addition to the initial deposit if the customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

- 1. Previous payment history with the District. If the customer has no previous history with the District, statements from other utilities, banks, etc. may be presented by the customer as evidence of good credit.
- 2. Whether the customer has an established income or line of credit.
- 3. Length of time the customer has resided or been located in the area.

4. Whether the customer owns property in the area.

5. Whether the customer has filed bankruptcy proceedings within the last seven years.

6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by TRANCE COMMISSION for a residential customer or 10 percent for a non-residential KENTROMER, the District may collect any underpayment and shall refund any ENTECTIVEMENT by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

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	P.S.C. Ky. No. 2
	Original Sheet No. 7
- BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No
•	Sheet No
CLASSIFICATION	ON OF SERVICE

CALCULATED DEPOSITS

All Customer's deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill.

RETURNED CHECK CHARGE

In those instances where a customer renders payment to the District by check which is not honored upon deposit by the District, the Customer will be charged \$10.00 to cover the additional processing costs.

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DATE OF ISSUE May 12 1992	DATE EFFECTIVE	Mav	OF KENTUCKY SEFFED TIVE	SSON Year
ISSUED BY June John	Chairman		Box 369	- KY 4037
Name of Officer	Title		TO 807 KAR 5:0	011

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	Sheet No
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No
-	Original Sheet No. 8
	P.S.C. Ky. No. 2
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MONITORING OF CUSTOMER USAGE

At least once annually the District will monitor the usage of each customer according to the following procedure:

- The customer's annual usage for the most recent 12-month period will be compared with the annual usage for the 12 months immediately preceding that period.
- 2. If the annual usage for the two periods are substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customers, no further review will be done.
- 3. If the annual usages differ by 50 percent or more and cannot be attributed to a readily identified common cause, the Company will compare the customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.
- 4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the District will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line.
- 5. Where the deviation is not otherwise explained, the District will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.
- 6. The District will notify the customers of the investigation, its findings, and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10(4) and (5).

In addition to the annual monitoring, the District PUBLIC SERVICE COMMISSION investigate usage deviations brought to its attention as a regular DEKY to on-going meter reading or billing processes or customer inquiry. EFFECTIVE

		JUN 1 1 1992
U 3 OF ISSUE May 12 1992	DATE EFFECTIVE	Month Month Manual Section 0.41
ISSUED BY Name of Ufficer	Chairman Title	BOX 35 TON 9 (1) REALT ICK WANAGER PUBLIC SERVICE COMMISSION MANAGER

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING MAY 25, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, May 25, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Commissioner Edna Phillips, Commissioner Mike Ginter and Commissioner Earl James Norris. Chairman Albert Calvert and Secretary/Treasurer Tim Ray were not present. Employees present were Darryl Grimes, Kenneth Barber, and Jeanette Walton. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Commissioner Norris moved to appoint Commissioner Phillips as temporary Acting Chairman for the meeting due to the absence of the Chairman. Commissioner Ginter seconded. All voted aye.

Commissioner Phillips moved to appoint Commissioner Ginter as temporary Acting Secretary/Treasurer for the meeting due to the absence of the Secretary/Treasurer. Commissioner Norrris seconded. All voted aye.

Commissioner Phillips moved to approve the minutes of the April 27, 1999 regular meeting. Commissioner Ginter seconded. All voted aye.

Robert and Tina Hatfield were in attendance to discuss with the Board their plans for development of subdivision on Blevins Valley and Old State Roads. They requested that the Board consider a line extension for the subdivision. The Board explained the situation the District is presently in with the line extension ban and the fact that the District is limited in what it can add to the system before the Morehead plant expansion is completed. It was explained that the Board would review this request along with the other requests once the ban was lifted.

Visitors were also present from the Potterville Road in Menifee County. This road has had a petition for service turned in to the District for some time. Manager Grimes explained to these residents that the road was not a part of the current project and that it was planned to be a part of a future expansion project. The elevation of the road is higher than the District can serve with its current tank and pump in that area. The residents asked that the District consider the road in future requests for project funding.

Manager Grimes reported to the Board on the progress of the "HELP 1" Construction Project. Grimes explained that there had been no word from Division of Water as of yet on the line extension ban being lifted. The parallel lines laid by D.F. Bailey, Inc. are in

and have been tested. The engineer has provided the system improvement information to the DOW. Grimes mentioned that the contractor would not be able to move to the other lines until we receive approval from DOW.

The Board discussed the Hawkins Branch line in Menifee County. According to figures from the engineer, the District could save approximately \$20,000 by running the line off the main road to reach the new customers along Hawkins Branch Road. The project was bid to lay the line down US 460 to reach the Hawkins Branch Road, but the costs associated with the gas lines, driveway bores, and extra distance has necessitated looking at the route through the fields. Since the customers on US 460 and the end of Hawkins Branch Road are already served by another water utility, the District would not have served any customers along the main road. Easements have been worked out for an alternate route, which includes some areas that may be potential maintenance problems. Following a discussion of the new route, maintenance concerns, etc., it was decided that District personnel would meet with the engineer and contractor to lay out the most practical, cost-effective route.

Grimes also talked to the Board about the need for an upgrade to the Fearing Road pump station. Although the suction pressure has increased significantly at the pump station due to the new 12" line, changes inside the station appear necessary in order to get better performance out of this station. Grimes has been in contact with the engineer regarding potential immediate, short-term, and long-term improvements to the pump station.

The Board reviewed a list of pay items requested by D.F. Bailey, Inc. for the "HELP 1" Project. Following a discussion of each item, on a motion by Commissioner Norris and second by Commissioner Ginter, the Board voted to pay the contractor \$2,890.00, the amount requested for the underground flush hydrant on Hart Pike and the 6" aboveground hydrant on US 60. All voted aye. The other items requested were determined to be incidental expenses and not payable as separate pay items.

Grimes reported to the Board on the bids for the Preston Tank painting project. The bid opening was held May 7th at the District office. The low bidder was the Currens Company from Versailles. Paint tests are being done on the tank at this time to be sure that overcoating the exterior of the tank will be permissible. With the low bid being in the range discussed at last month's meeting, Commissioner Norris moved that the Board accept the low bidder pending final recommendation from the project engineer. Commissioner Ginter seconded. All voted aye.

The Board approved a contract for MSE Engineers to do the engineering for a line relocation on HWY 111 at Happy Hollow. The line is being relocated due to highway construction at this location and will be fully reimbursed by the state DOT. The motion to approve the contract was made by Commissioner Phillips and seconded by Commissioner Norris. All voted aye.

Manager Grimes explained to the Board that he had received the price from Utility Service Company for the remaining four tank inspections. The tanks will be inspected

for \$1,505 per tank, which is a decrease in price from the ones done last year. Once these inspections are done, all seven tanks will have been cleaned and inspected during the past three years.

The financial report for the period ending April 30, 1999 showed that the District had a net income of \$14,000 through the first four months of the year.

The Board was informed that the past due notices had been mailed.

In Other Business:

Various line extension requests were again discussed; however, no action was taken at the meeting.

The Board approved a bill adjustment for a leak on Hart Pike for Darrell and Angela Fuller. The leak took place recently during the time the contractor was laying the new 8" line along this road. Although District personnel, the engineering inspector, and the contractor have looked at the situation, the exact cause of the leak remains unclear. It was the opinion of the Board that the District should adjust the bill for the amount of water above the average bill for the time period in question. The motion was made by Commissioner Norris and seconded by Commissioner Phillips. All voted aye.

The Board discussed the service line between Frenchburg's main line and the 1" master meter which now serves the Pendleton Branch Road. Residents along this road have complained about low pressure at their residences. The County Judge/Executive has contacted the District regarding a local contractor providing the bore free of charge if the District will pay the cost of replacing the existing 1" service line with a 3" service line in an effort to provide better service to these customers. The project is estimated to cost \$1,500. Commissioner Norris moved to approve the project, Commissioner Ginter seconded, and all voted aye.

There being no further business, Commissioner Phillips moved to adjourn. Commissioner Ginter seconded. All voted aye.

SECRETARY

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JUNE 22, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, June 22, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Mike Ginter and Commissioner Earl James Norris. Employees present were Darryl Grimes and Kenneth Barber. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Visitors were present from Old State Road to discuss the possibility of a line extension project with the Board. There has been a petition in for several years for service along this road. After discussing the project again, the Board asked for a pressure check to be done to help determine the feasibility of the project before discussing the project further.

Visitors were also present representing two new proposed subdivisions in the Blevins Valley area. The Board was asked to approve a request for line extensions for the new developments. The Board and Manager reiterated to those requesting the extension the situation the District has in regards to overall water usage, water purchase contracts, etc. The Board did not approve the request at this time.

Manager Grimes reported to the Board that the District was under conservation measures to curtail water usage. Morehead has requested that all of their customers (including wholesale customers) cut back on overall water usage, which has increased due to the unusually dry weather conditions. Grimes also discussed that he had contacted Mt. Sterling again for additional water and did not receive a positive response. The District has managed to remain on par this year with the amount of water requested from Morehead last year due to the increased contract obtained last fall from Mt. Sterling.

The "HELP 1" Project was discussed. The line extension ban from the Division of Water was lifted since the last meeting. Most of the work on the contractor's original contract has been completed. The Board authorized the project engineer to process the necessary paperwork for a change order for the remaining funds. The limited funds will be used to extend lines to other areas that were part of the original "HELP" project, as funding and hydraulics allow. The motion was made by Commissioner Ray and seconded by Commissioner Ginter. All voted aye.

Commissioner Ray moved to approve the minutes of the May 25, 1999 regular meeting. Commissioner Ginter seconded. All voted aye.

EXHIBIT

The financial report for the period ending May 31, 1999 showed that the District had a net income of \$21,000 through the first five months of the year.

The Board was informed that the past due notices had been mailed.

Scott Taylor of MSE Engineers was present to discuss system improvements with the Board. After a thorough discussion of several projects, the Board authorized Taylor and the Manager to proceed with plans for an upgrade of the Fearing Road Pump Station to be paid for out of District funds. The upgrade is estimated by the engineer to cost around \$30,000-35,000 and will be advertised for bids. The improvement is vital to the District in order to keep pace with the demand for water beyond the station. The motion was made by Commissioner Phillips and seconded by Commissioner Norris. All voted aye.

Another motion was made by Commissioner Ray and seconded by Commissioner Norris to allow for the upgrade at the Preston Pump Station and to pay for the improvement out of District funds. Engineer Taylor and Manager Grimes will check into the possibility and cost of three-phase power for the pump and will compare the cost of establishing power to the cost of a three-phase converter to run the motors. The estimated cost for the project is \$15,960 and will be done as part of the "HELP 1" Project. All Commissioners were in favor of the action.

In Other Business:

In the interest of cost savings, the Board voted to change property, liability, and workers compensation insurance coverage from Public Entity Insurance to KACO based on the quotes received as of this time by the Manager. Commissioner Ray moved, Commissioner Ginter seconded, and all voted aye.

There being no further business, Commissioner Norris moved to adjourn. Commissioner Ray seconded. All voted aye.

SECRETARY

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JULY 27, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, July 27, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Mike Ginter, and Commissioner Earl James Norris. Employees present were Darryl Grimes and Kenneth Barber. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Commissioner Phillips moved to approve the minutes of the June 22, 1999 regular meeting. Commissioner Ray seconded. All voted aye.

Visitors were present from Old State Road again to discuss the possibility of a line extension project with the Board. After discussing the project again, the Board asked that the District's engineer be contacted for project details prior to the next meeting and that he be asked to attend the meeting. The Board will discuss the project further at that time.

Visitors were also present again representing a proposed subdivision in the Blevins Valley area. There was a discussion of the request, however, the Board did not approve the request at this time.

The status of the "HELP 1" Project was given by Manager Grimes. He reported that the initial scope of the project was close to being completed. The contractor is now working on the items approved as a change order to the original contract. A progress meeting is scheduled for July 28th at the District's office.

Manager Grimes reported to the Board that the District had gone under a water shortage alert in response to a recommendation from Division of Water. This conservation measure is necessary to curtail water usage during the hot, dry conditions this summer. Morehead and Mt. Sterling (our water suppliers) are also under water conservation measures.

The financial report for the period ending June 30, 1999 showed that the District had a net income of \$36,000 through the first six months of the year.

The Board was informed that the past due notices had been mailed.

EXHIBIT

In Other Business:

Manager Grimes reported to the Board on the actions the District has taken to ensure Year 2000 (Y2K) compliance. Grimes stated that the District's computer hardware, billing software, and accounting software is Y2K compliant according to the computer vendors. Tests have been done on the hardware and the software programs were just purchased this year and were designed to comply with Y2K. Morehead Utility Plant Board and EIC have been contacted regarding whether the District should expect any problems with the supply of water or telemetry service. Both agencies report that the District should encounter no problems. The District's engineer was contacted regarding the District's own equipment including our pump stations. Based on his knowledge of our system, the District's equipment does not rely on computer chips or time sensitive programming for its operation. Other concerns include other vendors the District relies on such as electric companies, telephone companies, etc. Each of these companies are also addressing Y2K and should be in compliance. The District does plan to purchase a generator which will be on-hand for any emergencies, including any which could possibly occur as a result of lack of power next year.

Grimes reported to the Board that the electrical changes have been made at the Fearing Road pump station to allow both pumps to operate simultaneously when needed. Ron Spencer did the electrical work and has submitted his invoice for the work in the amount of \$2,400.00. Manager Grimes and Kenneth Barber, Field Manager, reported that the change has allowed the Ore Mines storage tank to fill with water. The District has experienced problems with the level of this tank in the past. This will benefit the District until a more complete upgrade of the station can be done. Commissioner Ray moved to approve the payment for the work. Commissioner Ginter seconded. All voted aye.

The need for an office machine to be purchased to separate the computer generated billing cards was discussed. Office personnel has contacted other utilities regarding their use of this type of equipment. The machine automatically tears the cards apart and removes the edges of the computer paper. This is now being done manually and takes a considerable amount of time considering the fact that approximately 3,000 bills are sent each month. The estimated cost of the machine is \$3,700.00. Commissioner Ray moved to approve the purchase. Commissioner Phillips seconded. All voted aye.

At the request of Manager Grimes, the Board went into Closed Session to discuss a personnel matter. Following the session, action was taken in open session to formally accept the resignation of Darryl Grimes as Manager of the District. The motion was made by Commissioner Ray and seconded by Commissioner Norris. All voted aye.

There being no further business, Commissioner Norris moved to adjourn. Commissioner Ray seconded. All voted aye.

SECRETARY CHAIRM

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING AUGUST 24, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, August 24, 1999, at 7:00p.m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Earl James Norris and Commissioner Mike Ginter. Employees present were Jeanette Walton, Kenneth Barber and Sherri Greene. Several visitors attended and are listed on an attached sign-in sheet.

The meeting was called to order at 7:00 p.m.

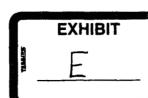
Commissioner Phillips moved to approve the minutes of the July 27, 1999 regular meeting. Commissioner Ray seconded. All voted aye.

Gommissioner Ray moved to approve the minutes of the Special Called Meeting of August 24, 1999. Commissioner Norris Seconded. All voted aye.

Commissioners at this time moved to take comments from visitors since there were several different areas to be heard.

Several residents of Pendleton Branch Road had questions about an extension in their area. Commissioner Ray explained the contract situation with Morehead Utility Plant Board and upgrade plans for the treatment plant to get underway the in near future, stating that until the upgrades are done Morehead Utility Plant Board is monitoring this Districts usage and extensions very closely and there was not a lot that could be done until plant upgrades were completed. Employee Walton also explained the elevation problem and the need for a pump to serve this area. Residents were reassured that they were on a list for extension.

Some customers from the Howard Mill- Peeled Oak area were in attendance with a concern of water being purchased from Mt. Sterling Water through a master meter at Howard Mill to serve the customers in these areas. It was explained that in order to meet the demands of usage we were pulling water from all sources to get through the drought situation and that customers had been asked to conserve or cut back. The upgrades with the MUPB treatment plant were again explained. Customers were told that this District would have to rely on water from all sources until upgrades are completed. Question was asked about the Customer User Agreement "Does it state that water will be furnished from Cave Run Lake"? The customers were told that the agreement no where states the source or Cave Run Lake. And that as of August 8, there had been no water taken from Mt Sterling. However, customers were still complaining about taste and order, samples had been taken that day and sent to lab for analysis according to the Field Manager



Barber. The customers were reassured that the water from whatever source had to comply with Division of Water Standards.

Mr. Sparks from Johnson Ford Road ask about an extension. It was explained that his road was on a preapproved list under the Help 1 project with Division of Water approval. Commissioner Ray explained the 100ft-extension rule to Mr. Sparks.

Marshall Coyle ask about an extension on Washington Branch. Mr. Coyle was willing to construct lines and pay the cost. Commissioner Ray explained that no extensions were being done at this time other than the preapproved under Help 1.

Mrs. Stamper on Old State Road ask to have a 4" (four inch) meter set at the end of the existing line closer to Blevins Valley, and approval to construct a 4" (four inch) PVC private service line to her property. The line would be on the County Right of Way easement and one private easement. Mrs. Stamper wanted someone from the water District to inspect the line as it was being built incases others wanted to tie into the line in the future. If this happens Mrs. Stamper's meter would be moved to her property and the water District would take the line over under the Public Service Commission extension rule either the 5-year or 10-year payback. Mrs. Stamper will be paying all cost. Employees explained to the Stampers that this District did not have an approval to install 4" meters. The largest meter that could be set would be a 2" (two inch) and Employee Barber did not think it would be necessary to set a 2" meter. Mrs. Stamper's son was going to get information on different size meters and make the decision on meter size later. There was some discussion on the need for a pump because of previous studies of elevation. The pump would cost around \$20,000 for pump and housing, or pump and pressure tank approximately \$3,000. It was addressed that the area has to have a pump in order to meet pressures required to operate. Commissioner Ray moved to set Mrs. Stamper a meter to furnish her own private service line and to arrange for service line to be inspected as it is constructed by the Water District personnel. Commissioner Phillips seconded the motion. All voted aye.

It was brought to the attention of the Board that water conservation notices are continuing to be published in the local paper.

HELP I construction project is nearing completion and is expected to run in excess of \$3,000. of funds available. A motion was made by Commissioner Ray to transfer funds from Revenue Fund to the construction fund to cover the excess. Commissioner Norris seconded the motion. All voted aye.

Employee Walton had discussed bid tabs on the painting of the Preston tank with Engineer Scott Taylor. Mr. Taylor recommended accepting the low bid of Currens, for \$30,340. Commissioner Ray moved to authorize the Chairman to executed necessary documents to proceed with the painting of the Preston Tank. Commissioner Ginter seconded. All voted aye.

The past due report was discussed and it was noted that in the month of September, customers with delinquent sewer bills will receive cut-off notices. As agreed between the Water District and Morehead Utility Plant Board and under KRS 96.932. The Plant Boards service personnel will be with the Water District personnel when disconnections are made due to non-payment of sewer bills.

Walton, noting that revenues were up over last year gave a brief financial report partly due to rate increase as well as an increase in usage. For the Month of July there was an increase of \$9,200.

Employee Walton explained to the Board that the District had been nominated for an award called the Wooden Bucket Award. This award is for outstanding performance and is to be presented at the Kentucky Rural Water Conference, August 30th through September 1st in Bowling Green. Districts nominated would be recognized at a breakfast on August 31 and the Award presented on September 1. Employees Walton and Greene planned to attend the Conference to represent the Water District. It was agreed by the Board to let employee Loria Barber work on September 1, and to close the office on Tuesday, August 31st, at noon for prior commitments that Barber had made. It was noted that August 30 and 31 were regular working days for Mrs. Barber.

IN OTHER BUSINESS

Bill Stiltner in the Means area had contacted the office stating the contractors had crossed his property without an easement on Highway 460 and ask that we set him a meter in exchange for an easement. It is the contention of employees that a previous easement signed by Mr. Stiltner covers the same property in question. It is the policy of the Board not to buy easements. Commissioner Norris moved that Mr. Stiltner be denied a meter setting. Commissioner Phillips seconded. All voted aye.

Commissioner Ray made a motion to enter a closed session. Commissioner Ginter seconded. All voted aye.

After returning to open session Commission Phillips moved to authorize the Chairman to execute a contract with Alfred Fawns, Jr. for the position of manager at a rate of \$35,000. annually for four years. Commissioner Ray seconded the motion. Vote was taken with four (4) voting yes and one (1) no.

There being no further business coming before the Board. Commissioner Ray moved to adjourn the meeting. Commissioner Norris seconded.

Secretary

Cháirman

Board Meeting Hagust 24, 1999 Signaln Kullera Howard Mrs Mrs Roys alkins Mary & Gall Mobile Weane Nation melody Harton Hatelee Crouch Condition Barry Crouch ... Inella Sons Diana Frager I have Donathan Spriet amitogo Jarshel Coyle Numon Croude gamer & Sparks Jespie M. Stevent Werbert R Waton Warne Likas m theil (wooks) Mary E. Stamper Famill Coho Phylle Fittle Ventura RI Externa Walters Vontura Rd. Hail Crooks Mc Carty Brown Road

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING OCTOBER 26, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, October 26, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Earl James Norris, Commissioner Mike Ginter and Commissioner Mitchell Crooks. Commissioner Ray was absent. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached sign-in sheet.

The meeting was called to order at 7:00 p.m.

A draft of the minutes for the regular meeting of September 28, 1999 was mailed with the agenda and Commissioner Ginter moved to approve the minutes as written. Commissioner Norris seconded. All voted aye.

A draft of two special called meeting was mailed also mailed along with the agenda. Commissioner Ginter moved to approve the minutes of October 4, 1999 special called meeting. Commissioner Norris seconded. All voted aye. And Commissioner Ginter moved to approve minutes of special called meeting of October 12, 1999. Commissioner Norris seconded. All voted aye.

Commissioners left the order of the agenda to hear from visitors.

The Cophers of 2727 Old State Road wanted service off the line Mrs. Stamper had installed at her own expense. It was explained to the Cophers that the Districts Engineer would have to conduct pressure studies and flow test before the District could accept the line due to the elevation this area made require a pump station. It was also pointed out, by one on the Commissioners that valve boxes are in the ditch line on county right-of-way and may need to be lowered. Commissioner Crooks moved Districts Engineer to start study and advise the board. Commissioner Norris seconded. All voted aye.

Gerard T. Sossong, P. E. spoke on behalf of Robert Hatfield. Mr. Sossong presented a drawing of a subdivision development in the Blevins Valley area with proposed water lines of four-inch mains to serve 75 homes over the next two years. Mr. Sossong asks a letter of intent to serve, from the District. After much discussion, and concern of impact on our present customers, the Board determined it would be best if Mr. Sossong and the Districts engineer Scott Taylor of Mayes Sudderth and Etheredge get together and report back to the Board with the concerns discussed about our present facilities being sufficient to supply the subdivision, and Water Purchase Contract and amount of water needed to supply the 75 future homes. It was suggested that the Board give Manager Fawns the approval to issue the letter of intent after study had been made based on the two

EXHIBIT

F

engineers' facts and finding. Commissioners Crooks moved for Chairman to call a special Board meeting if information was available before the next regular in order not to delay the plans for Division of Water Approval, so all Commissioners would be aware of the facts and findings. Commissioner Norris seconded. All voted aye.

Curt Dimsdale with Utility Service (a tank painting and inspection company) gave a report on tanks remaining to be inspected Means, Owingsville and Perry Road to be completed within the next three months. Mr. Dimsdale mentioned the service their company offered on routine and preventive maintenance.

The financial report was review along with the past due report and connection report.

Some Personal Policy changes were discussed concerning Employees Benefits sections Vacation and sick leave. The policy was implemented for a four day work week and now Employees are required to work five days a week. Changes were made on pages 22, 23, and 24. Commissioner Ginter moved to let employees take vacation and sick leave in smaller increments of one hour or actual time off rather than ½ day increments. Commissioner Norris seconded. All voting aye. Commissioner Crooks moved to approve twelve (12) sick days per year for full time employees and vacation days as follows: after completion of one (1) year, ten (10) days after completion of ten (10) years Twelve (12) days, after completion of fifteen years fifteen (15) days of vacation Commissioner Ginter seconded. All voted aye.

IN OTHER BUSINESS:

Commissioner Norris moved to authorize Manager Fawns to sign close out paper work on HELP I Project for D F Bailey contract with RD (Final Adjusting Change Order, ROW certificates, etc.) Commissioner Crooks seconded. All voted aye.

After reviewing Change Order # 2 Commissioner Norris moved to approve payment to D F Bailey in the amount of \$626.78. Commissioner Ginter seconded. All voted aye. The Board did not approve payment for the removal and replacement of AC pipe on US 60 for \$3,051.08.

Commissioner Crooks moved to authorize Manager Fawns to sign for payments with RD once Bailey has satisfied BCWD, Engineers and RD final inspection punch list. Commissioner Ginter seconded. All voted aye.

An updated petition on McCarty Branch Road was presented to the Board. Commissioner Crooks moved for the Board spend up to \$2,000. In materials and supplies, if Maze would be agreeable to furnish the labor. All three must be committed to taking a meter by signing an application and paying a tap fee. Commissioner Norris

seconded. All voted aye. Manager informed the Board that extension would have to be submitted to Division of Water for approval.

Commissioner Crooks moved to change the number of users on Johnson Ford Road to three instead of five. Commissioner Norris seconded. All voted aye.

There being no further business coming before the Board the meeting adjourned.

Secretary-

Chairman

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING NOVEMBER 23, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, November 23, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Earl James Norris, Commissioner Tim Ray, Commissioner Mike Ginter and Commissioner Mitchell Crooks. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber and Loria Barber. Visitors in attendance are listed on an attached sign-in sheet.

The meeting was called to order by the Chairman at 7:00 p.m.

Commissioner Crooks moved to approve the minutes of the October 26,1999 meeting as Prepared. Commissioner Ginter seconded the motion. All voted aye.

The third item of the agenda was for an update on the request from Robert Hatfield. Both the engineers for the Water District, Mr. Scott Taylor, and Mr. Sossong an engineer representing the Hatfields were present. A revised set of plans was reviewed by the Board with more detail of sewer layout in relation to water lines, some looping of lines to avoid dead ends in the subdivision these changes were made and reviewed by Mr. Taylor about two weeks prior to the meeting date. Mr. Taylor stated that some other details would have to worked out and he read a letter to the Board as to what they were, however, with the number of proposed customers, pressures could drop below the PSC required 30 PSI. Hatfields were insisting on the Board giving them a letter saying they would serve their subdivision. After approximately two hours of discussion the Board ask if they could reduce the number of customers to 30 and they would take another look at it then, if the Water Districts engineer could state that this would not jeopardize other customers pressures in the district and our Purchased Water Contract with Morehead in which we are now exceeding. In summary Commissioner Crooks made a motion to denv the request and plans as presented. Commissioner Ray seconded the motion. Others voting aye and Commissioner Ginter abstained.

Some residents of Old State Road were present requesting water service off the line that Mrs. Stamper had built for her private use. Nicki Copher stated she had talked to Mrs. Stamper about turning the line over to the District at no cost. Ms. Copher was reminded that pressure was not adequate to supply 30 PSI at all times and would require a pump and tank. Commissioner Crooks moved that Scott Taylor, Districts engineer, design a pump suitable for this area and report cost. Commissioner Ray seconded the motion. All voted aye.

Residents of Pendleton Branch Road were again requesting service. This road has elevation problems. Commissioner Ray moved to have a cost study done for a pump and

EXHIBIT

tank for this area as well as Old State with possible assistance from the county for cost of pumps and tanks. Commissioner Crooks seconded the motion. All voted aye.

The Board reviewed the financial report.

The past due report was also reviewed by the Board. After some discussion Commissioner Ray moved for the Manager to give Morehead Utility Plant Board notice that the Water District would not continuing sewer billing next year. Commissioner Norris seconded the motion. All voted aye.

IN OTHER BUSINESS:

Loria Barber asks the Board to reconsider her for full-time employment since it was tabled in the September meeting.

The Board then entered closed session to look at applications for a field worker and to discuss personnel. After returning to open session Commissioner Ray moved to hire Michael Crouch, Dudley Rogers, and Loria Barber as full-time employees on a three month trial basis. Commissioner Crooks seconded the motion. All voted aye.

Commissioner Crooks moved to change personal policy to state that all employees be employed on a three month trail basis. Commissioner Norris seconded the motion. All voted aye.

After some discussion of much need upgrades, potential growth and new customers service Commissioner Ray moved to give the engineer authority to design improvements in order to utilize the new water treatment plant when it is finished. Commission Norris seconded the motion. All voted aye.

There being no further business coming before the board meeting adjourned.

Secretary

Chairman

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING DECEMBER 28, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, December 28, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Mitchell Crooks, Commissioner Earl James Norris, and Commissioner Mike Ginter. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached "sign-in" sheet.

The meeting was called to order by Chairman at 7:00 p. m.

Commissioner Ginter moved to approve the minutes of the November 23, 1999 meeting as prepared. Commissioner Norris seconded the motion. All voted aye.

Some residents of Pendleton Branch wanted to know what the engineer had reported on their service since last months meeting. Mr. Taylor had not sent cost or reports to the Distirct. Commissioner Crooks volunteered to meet with the engineer personally and report to the other members of the board. Mr. Fawns was to make an appointment with Scott Taylor, Districts Engineer to meet with Commissioner Crooks.

Robert Hayfield and others from Belgians Valley Road were wanting the approval to install approximately 8,000 L.F. of 3" line to serve a subdivision named Meadow Brook to serve 13 existing users that have long service lines that were not covered and have frozen. The Division of Water had sent plans also, for 13 existing users.

Commissioner Norris moved to move the 13 exiting meters to the property of users at an approximate cost of \$75.to be paid for by the users. Commissioner Ginter seconded the motion. Commissioner's present voting yes and Commissioner Crooks abstained from voting. There was no approval by the Board for the 8,000 L.F. of 3" line.

The Board then entered executive session to discuss hiring an attorney to answer the formal complaint of Robert Hatfield to the Public Service Commission.

Upon returning to open session Commissioner Norris moved to contact first Earl Rogers III, second Julie Williamson, and third Kim Hunt Price, for answering the Hatfield complaint. Commissioner Ginter seconded the motion. All voting aye.

Commissioner Norris moved to approve a year end salary adjustment of \$250. for Commissioners and an adjustment employees that had been with the District for one year. Commissioner Ginter seconded the motion. All voting aye.

EXHIBIT H

There being no further business coming before the Board the meeting adjourned.

Secretary

Chairman ´

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JANUARY 25, 2000

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, January 25, 2000, at 7:00 p.m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Mike Ginter, Commissioner Earl Norris, Commissioner Mitchell Crooks, and Secretary Treasurer Tim Ray. Employees present for the meeting were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached "Sign-In" sheet.

The meeting was called to order by the Chairman at approximately 7:10 p. m.

A draft of the December 28, 1999 minutes was circulated by mail with the agenda and Income Statement. Commissioner Ray moved to approve the minutes as prepared. Commissioner Norris seconded the motion.

Brad Frizzell, Mayor of Salt Lick with several residents of Sewer District were present to express their concerns that the Water District had opted not to continue sewer billing for the Plant Board. After some discussion and the Plant Board stating that some of issues and problems were being worked toward. Walton expressed some concerns to those present of outstanding and delinquent accounts with no policy or procedure to collect and that the decision not to bill was only briefly discussed before the board made the decision not to enter a contract for billing next year. The Board suggested that Manager and Office Personal get together to further discuss the problems and issues. A motion was made by Commissioner Norris to continue the sewer billing for the Plant Board at this time. Commissioner Ray seconded the motion. All Commissioners voting aye.

Scott Taylor, Districts engineer, called with figures arrived at from a meeting with, Commissioner Crooks on some short line extensions that were discussed in the regular December meeting. Commissioner Crooks reported as follows:

Pendleton Branch Road	2.3 miles	14 customers	\$40,000.	\$99,000.
McCarty Branch Road	2.3 miles	4 customers		94,000.
Mudlick Road	1.2 miles	5 customers		50,000.

To bid these extensions add one-third.

After some discussion of cost a member of the Bath County Fiscal Court, Mr. Vernon Crouch was present and stated that the County Judge and Fiscal Court would be willing to furnish labor for short extensions and pump cost to help get water to these areas, if the Water District could come up with funds to furnish the pipe. It was then interacted that

Old State Road needed a pump also, and what was done for one area would have to be offered to the others as well. Commissioner Crooks made the motion that a formal written agreement be executed between the Bath County Water District and the Bath County Fiscal Court in detail as to what each party responsible and obligations. Commissioner Ray seconded the motion. All Commissioners voting aye.

The Board then discussed the purchase of a meter test bench for testing meters as required by the Public Service Commission. The District is required to test a minimum of 250 meters annual to comply. Waterworks Supply had given a quote of \$3,600. for used manual equipment and \$4,600. for automatic. Commissioner Crooks made the motion to purchase the automatic equipment. Commissioner Norris seconded the motion. All voting aye.

An agreement was discussed by the Board and executed by the Chairman to finalize Contract 9 & 10. The agreement was to settle a claim made by Shirley Williams against Kenney Inc. the contractor. It was agreed by all parties to issue a check to Shirley Williams \$2,000. that had been retained out of construction funds and placed in an escrow account until settlement.

The past due report was reviewed by the Board.

Discussion was held on the need to retain an attorney for day to day advice and to prepare legal documents for the Water District. A motion was made by Commissioner Norris to give Manager Fawns authority to contact Ira Kilburn and Earl Rogers, III for hourly rates and to submit a letter for approval by the County Judge Executive. Commissioner Ray seconded the motion. All Commissioners voted aye.

David Bailey had billed the district for the balance of a change order. According to Section VII, Article 22, second and last paragraph Mr. Bailey feels he is entitled to payment. The Board tabled this issued.

There being no further business coming before the Board the meeting adjourned.

Secretary

Chairman

JAMES E. BICKFORD
SECRETARY



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COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION FRANKFORT OFFICE PARK 1 4 REILLY RD FRANKFORT KY 40601

October 1, 1997

0060022 Mr. Darrell Grimes, Manager Bath County Water District PO Box 369 Salt Lick KY 40371

Dear Mr. Grimes:

This is to notify you that the Division of Water is imposing, through the attached memorandum to the Division of Plumbing, a water line extension ban on your water supply system effective upon receipt of this letter. A line extension ban prohibits any water line extensions.

It is your responsibility to notify all interested parties, such as consultants and developers, that these bans are in effect.

The reason for the water line extension ban is that Bath County Water District has been experiencing water shortages during the summer months for several years due to hydraulic problems combined with high usage.

In the opinion of this office, the ban is necessary to facilitate the correction of these deficiencies. The ban will remain in effect until the Bath County Water District demonstrates to the satisfaction of this office that the item(s) listed above have been identified and corrected and that it can meet all the quantitative and qualitative parameters specified in the Drinking Water Regulations.



Bath County Water District October 1, 1997 Page two

If you have any questions pertaining to this matter, please contact my office at (502) 564-3410.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch Division of Water

VLR:GPO:mrg

c: Division of Plumbing
Bath Co. Judge Executive

Lonnie Castle, Morehead Regional Office
Jack Wilson, Director-Division of Water
George Schureck, CTAP
Maleva Chamberlain, DOW Information Officer
Tim Kuryla, DOW
Enforcement Branch
Sam Lester, Field Operations Branch
Drinking Water Files



COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 Reilly RD FRANKFORT KY 40601 May 27, 1998 a

0060022 Bath County Water District Attn: Daryl Grimes P O Box 369 Salt Lick KY 40371

> PWSID# 0060022 RE:

> > Revocation of Line Extension Ban

Dear Mr. Grimes:

As was detailed in the letter from the Drinking Water Branch dated May 24, 1999, the certification and field data concerning improvements in your water system has been received and accepted. As a result, the Branch is able to revoke the water line extension ban which was initiated on October 1, 1997.

Future expansion of Bath County Water District's service area should be proactively planned to ensure that growth in demand does not outstrip the pace of upgrades in the system.

If you have any questions pertaining to this matter, please contact Jerry O'Bryan at (502) 564-3410, extension 516.

Sincerely,

Vicki L. Ray, Manager **Drinking Water Branch**

Division of Water

VLR:GPO:mrg

Bath Co Judge/Executive c: Bath Co Attorney Bath Co Health Dept Morehead Regional Office Public Service Commission

Bob Arnett, Plans Review Greg Wilson, Enforcement Division of Plumbing Laura Meade



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COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601 December 15, 1999

Mr. Albert Fawns, Jr., Manager Bath County Water District P. O. Box 369 Salt Lick, KY 40371

RE: PWSID# 0060022

Dear Mr. Fawns:

In response to your letter dated December 9, 1999, the Division of Water is imposing a waterline extension ban on Bath County Water District (BCWD) effective this date. A waterline extension ban prohibits any water line extensions that increase the demand on water supply but does not prohibit line extensions for the purpose of improving flows and pressures in the distribution system. The ban does not prohibit the connection of customers to existing water lines. The exemptions to the ban are: previously approved plans and specifications; plans and specifications currently submitted for approval; system improvements that do not increase the demand; projects previously approved through FAR (A95) review; and projects that have secured another source of water.

It is your responsibility to notify all interested parties, such as consultants and developers, that this ban is in effect. A written request for an exemption must be made by BCWD for all future waterline extension plans and specifications to be submitted to the Drinking Water Branch while the sanction is in place. The request shall include the reason why the exception is being requested.

BCWD has been experiencing water shortages during the summer months for several years due to hydraulic problems combined with high usage. Based on documented information about these problems received by this office over the past several months, and your December 9, 1999 request for a line extension ban, we concur with BCWD that this ban is necessary to facilitate the correction of these deficiencies. The ban will remain in effect until BCWD demonstrates to the satisfaction of this office that the item(s) listed above have been identified and corrected and that all the quantitative and qualitative parameters specified in the Drinking Water Regulations can be met.

If you have any questions pertaining to this matter, please contact Bill Averell or Donna Marlin at (502) 564-3410 extensions 578 and 541, respectively.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch Division of Water

Vicki S. Ray

VLR:DSM:WHA

c: Dennis Minks, Plans Review Section
Bath County Health Department
Morehead Regional Office
Enforcement Branch

Bath County Judge-Executive Sharpsburg Water District Public Service Commission Printed on Recycled Paper

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Bath County Attorney Frenchburg Water C Division of Plumbia Drinking Water File

EXHIBIT



PAUL E. PATTON GOVERNOR

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COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK ·14 REILLY RD FRANKFORT KY 40601

RECEIVED

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PLUMBING

December 17, 1999

Bath County Water District PO Box 369 Salt Lick, Kentucky 40371

RE: DW #0060022-99-006

Water Line Extension Meadowbrook Subdivision Bath County, Kentucky

Dear Sirs:

In order to improve inadequate water service to 13 existing customers, we have reviewed the plans and specifications for the above referenced project. The plans include approximately 8,000 feet of 3-inch PVC water line. This is to advise that plans and specifications covering the above referenced subject are APPROVED with respect to sanitary features of design as of this date with the following stipulations:

- 1. This approval is only for water line extensions to serve thirteen existing customers and should not be construed as approval for additional connections, unless and until the Bath County Water District approves additional connections with the Division of Water's subsequent approval.
- 2. If PVC piping is used, it must be NSF approved and manufactured in accordance with ASTM standards.
- 3. All dead end lines must be provided with a properly sized blow-off assembly, flush hydrant or fire hydrant (minimum 2 1/2 inch diameter outlet) for flushing purposes.
- 4. At high points in water mains where air can accumulate provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur.
- 5. A minimum pressure of 30 psi must be available on the discharge side of all meters.

EXHIBIT M

Meadowbrook Subdivision December 17, 1999 Page two

6. Upon completion of construction, disinfection shall be strictly in accordance with the procedure designated in the State Regulations, which reads as follows:

water distribution system, including storage distribution tanks, repaired portions of existing systems, or all extensions existing systems, shall thoroughly disinfected before being placed into service. A water distribution system shall disinfect with chlorine or chlorine compounds, amounts as to produce a concentration of at least fifty (50) ppm and a residual of at least twenty-five (25) ppm at the end of 24-hours (24) and the disinfection shall be followed by a thorough flushing."

New or repaired water distribution lines shall not be placed into service until bacteriological samples taken at the points specified in 401 KAR 8:150 Section 4 (2) are examined and are shown to be negative following disinfection.

7. Water mains shall be laid at least 10 feet horizontally from any existing or proposed A sewer is defined as any conduit conveying fluids other than potable water. The distance shall be measured edge to edge. cases where it is not practical to maintain a foot separation, this office may allow deviation on a case-by-case basis, if supported by data from the design engineer. Such deviation may allow installation of the water main closer to a sewer, provided that the water main is laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water main is at least 18 inches above the top of the sewer. This deviation will not be allowed for force mains.

Meadowbrook Subdivision December 17, 1999 Page three

Water mains crossing sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sewer. This shall be the case where the water main is either above or below the sewer. At crossings, one full length of the water pipe shall be located so both joints will be as far from the sewer as possible. Special structural support for the water and sewer pipes may be required.

8. When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above stipulations. Such certification shall be signed by a licensed professional engineer.

This approval has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Unless construction of this project is begun within one year from the date of approval, the approval shall expire. If you have any questions concerning this project, please contact Ralph E. Gosney at 502/564-2225, extension 422.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch Division of Water

Vicki S. Ray

VLR:REG:lm

Enclosures

C: Gerald Sossing
Bath County Health Department
Public Service Commission
Division of Plumbing
Morehead Regional Office
Drinking Water Files

Existing Water Customers for Meadowbrook Subdivision

Plat #	Customer Name	Address
2	Wesley Trucher	Lut #10A Paradise Lane
5	Leann Copley	145 Paradise Lane; Owingsville, KY 40360
10	Brad Weaver	126 Weaver Lane; Owingsville, KY 40360
13	Richard Carmicheal	14 Weaver Lane; Owingsville, Ky 40360
16	James Webb	209 Winding Way; Owingsville, KY 40360
24	Nina Anderson	79 Winding Way; Owingsville, KY 40360
25	Gary Snider	43 Winding Way; Owingsville, KY 40360
40	Juan Cruz	80 Roselawn Court; Owingsville, KY 40360
41	Noah Rose	184 Roselawn Court; Owingsville, KY 40360
44	Greg Purvis	564 Winding Way; Owingsville, KY 40360
52	Bill Stephens	466 Winding Way; Owingsville, KY 40360
73	Jeannie Lawhorn	411 Paradise Lane; Owingsville, KY 40360
75	Dorsey Stidham	480 Winding Way; Owingsville, KY 40360

JAMES E. BICKFORD





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PAUL E. PATTON GOVERNOR

COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601

January 25, 2000

Mr. Albert Fawnn, Manager Bath County Water District PO Box 369 Salt Lick, Kentucky 40371

RE:

DW #0060022-99-006
Water Line Extension
Meadowbrook Subdivision
Bath County Water District

Dear Mr. Fawnn:

The owner of Meadowbrook Subdivision called the Division of Water today to ascertain our position on adding more meters on the new water lines constructed in the above-referenced subdivision. Our position is that the water line extension was approved while the water district is under a water line extension ban only to serve the existing customers. The approval was for 13 existing customers and no more. To add more now that the line is in place and while you are not currently under a tap-on ban would go against the premise of our approval for the extension.

As you are aware, the Division of Water is very concerned about not only additional lines, but also additional customers at this time and you have been requested to supply information so that a decision can be made regarding a tap-on ban.

Please feel free to contact me if you have any questions.

Sincerely,

Vicki L. Ray, Manager

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Drinking Water Branch Division of Water

VLR:DEM:lm

C Morehead Regional Office Drinking Water Files



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WATER PURCHASE CONTRACT

This Contract for the sale and purchase of water is entered into as of the /// day of ________, 1979, by and between The City of Morehead, Kentucky, and The Morehead Utility Plant Board, Morehead, Kentucky, hereinafter referred to as "First Party," and Rowan Water, Inc., a Kentucky Corporation with principal offices in Morehead, Kentucky, hereinafter referred to as "Second Party," and Bath County Water District, Salt Lick, Kentucky, hereinafter referred to as "Third Party,"

WITNESSETH: Whereas, The City of Morehead, Kentucky, is a duly incorporated City in the Commonwealth of Kentucky, and The Morehead Utility Plant Board is an agency of said City, and

Whereas, Rowan Water, Inc., is a Kentucky corporation, duly organized and established under the provisions of Chapter 273 of Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution system serving users within the area described and designated by plans and approvals on file in the office of Commonwealth of Kentucky Utility Regulatory Commission (formerly Public Service Commission), and

EXHIBIT

Whereas, Third Party, Bath County Water District, is a duly organized Water District, pursuant to provisions of Chapter 74, Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution system, serving water users within the area described in plans now on file in the office of the Commonwealth of Kentucky Utility Regulation Commission, and

Whereas, First Party, under existing contracts, presently sells purified water to Second Party and Third Party, a portion of which water Third Party supplies and sells to Menife County Water District, and

Whereas, First Party, by and through The Morehead
Utility Plant Board, in addition to operating its present
water partification and treatment plant (hereinafter referred
to as 'plant"), also supplies purified water to its own water
customers and users, and

Whereas, all parties hereto agree that the present
Plant comed and operated by First Party is inadequate to
supply present and future needs of the parties hereto, and

Whereas, First Party intends to construct an improve and enlarged water treatment and purification Plant Gereinafter referred to as "New Plant") to be financed by a loan made or insured by, and/or a grant from, The United States of America, acting through the Farmers Home Administration of The United States Department of

Agriculture, for the purpose of supplying increased amounts of purified water for use by the customers of all parties hereto, and

Whereas, it is the desire and intention of all parties to continue the present relationship as Seller and Purchaser and to share in the costs of constructing and operating said New Plant, and

Whereas, this can best be accomplished by the parties entering into this new Contract which shall supersede all previous contracts and agreements between the parties hereto;

Now, therefore, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby contract and agree as follows:

1. First Party shall, subject to obtaining financing satisfactory to First Party, construct, own, and operate said New Plant, along with other improvements to First Party's present water distribution system. Pursuant to the Variable Rate Schedule attached hereto and made a part hereof, a portion of said other improvements have been determined to be partially for the benefit of Second Party, and it has been determined that none of said other improvements are for the benefit of Third Party. Said New Plant and other improvements shall be constructed pursuant to plans and specifications prepared by Howard K. Bell, Consulting Engineers, Inc., for First Party.

- First Party shall furnith to Second Party, at the same points and places where First Party is presently furnishing purified water to Second Party, during the term of this Contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Kentucky Department of Health in such quantity as may be required by Second Party, not, however, to exceed the quota specified in Paragraph No. 7 hereof.
- 3. First Party shall furnish to Third Party, at the same points and places where First Party is presently furnishing purified water to Third Party, during the term of this Contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Kentucky Department of Health in such quantity as may be required by Third Party, not, however, to exceed the quota specified in Paragraph No. 7 hereof.
- 4. First Party shall establish an accounting system, pursuant to generally accepted accounting procedures, which shall facilitate the identification of costs actually incurred in calculating the costs per One Thousand (1,000) gallons of producing and delivering water to Second Party and to Third Party and First Party shall be responsible for operation of said New Plant in accordance with all applicable laws and regulations.

- Second Party and Third Party shall continue to own and operate, at said points of delivery, the necessary metering equipment, including meter houses or pits, and required devices of standard type for properly measuring the quantity of water furnished by First Party to Second Party and Third Party. Said meters shall be checked and calibrated at the expenses of the owner of said meters, by a qualified agent, satisfactory to all parties hereto, at least once every twelve (12) months. A meter registering not more than two (2%) percent above or below the test results shall be deemed to be accurate. The previous reading of any meter disclosed by the test to be inaccurate shall be corrected for the six (6) months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to reguster for any period, the amount of water furnished during such period shall be deemed to be the amount delivered in the corresponding period immediately prior to the failure, unless First Party and the owner of said meter shall agree upon a different amount. The metering equipment shall be read by First Party and the owner of said meter on or about the 15th day of each month.
- First Party shall furnish to Second Party and Third Party not later than the 5th day of each month an itemized statement of the amount of water furnished during the preceding month. Second Party and Third Party shall pay to First Party, not later than the 15th day of each

month for water delivered by First Party during the preceding month. The rate at which Second Party and Third Party shall pay First Party for said water is to be determined pursuant to the Variable Rate Schedule, attached hereto and made a part hereof.

- 7. First Party will, at all times, operate and maintain in an efficient manner and will take such action as may be necessary to furnish to Second Party and Third Party the quantities of water required by them, not, however, to exceed the following quotas:
- (A) For Second Party, an amount not to exceed thirty (30%) percent of the 5,000,000 gallon per day design capacity of said New Plant or of the actual production capacity of said New Plant, whichever is less.
- (B) For Third Party, an amount not to exceed twenty (20%) percent of the 5,000,000 gallon per day design capacity of said New Plant or of the actual production capacity of said New Plant, whichever is less.

First Party shall be entitled to the remainder of the production of said New Plant.

Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event the supply of raw water available to said New Plant is deminished over an extended period of time or in the event that production capacity of said New Plant is substantially deminished or reduced over an extended period of time resulting in inability of said New Plant to produce the quantity of

purified water required by all parties hereto, the supply of water to each party hereto shall be reduced or deminished in the same ratio or proportion as the supply to all other parties In the event said New Plant is operating at normal capacity and a sufficient supply of raw water is available to operate said New Plant at normal capacity, no party hereto shall exceed its allocated capacity or quota if such excess shall result in a reduction of supply of the actual amount of purified water required by any other party hereto. Failure of pressure to the main supply, line breaks, power failure, flood, fire, earthquake, or other catastrophes shall excuse First Party from complying with those terms of this Agreement for supply of water or pressure until such time as the cause of the reduction of pressure or supply or water has been removed or remedied; provided, however, that such purified water, if any, as is produced and/or available for distribution during such emergencies or catastrophes shall be made available to each party hereto in the same percentage or proportion as water is normally supplied to each party. In the event that the customers of any party hereto require unusually large quantities of water for a period of time not to exceed Twenty-four (24) hours, for the purpose of extinguishing unusual and extreme fires, First Party shall have the right, but not the obligation, to supply said water to the party whose customers so require said water, even though the same may result in diminished or terminated service of water to all parties hereto.

8. This Contract and Agreement shall become effective upon the date of delivery of the bonds financing the New Plant

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to the purchaser of said bonds, and shall continue for a term of Forty (40) years from said date and, thereafter, may be renewed or extended for such term or terms as may be agreed upon by the parties hereto. Until said effective date, existing Contracts and Agreements between the parties hereto shall remian effective, and said presently existing Contracts and Agreements shall, on the effective date of this document, be superseded and replaced by this document.

- 9. This Contract and Agreement is subject to such rules, regulations, or laws, as may be or become applicable to similar agreements in the Commonwealth of Kentucky, and the parties hereto will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.
- 10. The construction of the New Plant by First Party is being financed by a loan made or insured by, and/or a grant from The United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and this Contract and Agreement shall not be legally binding upon any party hereto until approved, in writing, by the appropriate officers or employees of the said Farmers Home Administration.
- 11. Beginning on the effective date of this Contract,
 Rowan Water, Inc., shall pay to First Party monthly capital
 costs of Forty Two Hundred Eighty Four Dollars Seventy Five

Cents (\$4,284.75)* per month and Bath County Water District shall pay to First Party monthly capital costs of Twenty Four Hundred Twenty Six Dollars Twenty Five Cents (\$2,426.25)* per month, in addition to the "cash operation and maintenance expense," "the capital cost replacement factor," and the "meter and billing charge," specified in the Variable Rate Schedule attached hereto and made a part hereof. Said monthly payments, as the same may be modified pursuant to the terms of the Variable Rate Schedule, shall continue throughout the term of this Contract.

- 12. The "wholesale billing year rate" charges, included in the Variable Rate Schedule provides for variable charges based on demonstrable costs to First Party for providing purified treated water to Second Party and Third Party, during First Party's "operating year," which should provide sufficient time to obtain the annual audit of First Party's financial records by a Certified Public Accountant. The "wholesale billing year rate" charges to Second Party and Third Party will remain fixed during each "wholesale billing year," and until modified pursuant to the Variable Rate Schedule attached hereto.
- 13. Any successor to any party hereto shall succeed to the obligations, rights and duties of its predecessor as set forth in this Contract or any amendments.
- 14. In the event that any party hereto shall increase its requirements for purified water to the extent that its water
- * To be adjusted based on actual sale of the bonds of the New Plant and subsequently adjusted to reflect the retirement of the 1966 bonds.

requirements exceed its quotas established herein, or in the event that any party hereto requires or desires additional capacity for production of purified water, the party hereto requiring or desiring said additional capacity shall have the right to:

- (a) Pay all costs of expansion of the capacity of said New Plant, in which case the party paying said expansion costs shall be entitled to the benefit of all increased production capacity resulting from said expansion; and/or
- (b) Continue to purchase water under this Contract to its allocated capacity and obtain additional purified water from other sources.
- inadequate to serve the needs of the parites hereto due
 to government regulations, technological or physical obsolescence,
 or because all parties hereto require purified water in excess
 of their allotted capacities established in Paragraph No. 7
 hereof, the parties hereto agree that said Plant shall be
 improved, expanded or replaced, and that all parties hereto shall
 participate in the cost thereof and that this Contract shall
 then be renegotiated, so that all parties shall share in the
 capital costs involved in said improvement, expansion, or
 replacement in addition to continuing to pay their proportional
 parts of the capital costs of the said New Plant until the
 bonds sold to finance the same are paid in full.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in ten (10) counterparts, each of which shall constitute an original.

CITY OF MOREHEAD, KENTUCKY FIRST PARTY

: Nayon Jackson M

ATTEST:

Lella Mayse

MOREHEAD UTILITY PLANT BOARD FIRST PARTY

BY: M. Terkins, CHAIRMAN

ATTEST:

Warren Coo SECRETARY

ROWAN WATER, INC. SECOND PARTY

Y: Mema

ATTEST:

SECRETARY

BATH COUNTY WATER DISTRICT THIRD PARTY

BY: Chil

ATTEST:

Oh Julia, diara

This Contract is approved on behalf of the Farmers

Home Administration, this 4th day of Application, 1979.

BY: David R. By ITLE: Community Program Green

VARIABLE RATE SCHEDULE

Section 1. General.

This variable rate schedule attachment is a part of and incorporated into the Water Purchase Contract made and entered into as of the _________, 1979, by and between the City of Morehead, Kentucky, and the Morehead Utility Plant Board, as First Party ("Seller and Rowan Water, Inc., as Second Party ("Rowan"), and Bath County Water District, as Third Party ("Bath").

Section 2. Definitions.

Unless the context specifically indicates otherwise, the meaning of terms used in this rate schedule attachment (Secion 4 (b)) shall be as follows:

- (a) "Seller" shall mean the City of Morehead and the Morehead Utility Plant Board.
- (b) "Purchaser" shall mean Rowan Water, Inc., and/or Bath County Water District.
- (c) "Seller's operating year" shall mean the twelve months of July 1, through June 30.
- (d) "Wholesale billing rate year" shall mean a twelve (12) month period commencing January 1 and ending the following December 31.

- sh operation and maintename expense" shall mean all operating expenses, excluding depreciation expenses, excluding capital costs of improvements, betterments, replace ments, etc., and excluding debt service costs (principal and interest, paying agent's fees, sinking fund reserves, etc.) for the Seller's operating year as identified and recognized in the annual examination of the Seller's financial records, by the firm of Certified Public Accountants conducting the examination of the Seller's financial records for the most recent fiscal year. The rate shall be based on demonstrable costs to the Seller for providing treated water. The rate will be computed on the basis of the Seller's costs for the Seller's most recent fiscal year The rate may vary from year to year depending upon demonstrable costs and an adjustment to the previous year's billings shall be made by the Seller to reflect actual costs within thirty (30) days of the receipt of the Audit report of the Seller's financial records.
- (f) "Monthly payment date" shall mean a date established by the Seller whereby the Purchaser agrees to pay not later than the established date the charges for water furnished during the preceding month.

- (g) "Capital cost replacement factor" shall mean the actual cost of replacements, additions and betterments paid by the Seller for the portions of the water plant set forth in the rate schedule attachment (Section 4 (b)).
- (h) "Capital cost" shall mean the portion of the actual average annual principal and interest payments of the Seller as specified in the rate schedule attachment as well as the debt service reserve payments specified in the rate schedule attachment (Section 4 (b)).
- shall mean the formula, which appears in Section 4 of this rate schedule attachment. The formula was developed on the basis of a special accounting study by H.J. Umbaugh & Associates, Certified Public Accountants, Indianapolis, Indiana, which study is by reference made a part of this Water Purchase Agreement the same as if the study were incorporated herein.
- (j) "Total billed gallons" shall mean the total billed water consumption for all users serviced by the Seller during the Seller's most recent fiscal year.

Section 3.

Initial wholesale billing rate for the Purchasers.

- (a) The initial calendar year billing rate or wholesale charge to Rowan Water, Inc., for treated water shall be \$4,284.75 per month in capital costs, plus 34.1 cents per 1,000 gallons.
- (b) The initial calendar year billing rate or wholesale charge to Bath County Water District for treated water shall be \$2,426.25 per month in capital costs, plus 34.1 cents per 1,000 gallons.
- (c) It is agreed by and between the parties hereto that after the close of the initial calendar year, the actual rate to be charged by the Seller to the Purchasers for water purchased by the Purchasers during the initial calendar year shall be determined pursuant to the terms of this Variable Rate Schedule and any differences between said actual rate and the initial calendar year billing rate shall be rebated by the Seller to the Purchaser or paid to the Seller by the Purchasers, as the case may be, without interest, within sixty (60) days of said determination.

Section 4.

Cost review formula for revising fiscal year wholesale rate charges.

the Seller shall prior to January 1 of that year determine the rate or charges for wholesale water purchases for the next wholesale billing rate year based upon a calculation of the following demonstrable costs. Such costs shall be taken from the annual financial report of the Seller for

the preceding operating year which has been examined by a firm of Certified Public Accountants.

(b) Cost review formula for revising fiscal year wholesale rate charges.

EXTENSION OF WATER PURCHASE CONTRACT

This Extension of Water Purchase Contract, made and entered into this Sto day of Turning 1993, by and between the Morehead Utility Plant Board, Morehead, Kentucky, hereinafter referred to as "Morehead", and Bath County Water District, Salt Lick, Kentucky, hereinafter referred to as "Bath County";

WHEREAS, Morehead presently sells treated water to Bath County pursuant to a Water Purchase Contract, dated June 11, 1979; and

WHEREAS, Bath County is presently in the process of expanding its water distribution system; and

WHEREAS, THE Farmers Home Administration, who is partially funding Bath County's new water line expansion project, requires a forty (40) year water purchase contract as a condition of their loan or grant;

NOW, THEREFORE, the parties do hereby mutually agree as follows:

- 1. The parties current Water Purchase Contract, dated June 11, 1979, shall be extended and shall run through July 15, 2035.
- 2. All of the original terms and conditions of the aforementioned Water Purchase Contract shall remain in full force and effect.

This Extension is entered into by and between the parties hereto pursuant to the authority vested in them by their respective Board of Directors.

EXHIBIT P

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vede W. Messer Secretary This Agreement has been reviewed and is approved on behalf of the FARMERS HOME ADMINISTRATION, this 23 day of April

MOREHEAD UTILITY PLANT BOARD

1953.

APPROVED:

CITY OF MOREHEAD, KENTUCKY

THE MINUTES OF THE REGULAR MEETING OF THE MOREHEAD UTILITY PLANT BOARD HELD JANUARY 28, 1993

Place of Meeting

A regular meeting of the Morehead Utility Plant Board was held Thursday, January 28, 1993, at 7:00 P.M., at the office of the MUPB, 135 South Wilson Avenue, Morehead, Kentucky.

Board Members Present

Robert Needham, Oveda Messer and Lake Cooper

Board Members Absent

Paul Ousley and Marvin Moore

Also Present

Fred White, Ron Gastineau, Glen Boodry and Darlene Brooks

Also Absent

Paul Blair

Approval of Minutes

Motion by Messer, seconded by Needham to approve the minutes of the December 23 regular meeting as presented.

Roll call vote on the motion as follows:

Cooper

abstained

Messer

yes

Needham

yes

The Chairman declared the motion to be carried.

High Service Pump and Control Panel Replacement

Supt. Boodry reported that bids were opened for this project on January 12. Out of eight bidders, Reynolds, Inc. had the lowest bid. Boodry reported that Reynolds was a very capable company and they could be expected to produce good results. Reynolds, Inc. has done most of the present pump work at the Water Plant.

Ron Gastineau, with Kennoy Engineers, prepared the specifications and plans for this project. He reaffirmed Supt. Boodry's statement and added that Kennoy Engineers had worked with Reynolds, Inc. since the beginning of their company. He recommended the MUPB award the contract to Reynolds, Inc.

Supt. Boodry stated that the high service pump to be replaced

General Fund Transfers to Reserve Funds

The audit recommendations contained a reference that stated the Board needed to approve transfers from the General Fund to Reserve Funds. The MUPB asked Supt. Boodry to present a policy proposal concerning this matter.

Supt. Boodry requested a postponement of such policy because, at present, there are no funds to transfer.

Bath County Water District Contract Extension and Proposed Water
Service to a Subdivision Near Leatherwood

Supt. Boodry met with Bill Razor from the Bath County Water District, concerning proposed water service to a subdivision near Leatherwood on the Bath County side of Cave Run Lake.

Supt. Boodry presented a proposed water contract extension for Bath County Water District from Mr. Razor. The extension is necessary due to Farmers Home Administration guidelines to qualify for funding on each additional project. (This contract is attached to these minutes.)

Motion by Messer, seconded by Cooper to approve the water purchase contract extension as presented, subject to Paul Blair's review and approval of said contract.

Roll call vote on the motion as follows:

Cooper yes
Messer yes
Needham yes

The Chairman declared the motion to be unanimously carried.

Rowan Water District and Bath County Water District Water Rates

In accordance with the Water Purchase contract dated June 11, 1979, and the variable rate schedule included, it has been determined that the wholesale rate for water sold by the MUPB to Bath County Water District and Rowan Water, Inc. for the calendar year 1993 will be raised from 41.1 cents per 1,000 gallons to 44.8 cents per 1,000 gallons. Fixed capital costs remain the same. (Letter from Tim Eldridge and the calculations are attached to these minutes.)

Superintendent Report

(This report is attached to these minutes.)

Bath/Rowan Sewer District

Tracy Rowan with Elrod & Dunston is working on the proposed Bath/Rowan County Sewer District. She met with Supt. Boodry and discussed the possibility of a sewer treatment and maintenance

contract with their proposed sewer district, similar to the present contracts between the MUPB and Rowan County Sanitation District.

Payment of Monthly Bills

The monthly check register was included in the Board Member packet for their review.

Motion by Messer, seconded by Cooper to approve the payment of the monthly bills as presented.

Roll call vote on the motion as follows:

Cooper yes Messer yes Needham yes

The Chairman declared the motion to be unanimously carried.

Delinquent Payment Delay Plans and Bad Debt Write Off List

There is no write off list for this month.

The payment delay list is attached to these minutes.

Motion by Cooper, seconded by Messer to approve the payment delay list as presented.

Roll call vote on the motion as follows:

Cooper yes
Messer yes
Needham yes

The Chairman declared the motion to be unanimously carried.

Meeting Adjourned

There being no further business, on motion made and carried, the meeting was adjourned at 9:20 P.M.

Paul Owsley, Vice Chairman

APPROVED:

Robert C. Needham, Chairman

RESOLUTION

BE IT RESOLVED by the Board of City Council of the City of Morehead, Kentucky that the Mayor of the City of Morehead be authorized to sign an extension of the Water Purchase Contract between the Morehead Utility Plant Board and Bath County Water District, dated June 11, 1979, extending said contract until July 15, 2035.

PASSED AND ADOPTED this the 8th day of February. 1993.

BOARD OF GITY COUNCIL MOREHEAD, KENTUCKY

ARRY BREEZE, MAYOR

ATTEST:

DIANA LINDSEY, CITY CLERR

EXCERPTS OF MINUTES OF MEETING OF BOARD OF COMMISSIONERS OF THE BATH COUNTY WATER DISTRICT HELD ON JANUARY 12, 1993

A regular meeting of the Board of Commissioners of the Bath County Water District was held at the regular meeting place of the Board at its office on Main-Cross Street in Salt Lick, Kentucky, at 7:00 P.M., CST, January 12, 1993. There were present Ronnie Lyons, Chairman and Billy W. Copher, Secretary and Commissioners James Cochran and Cecil Williams. Commissioner Imogene Garrett was not present. These constituted all of the duly appointed, qualified and acting Water Commissioner of said Water District.

Thereupon, it was called to the attention of the Commissioners that in regard to our "SOC" proposed project, because of the possible timing involved we may need to extend our Water Purchase Contract with the Morehead Utility Plant Board, therefore it appears prudent to do it now rather than wait till near the time when the situation required it.

Thereupon, "In anticipation of the possible need for an extension of the term thru 40 years on our Water Purchase Contract with Morehead because of the SOC Project, a motion was made by Williams, seconded by Cochran, and passed unanimously that the contract with MUPB for the purchase of Water be extended to July 15, 2035. Said Contract was then executed by the Chairman and Secretary."

Thereupon, the Chairman declared that said Motion had carried, and he directed that same be included as a part of the Minutes and be executed by the Chairman, attested by the Secretary, and a copy be furnished to the Farmers Home Administration.

After there was no further business to come before the Board a motion was made, seconded, and unanimously carried that the meeting be adjourned.

BATH COUNTY WATER DISTRICT

Chair

(Seal of Water District)

Secretary

CERTIFICATE OF SECRETARY

I, BILLY W. COPHER, Secretary of the Board of Commissioners of the Bath County Water District, hereby certify that the foregoing is a true copy of an excerpt of the minutes of a regular meeting of said Board, held on January 12, 1993, insofar as such Minutes pertain to the matters referred to in said excerpt.

Dated this 12th day of January, 1993.

Secreta

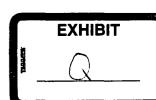
(Seal of Water District)

AMOUNT PLUMBING PERMIT# Spouse's SS# This Agreement entered into between The Hard Field Byad Der (User's & Spouse's Name) whose address is Spouse's Name District hereinafter called "USER" and the BATH COUNTY WATER DISTRICT hereinafter called "SUPPLIER". Whereas, the USER desires to purchase water from the SUPPLIER, the USER hereby enters into the water user's agreement as required by the By-laws of the SUPPLIER. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: The SUPPLIER shall furnish, subject to the limitations set out in its By-laws, Rules and Regulations now in force or as hereafter amended, such quantity of water as the USER may desire in connection with the property to be served by this agreement.	, OD	
AMOUNT PLUMBING PERMIT# 50165 Spouse's SS# This Agreement entered into between Tina Not of the Minister Called "USER" and the BATH COUNTY WATER DISTRICT hereinafter called "SUPPLIER". Whereas, the USER desires to purchase water from the SUPPLIER, the USER hereby enters into the water user's agreement as required by the By-laws of the SUPPLIER. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: The SUPPLIER shall furnish, subject to the limitations set out in its By-laws, Rules and Regulations now in force or as hereafter amended, such quantity of water as the USER may desire in connection with the property to be served by this agreement. The property to be served is a located on Street, Road, Etc.) The property is next to Regidence, Mobile, Etc.) The USER shall install and maintain, at his own expense, a service line that shall	1C# 6C	
PLUMBING PERMIT# Solves ROAD BORE Y N Spouse's SS# This Agreement entered into between That Hoffeld Brad Der (User's & Spouse's Name) whose address is Solvent Solve	PAID 400.00	ACCOUNT# 108918
This Agreement entered into between Tina laffield brad between (User's & Spouse's Name), whose address is 1836 Blook of the Phone 184-9807 Hereinafter called "USER" and the BATH COUNTY WATER DISTRICT hereinafter called "SUPPLIER". Whereas, the USER desires to purchase water from the SUPPLIER, the USER hereby enters into the water user's agreement as required by the By-laws of the SUPPLIER. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: The SUPPLIER shall furnish, subject to the limitations set out in its By-laws, Rules and Regulations now in force or as hereafter amended, such quantity of water as the USER may desire in connection with the property to be served by this agreement. The property to be served is a located on State R. (Residence, Mobile, Etc.) The property is next to Residence, Mobile, Etc.) The property is next to Residence, Mobile, Etc.) The District of Residence of Residence, Road, Etc.)	AMOUNT PLUMBING PERMIT# 450165	ROAD BORE YN
whose address is	SS#	Spouse's SS#
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The OSER shall install and maintain, at his own expense, a service line that shall	The property is next to Gary Snid	erand Tina Halfield.
	The USER shall install and maintain	n, at his own expense, a service line that shall
letermine the location of the water meter on the property. The SUPPLIER shall purchase	begin at the meter and extend to the dwellin	g or place of use. The SUPPLIER will

and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and



federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

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The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

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- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

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The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHEREOF,	we have executed this agreement this
	, 19 <u>99</u> .
WITNESS:	Xi Ma Hatteld (Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY Ballet
·	(TITLE)

A long Halyers	
Of the Harman	
PAID 400.00	ACCOUNT#
AMOUNT PLUMBING PERMIT#	ROAD BORE YN
ss# 402-02-53	13 Spouse's SS# Sherie 405-96-144
This Agreement enter	(User's & Spouse's Name)
whose address is P.O. Lo	0x 343 Phone Phone
	nd the BATH COUNTY WATER DISTRICT hereinafter
•	esires to purchase water from the SUPPLIER, the USER ser's agreement as required by the By-laws of the
-	sideration of the mutual covenants, promises and it is hereby understood and agreed by the parties hereto as
_	furnish, subject to the limitations set out in its By-laws,
	force or as hereafter amended, such quantity of water as ection with the property to be served by this agreement.
The property to be served is a	(Residence, Mobile, Etc.) located on Lot 6 Meadow brook (Street, Road, Etc.)
The property is next to	and
The LICED shell instal	Neighbor Neighbor l and maintain, at his own expense, a service line that shall
	to the dwelling or place of use. The SUPPLIER will

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and

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The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

· IN WITNESS W	HEREOF, we have executed this agreement this
<u>23</u> Day of	23 Feb , \$3000.
WITNESS:	X Shine Tomble (Water User)
•	(Water User's Spouse)
ATTEST:	BY Via Bules
	(TITLE)

o. Mos 11 sta	
PAID 400 = Touchter Housing	ACCOUNT#
AMOUNT	
PLUMBING PERMIT#	ROAD BORE YN_
Spouse's SS#	Danna
This Agreement entered into between Ticha	dAdKns
whose address is 3810 Kendel Sprin.	(User's & Spouse's Name) Phone 674-2344
Hereinafter called "USER" and the BATH COUNTY WAT called "SUPPLIER".	ΓER DISTRICT hereinafter
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required by SUPPLIER.	
Now therefore, in consideration of the mutual cover agreements herein contained, it is hereby understood and ag follows:	•
The SUPPLIER shall furnish, subject to the limitati	ons set out in its By-laws,
Rules and Regulations now in force or as hereafter amende	d, such quantity of water as
the USER may desire in connection with the property to be	served by this agreement.
The property to be served is a	located on Blevin scalles to (Street, Road, Etc.)
The property is next to and	
Neighbor	Neighbor
The USER shall install and maintain, at his own exp	
begin at the meter and extend to the dwelling or place of us	
determine the location of the water meter on the property.	The SUPPLIER shall purchase
NOT INCIDED A ANT ATT VALVA AND WATAT MATAT	

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IN WITNESS WHEREOF, we h	nave executed this agreement this
4 Day of February	/ , 19 2000 .
WITNESS:	· Richard adkum on (Water User)
•	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY
	(TITLE)

•	.
PAID 400 000	ACCOUNT#
AMOUNT PLUMBING PERMIT#	Attocked ROAD BOREY_N_
ss# <u>527-49-037</u> /	Spouse's SS# Shelia 403-96-3671
This Agreement entered into whose address is Set 17 s	(User's & Spouse's Name) Oud 3 & Save Phone 674-6300
Hereinafter called "USER" and the called "SUPPLIER".	BATH COUNTY WATER DISTRICT hereinafter
	to purchase water from the SUPPLIER, the USER agreement as required by the By-laws of the
	tion of the mutual covenants, promises and ereby understood and agreed by the parties hereto as
The SUPPLIER shall furnish Rules and Regulations now in force	or as hereafter amended, such quantity of water as with the property to be served by this agreement.
	lence, Mobile, Etc.) (Street, Road, Etc.)
The property is next to Neigh	arect and
Neigh The USER shall install and r	bor Neighbor naintain, at his own expense, a service line that shall

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- IN WITNESS WHERE	OF, we have executed this agreement this
2/ Day of Jane	iany ; 19 2000.
WITNESS:	Mark Holling (Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
.•	Billing Clerk

1100	
PAID 400 =	ACCOUNT#
AMOUNT PLUMBING PERMIT# 637599	ROAD BORE YN
ss# <u>401-17-9029</u>	Spouse's SS# 402 - 21 -1613
This Agreement entered into between	
whose address is	Phone 999-079
Hereinafter called "USER" and the BATH (called "SUPPLIER".	COUNTY WATER DISTRICT hereinafter
Whereas, the USER desires to purch hereby enters into the water user's agreement SUPPLIER.	ase water from the SUPPLIER, the USER as required by the By-laws of the
Now therefore, in consideration of the agreements herein contained, it is hereby und follows:	· •
(Residence, M	obile, Etc.) (Hern Strang Road, Etc.)
The property is next to	and est
reignoor	Neighbor at his own expense, a service line that shall
begin at the meter and extend to the dwelling	•
	the property. The SUPPLIER shall purchase
and install a cut-off valve and water meter	

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IN WITNESS WHERE	COF, we have executed this agreement this
	sterber, 19 <u>99</u> .
WITNESS:	filas Camila
	(Water User) (Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	BY Morrishone

. ~		
PAID 400		ACCOUNT#_]USSY7
AMOUNT PLUMBING PERMIT# <u>6</u> 41	18/	ROAD BORE YN
This Agreement entered in whose address is TOS & Y Whose	40319	(User's Name) Phone 780 - 9506 TER DISTRICT hereinafter
Whereas, the USER desire thereby enters into the water user's SUPPLIER.		of the SUPPLIER, the USER by the By-laws of the
Now therefore, in consider agreements herein contained, it is follows:		
	ce or as hereafter amende	
The property to be served is a(Re	sidence Mobile, Etc.)	located on Meadow Book (Street, Road, Etc.)
The property is next to	and	Ni jaktaan
·	he dwelling or place of us	Neighbor pense, a service line that shall se. The SUPPLIER will The SUPPLIER shall purchase

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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IN WITNESS WH	EREOF, we have executed this agreement this 1999.
WITNESS:	Bull J. Styles (Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY MORU HOOM
	(TITLE)

PAID 400 OD EK AMOUNT	ACCOUNT# VOTELY
AMOUNT	22
PLUMBING PERMIT# 641202	ROAD BORE YN (
55# Lee 400 80-1133 Curtio 55	9-08-1608
This Agreement entered into between	s & Lee Ann lonley
AMOUNT PLUMBING PERMIT# 641202 This Agreement entered into between Curtis whose address is Bry. ns Valley Rd	(User's Name) Phone 780 - 9208
Hereinafter called "USER" and the BATH COUNTY WA called "SUPPLIER".	
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required I SUPPLIER.	
Now therefore, in consideration of the mutual coveragreements herein contained, it is hereby understood and a follows: The SUPPLIER shall furnish, subject to the limitate	agreed by the parties hereto as
Rules and Regulations now in force or as hereafter amende the USER may desire in connection with the property to be	
The property to be served is a	located on Blevin Valley Id Meaded (Street, Road, Etc.) Subol
The property is next to law eavels and and	Neighbor .
The USER shall install and maintain, at his own ex	pense, a service line that shall
begin at the meter and extend to the dwelling or place of u	se. The SUPPLIER will

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES

NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN W	ITNESS V	WHEREOF, we ha	ve executed this agreement this
13_	Day of	Octobe,	, 19 <u>99</u> .
WITNESS:			xfree ann Conley
			(Water User) (Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier)
			TITLE)

	<i>c.</i> /
PAID 400.99	ACCOUNT#_/08849
AMOUNT PLUMBING PERMIT# 641204	ROAD BORE YN
SS#S	Spouse's SS#
This Agreement entered into between whose address is 120 Timber 100 Hereinafter called "USER" and the BATH Cocalled "SUPPLIER".	O (User's & Spouse's Name) Phone 780-021 4020 DUNTY WATER DISTRICT hereinafter
Whereas, the USER desires to purchas hereby enters into the water user's agreement SUPPLIER.	e water from the SUPPLIER, the USER as required by the By-laws of the
Now therefore, in consideration of the agreements herein contained, it is hereby undefollows: The SUPPLIER shall furnish, subject to	
Rules and Regulations now in force or as here the USER may desire in connection with the p	after amended, such quantity of water as property to be served by this agreement.
The property to be served is a (Residence, Mo	wide located on Meadowbrock Sub bile, Etc.) (Street, Road, Etc.)
The property is next to By Stephen	Neighbor
The USER shall install and maintain, a begin at the meter and extend to the dwelling	at his own expense, a service line that shall or place of use. The SUPPLIER will

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The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS	WHEREOF, we have executed this agreement this
	October, 19 99.
WITNESS:	Doesey Stidham By Bill J. Stytus (Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY
.•	(TITLE)

Sign Paguerit	
PAID 286. ~	ACCOUNT# 108845
AMOUNT PLUMBING PERMIT# <u>641187</u>	ROAD BORE YN
Moah Rose 7 401-27-69 This Agreement entered into horrown Docil	DASE -401-13-855
This Agreement entered into between April whose address is Po. Box 56 Morehad Ky Hereinafter called "USER" and the BATH COUNTY WA	(User's Name) Phone 743-9076 TER DISTRICT hereinafter
called "SUPPLIER". Whereas, the USER desires to purchase water from	n the SUPPLIER, the USER
hereby enters into the water user's agreement as required supplies.	by the By-laws of the
Now therefore, in consideration of the mutual coveragreements herein contained, it is hereby understood and a follows:	· •
The SUPPLIER shall furnish, subject to the limitate Rules and Regulations now in force or as hereafter amend the USER may desire in connection with the property to be	ed, such quantity of water as e served by this agreement.
The property to be served is a (Residence, Mobile, Etc.)	
The property is next to and and	Valliet Property
The USER shall install and maintain, at his own ex	

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IN WITNESS V	VHEREOF, we ha	ive executed this agreement this
29 Day of	Sept	, 19 <u>99</u>
WITNESS:		x april Rose
		(Water User) (Water User's Spouse)
ATTEST:		BATH COUNTY WATER DISTRICT (Supplier)
		Belling Clerk

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The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

PAID 4000	ACCOUNT# 10884Ce
PLUMBING PERMIT# 64/178	ROAD BORE YN
$SS#_{403-80-0634}$ Spouse's SS#	
This Agreement entered into between Juan At 9 Winding Warn whose address is Owing 5Ville, Ky 40360	Cruz II (User's & Spouse's Name) Phone 987 - 9200
Hereinafter called "USER" and the BATH COUNTY WA' called "SUPPLIER".	
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required b SUPPLIER.	
Now therefore, in consideration of the mutual cover agreements herein contained, it is hereby understood and agreelows:	greed by the parties hereto as
The SUPPLIER shall furnish, subject to the limitati Rules and Regulations now in force or as hereafter amende	
the USER may desire in connection with the property to be	
The property to be served is a (Residence, Mobile, Etc.)	located on Jot 9 Winding W (Street, Road, Etc.)
The property is next to and	Neighbor
The USER shall install and maintain, at his own exp	
begin at the meter and extend to the dwelling or place of us	

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

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IN W	'ITNESS W	HEREOF, we have	ve executed this agreement this
22	Day of	Supt	, 19 <u>99</u>
WITNESS:			V Just Court
	-		(Water User)
			(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier) BY
			(TITLE)

PAID 4000/100	ACCOUNT# 108629
AMOUNT PLUMBING PERMIT# (37581	ROAD BORE YN
SS# 402 - 06 - 76 38 Spouse's S	S#
whose address is 6264 ENCY 60 Whose address is 6264 ENCY 60 Hereinafter called "USER" and the BATHEOUNTY W called "SUPPLIER".	(User's & Spouse's Name) Phone 780-0205 VATER DISTRICT hereinafter
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required SUPPLIER.	
Now therefore, in consideration of the mutual co agreements herein contained, it is hereby understood and follows: The SUPPLIER shall furnish, subject to the limit Rules and Regulations now in force or as hereafter amen the USER may desire in connection with the property to	tations set out in its By-laws, aded, such quantity of water as
The property to be served is a (Residence, Mobile, Etc.) The property is next to And Neighbor The USER shall install and maintain, at his own begin at the meter and extend to the dwelling or place of	suse. The SUPPLIER will
determine the location of the water meter on the property and install a cut-off valve and water meter.	y. The SUPPLIER shall purchase

PAID 4000/100

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IN W	ITNESS W	HEREOF, we have	ave executed this agreement this
	Day of	August	, 19 <u>99</u> .
WITNESS:			James A Well (Water User)
	•		(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier) BY Area (Supplier)
			(TITLE)

Dle-ble13

PAID # 40000	ACCOUNT# 108e71
AMOUNT PLUMBING PERMIT# 62671	ROAD BORE YN
SS# <u>401-37-4858</u>	Spouse's SS# 404-13-\$6\$6
	(User's & Spouse's Name),
whose address is Weaver Lane.	Phone <u>674-624</u>
Hereinafter called "USER" and the BATH (called "SUPPLIER".	COUNTY WATER DISTRICT hereinafter
Whereas, the USER desires to purch hereby enters into the water user's agreement SUPPLIER.	ase water from the SUPPLIER, the USER nt as required by the By-laws of the
Now therefore, in consideration of the agreements herein contained, it is hereby un follows:	
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	lobile, Etc.) located on Wegver Lane (Street, Road, Etc.)
The property is next to Neighbor	and First Housein Subdivion Neighbor
The USER shall install and maintain begin at the meter and extend to the dwellin	, at his own expense, a service line that shall
The User shall connect his service li	ne to the water distribution system and shall

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHEREOF, we have executed this agreement this

30	Day of	\overline{C}	June	, 1999
WITNESS:			\bigcirc	, 1
-no	7 4	•	2	Karlellalan

(Water User's Spouse)

Meter will be set at end ob Nood. They do not

have a stake. Please

to spot meter setting

BATH COUNTY WATER DISTRICT

(Supplier)

OFFice Manag

	06-0621
PAID	ACCOUNT# 108672
AMOUNT PLUMBING PERMIT# 637564	ROAD BORE YN_/
SS# 412-19-4908 Spouse's S	S#
This Agreement entered into between	nton Vance
whose address is	(User's & Spouse's Name) Phone 784-1141
Hereinafter called "USER" and the BATH COUNTY W called "SUPPLIER".	ATER DISTRICT hereinafter
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required SUPPLIER.	,
Now therefore, in consideration of the mutual conagreements herein contained, it is hereby understood and follows:	
The SUPPLIER shall furnish, subject to the limit	
Rules and Regulations now in force or as hereafter amen	
the USER may desire in connection with the property to	be served by this agreement.
The property to be served is a	located on Next D Carl Cy.
(Residence Mobile, Etc.)	(Street, Road, Etc.)
The property is next to and	Next to Cal / Old State
Neighbor	Neighbor /
The USER shall install and maintain, at his own e	
begin at the meter and extend to the dwelling or place of	use. The SUPPLIER Will

determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN W	ITNESS W	HEREOF , we ha	ve executed this agreement this
28	Day of	July	, 19 <u>99</u>
WITNESS:			Clutar Tonco (Water User)
	٠		(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier) BY HOW HOW OF THE PROPERTY OF THE P
			(TITLE)

, 218	
PAID <u>400.00</u>	ACCOUNT# 108628
AMOUNT PLUMBING PERMIT# <u>637556</u>	ROAD BORE YN_1
SS#Spou	se's SS# Jeanne
This Agreement entered into between Co	(User's & Spouse's Name)
whose address is	Phone
Hereinafter called "USER" and the BATH COUN called "SUPPLIER".	TY WATER DISTRICT hereinafter
Whereas, the USER desires to purchase was hereby enters into the water user's agreement as reSUPPLIER.	
Now therefore, in consideration of the mutagreements herein contained, it is hereby understoof follows:	ual covenants, promises and od and agreed by the parties hereto as
The SUPPLIER shall furnish, subject to the	e limitations set out in its By-laws,
Rules and Regulations now in force or as hereafter	amended, such quantity of water as
the USER may desire in connection with the prope	
The property to be served is a (Residence, Mobile	Etc.) located on Blevins Valley Rd (Street, Road, Etc.)
The property is next to DAUE Karrick : Neighbor	and Kelly Spencer. Neighbor
The USER shall install and maintain, at his	own expense, a service line that shall

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and

federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

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The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS WHERE	OF, we have executed this agreement this
30 Day of Qu	19 99.
WITNESS:	John Shille
	(Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	BY
	(TITLE)

€ 5 ⁴ 708	
PAID #400, AMOUNT PLUMBING PERMIT#	ACCOUNT# 108773 ROAD BORE YN
$SS#_{236-33-6/35}$ Spouse's	SS#
This Agreement entered into between Mea	dow brook Homes
whose address is 13/3 Ky Hwy 5/9, Morehand	(User's & Spouse's Name) Ry Phone 784-1/4 office
Hereinafter called "USER" and the BATH COUNTY called "SUPPLIER".	WATER DISTRICT hereinafter
Whereas, the USER desires to purchase water for hereby enters into the water user's agreement as require SUPPLIER.	•
Now therefore, in consideration of the mutual cagreements herein contained, it is hereby understood as	

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follows:

The SUPPLIER shall furnish, subject to the limitations set out in its By-laws, Rules and Regulations now in force or as hereafter amended, such quantity of water as the USER may desire in connection with the property to be served by this agreement.

The property to be served is a	_dot	located on Next from hellip
	(Residence, Mobile, Etc.)	located on Next From Relly (Street, Road, Etc.)
The property is next to	and Neighbor	Kelly Spencer.

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and iederal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the afnount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

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The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS	S WHEREOF, we	have executed this agreement this
(37) Day of	July	, 19 <u>99</u> .
WITNESS:	1	THE THE
		(Water User)
		' (Water User's Spouse)
ATTEST:		•
		BATH COUNTY WATER DISTRICT (Supplier)
	···	BY Julianten
		Off Manage

	~
PAID 400=	ACCOUNT# 108848
AMOUNT PLUMBING PERMIT# 1041215	ROAD BORE YN
SS# 406-19-6380 Spouse's	SS#
This Agreement entered into between 6	(User's & Spouse's Name)
whose address is 2080 (817	(User's & Spouse's Name) Phone 674-3267
Hereinafter called "USER" and the BATH COUNTY valled "SUPPLIER".	WATER DISTRICT hereinafter
Whereas, the USER desires to purchase water for hereby enters into the water user's agreement as require SUPPLIER.	·
Now therefore, in consideration of the mutual c	· ·
agreements herein contained, it is hereby understood ar follows:	nd agreed by the parties hereto as
The SUPPLIER shall furnish, subject to the lim Rules and Regulations now in force or as hereafter ame the USER may desire in connection with the property to	ended, such quantity of water as
The property to be served is a (Residence, Mobile, Etc.)	e located on Lot 5 W.) ding War
The property is next to and _	NT:-11
Neighbor The USER shall install and maintain, at his own	Neighbor
begin at the meter and extend to the dwelling or place o	•

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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4990	
£ 100 60	
PAID 400.	ACCOUNT# 108774
AMOUNT PLUMBING PERMIT# 441/8/)	ROAD BORE Y N
1	Novar 292-46-4981
This Agreement entered into between	Snyder
whose address is 144 Wustide Dr	(Usef's & Spouse's Name) Phone 498-0594
MIST wing K46353 Hereinafter called "USER" and the BATH COUNTY WAT called "SUPPLIER".	ΓER DISTRICT hereinafter
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required by SUPPLIER.	•
Now therefore, in consideration of the mutual cover agreements herein contained, it is hereby understood and agfollows:	• •
The SUPPLIER shall furnish, subject to the limitation	ons set out in its By-laws,
Rules and Regulations now in force or as hereafter amende	-
the USER may desire in connection with the property to be	
The property to be served is a (Residence, Mobile, Etc.)	located on Tat 2 Meadowbrook (Street, Road, Exc.), nding his
The property is next to and and	Neighbor
The USER shall install and maintain, at his own exp	
begin at the meter and extend to the dwelling or place of used determine the location of the water meter on the property. Sand install a cut-off valve and water meter.	

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS WHEREOF, we have executed this agreement this			
22	Day of	Plast	, 19 <u>99</u> .
WITNESS:		·	
			(Water User)
			(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier)
			BY Walton
			(TITLE)

federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8 by ¾-inch meter will be used unless the USER contracts for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by trailer park when trailers are not supplied by individual meters.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITHESS WHER	CEOF, we have executed this agreement this
	Cfober, 1999.
WITNESS:	Dregan Dunis
	(Water User)
ATTEST:	(Water User's Spouse) BATH COUNTY WATER DISTRICT
	BY Steen Steen
	(TITLE)

PAID	ACCOUNT#
AMOUNT PLUMBING PERMIT#	ROAD BORE YN
SS# <u>235-92-8089</u> Spouse's S	ss# Lay the Bare 405-13-
This Agreement entered into between Let	sa Baines
whose address is # () wdng way	(User's & Spouse's Name) Phone 780 - 4772
Hereinaster called "USER" and the BATH COUNTY V called "SUPPLIER".	VATER DISTRICT hereinafter
Whereas, the USER desires to purchase water fr hereby enters into the water user's agreement as require SUPPLIER.	
Now therefore, in consideration of the mutual coagreements herein contained, it is hereby understood and follows:	
The SUPPLIER shall furnish, subject to the limi Rules and Regulations now in force or as hereafter amer the USER may desire in connection with the property to	nded, such quantity of water as
The property to be served is a Double Utd a (Residence, Mobile, Etc.)	o_located on <u>low, Id</u> (Street, Road, Etc.)
The property is next to and	Neighbor .
The USER shall install and maintain, at his own	expense, a service line that shall
begin at the meter and extend to the dwelling or place of	use. The SUPPLIER will

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EXHIBIT R

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

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The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHER	EOF, we have executed this agreement this
	auch -192000.
WITNESS:	Deborcel Ryies
	(Water User)
\$	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	BY
	(TITLE)

1 1 1		
KHLO74		
PAID 400.00	- 0 -	ACCOUNT#
AMOUNT PLUMBING PERMIT# <u>(o</u>	50191 Attached	ROAD BORE YN
SS#	Spouse's SS#	angela
This Agreement ente	ered into between Etwi	a King
whose address is		(User's & Spouse's Name) Phone
Hereinafter called "USER" a called "SUPPLIER".	and the BATH COUNTY WA	FER DISTRICT hereinafter
	desires to purchase water from user's agreement as required b	
agreements herein contained follows: The SUPPLIER shall Rules and Regulations now it	nsideration of the mutual cover , it is hereby understood and ag furnish, subject to the limitation n force or as hereafter amended nection with the property to be	ons set out in its By-laws, d, such quantity of water as
The property to be served is	(Residence, Mobile, Etc.)	located on
:	(Residence, Mobile, Etc.)	(Street, Road, Etc.)
The property is next to	and	•
begin at the meter and extend	Neighbor Il and maintain, at his own exp to the dwelling or place of use water meter on the property. I water meter.	e. The SUPPLIER will
commence to use water from WATER CHARGES TO TH	ct his service line to the water of the system on the date the wat E USER WILL COMMENCE THE SUPPLIER, REGARDL THE SYSTEM.	er is available to him. ON THE DATE SERVICE

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and

EXHIBIT 5

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8 by ¾-inch meter will be used unless the USER contracts for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by trailer park when trailers are not supplied by individual meters.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHERE	OF, we have executed this agreement this
Day of	, 19
WITNESS:	
	(Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	BY_
	(TITLE)

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISION

In the Matter of:		SALAN CANA
ROBERT HATFIELD		
	PLAINTIFF)
Vs.) CASE NO. 99-436
BATH COUNTY WATER DI	STRICT)
	DEFENDANT)

PLAINTIFF'S FIRST SET
OF INTEROGATORIES TO DEFENDANT

Plaintiff, Robert Hatfield, by counsel, requests Defendant, Bath County Water District, to answer the following Interrogatories separately and under oath within the 30 days after service in accordance with Rule 33 of the Kentucky Rules of Civil Procedure. These Interrogatories shall be deemed continuing, and supplemental responses shall be required if Defendants or Defendants counsel, directly or indirectly, obtain further information or documents of the nature sought herein, between the time the answers are served and the time of the trial.

INTERROGATORY NO. 1: State your name, address, date of birth, employment status, and identify your employer.

ANSWER:

INTERROGATORY NO. 2: Describe the nature of your employment with the Bath County Water District, length of employment, and positions held with applicable dates indicated.

ANSWER:

INTERROGATORY NO. 3: State with specificity the basis for defendant's denial of plaintiff's requests for water service.

ANSWER:

INTERROGATORY NO. 4: With regard to engineering calculations, describe with specificity all calculations used to determine the demand for a given portion of the water system, including information regarding the minimum quantity of water (gallons per minute) and pressure (psi) that is used in the analysis.

INTERROGATORY NO. 5: What is the required quantity of water (gallons per minute) for residential use, and at what minimum pressure must it be supplied to comply with all regulations adopted by the Commonwealth of Kentucky.

ANSWER:

INTERROGATORY NO. 6: If the defendant has determined peak demand in the defendants subdivision which is the subject of this litigation, state the means and method, including applicable formulas, that were used to determined such demand.

ANSWER:

INTERROGATORY NO. 7:

What is the average household water use in Bath

County per month?

ANSWER:

INTERROGATORY NO. 8: For all recordings, evaluations, or studies regarding the subdivision which is the subject of this litigation, describe the time period, and time frame with which such recording were taken.

INTERROGATORY NO. 9: Describe, in detail, all sources of water that may affect the distribution of water to the property in reference, as provided to the Bath County Water Board on November 23,1999.

ANSWER:

INTERROGATORY NO. 10: Provide and describe the sketch and all of the legs of the waterline diagram, all the sources of water, on or off of the sketch, that may effect the distribution of water to the Hatfield property.

ANSWER:

INTERROGATORY NO. 11: Describe the number of households and how such number was determined in these calculations.

ANSWER:

INTERROGATORY NO. 12: Are these households and tap quantities estimated or actually counted and known to exist?

INTERROGATORY NO. 13: How were the lengths of pipes and elevations on each of the legs of this system determined? Are they measured or estimated?

ANSWER:

INTERROGATORY NO. 14: Are the calculations referred to in Interrogatories No. 11, 12, and 13 an estimate or an accurate assessment of the actual conditions that will occur?

ANSWER:

INTERROGATORY NO. 15: If the calculations are an estimate, what is the calculated margin of error?

ANSWER:

INTERROGATORY NO. 16: If you conducted studies that measured the quantity or volume of water used by the defendant's subdivisions, and/or their neighbors, describe the following:

- A. What were the measured quantities and where were the measuring devised located?
- B. When and for how long were these measurements taken?

C. Who installed the recording devices and ran the measurement tests?

ANSWER:

INTERROGATORY NO. 17: Is it possible for the system to be altered, such as throttling back the inflow quantities into the system, so as to reduce the pressures at the measurement devices?

ANSWER:

INTERROGATORY NO. 18: Provide a description and explanation of the engineering calculations for the recent analysis that shows how you derived the numbers for the proposed pressures at the Hatfield property considering the addition of those households.
ANSWER:

INTERROGATORY NO. 19: How many Hatfield property households are presently using water off of the water main of Blevins Valley road and Old State road?

ANSWER:

INTERROGATORY NO. 20: How many Hatfield property households did you consider in your calculations?

INTERROGATORY NO. 21: How many Hatfield property households did you consider would ultimately be tapped on to the system at the Hatfield Property?

ANSWER:

INTERROGATORY NO. 22: Describe the policy and procedure of the defendant that determines the order in which those who have applied for water service from defendant received serviced.

ANSWER:

Date: March 17, 2000

Respectfully Submitted,

Fox Law Office

P.O. Box 1450

185 West Tom T. Hall Blvd.

Olive Hill, Kentucky 41164

(606) 286-5351

Counsel for Plaintiff,

Robert Hatfield

CERTFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Plaintiff's First Set of Interrogatories to the Defendant, Bath County Water District was mailed, first class postage prepaid, on this the 17th day of March 2000, to the following:

Martin Huelsmann, Executive Director Public Service Commission 730 Schenkel Lane P.O. Box 615 Frankfort, KY 40602

Michael B.

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISION

COMMONWEALTH OF KENTU BEFORE THE PUBLIC SERVICE CO	
In the Matter of:	ON CONTRACTOR OF THE PARTY OF T
ROBERT HATFIELD,) 36/70x
PLAINTIFF,)
vs.) CASE NO. 99-436
BATH COUNTY WATER DISTRICT,)
DEFENDANT,	<i>)</i>)

PLAINTFF'S FIRST REQUEST FOR PRODUCTION **OF DOCUMENTS TO DEFENDANT**

Plaintiff, Robert Hatfield, by counsel, requests Defendant, Bath County Water District, to produce for inspection and copying within 30 days after service the following documents and things in accordance with Rule 34 of the Kentucky Rules of Civil Procedure. These Request for Production of Documents shall be deemed continuing, and supplemental responses shall be required if Defendant or Defendant's counsel, directly or indirectly, obtain further information or documents of the nature sought herein, between the time the answers are served and the time of the trial.

REQUEST NO. 1: Please provide a copy of Curriculum Vitae for all professional persons or employees providing information in this matter.

REQUEST NO. 2: Please provide a copy of all charts, recordings, surveys, maps or designs in your possession regarding or related to the subject property.

REQUEST NO. 3: Please provide a copy of all sketches, calculations, or diagrams prepared by defendant's engineer relating to this litigation.

REQUEST NO. 4: Please provide a copy of all lists or other documents identifying those persons or other entities who have applied for water service from Defendant but have not yet received it.

REQUEST NO. 5: Please provide a copy of all written policies or procedures of Bath County Water Board relating to the acceptance or denial of requests or applications for water service.

REQUEST NO.6: Please provide a copy of all minutes and audio records of defendants meeting wherein the Plaintiff's requests for water service have been discussed.

Date: March 17, 2000

Respectfully submitted,

Michael B. For

Fox Law Offices

185 West Tom T. Hall Blvd.

P.O. Box 1450

Olive Hill, Kentucky 41164-1450

(606) 286-5351

Counsel for Plaintiff,

Robert Hatfield

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Plaintiffs First Request for Production of Documents to Defendant, Bath County Water Board, was mailed, first class postage prepaid, on this the 17th day of March 2000, to the following:

Martin Huelsmann, Executive Director Public Service Commission 730 Schenkel Lane P.O. Box 615 Frankfort, KY 40602

Michael B. Fo

MAR 1 6 2000
PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:		
ROBERT HATFIELD)	
V.	COMPLAINANT)	CASE NO. 99-436
BATH COUNTY WATE	R DISTRICT	
	DEFENDANT	

INTERROGATORIES PROPOUNDED TO THE COMPLAINANT

Comes now the Defendant, Bath County Water District, by and through counsel, pursuant to Order of the Deputy Executive Director of the Public Service Commission of 02 March 2000 and hereby submits the following Interrogatories to be answered by the Complainant under oath within ten days of the date of service.

INTERROGATORY NO. 1

State the name, address, Social Security Number, and date of birth of the individual or individuals answering these Interrogatories.

INTERROGATORY NO. 2

Identify by each date at which point the Complainant approached Bath County Water District Board requesting that Bath County Water District accept a three-inch waterline extension into the Complainant's subdivision hereinafter referred to as Meadowbrook Subdivision.

INTERROGATORY No. 3

With respect to each time that the Complainants requested the Bath County Water District to accept the three-inch water line extension into Meadowbrook Subdivision, state whether or not proposed plans showing the waterline extension were presented and specify the dates on which those requests were made and which plans were presented to the Bath County Water District.

INTERROGATORY No. 4

State whether or not any plans, plats, or surveys have been prepared for Meadowbrook Subdivision that have been recorded in the Bath County Court Clerk's records.

INTERROGATORY NO. 5

State the total number of individual water meters that will be set in Meadowbrook Subdivision once the subdivision is completed. If any accurate number cannot be determined now, please state an estimated minimum and maximum number.

INTERROGATORY NO. 6

State the current number of water meters that have been set for Meadowbrook Subdivision and for each, identify the water customer, the parcel number for the lot served, and the approximate length of the lateral line from the meter to the residence.

INTERROGATORY NO. 7

For all water meters currently set in Meadowbrook Subdivision, state whether or not a plumbing permit has been obtained and identify the customer and parcel number for each permit. If plumbing permits have not been obtained for any currently set water meters, please identify the customer and parcel number relating to that meter and state

why a plumbing permit has not been obtained and the current status of obtaining a plumbing permit. If any plumbing permit has been denied for a current water meter, please identify that meter by customer and parcel number and state why that plumbing permit was denied.

INTERROGATORY NO. 8

Subsequent to obtaining a plumbing permit for all currently set water meters in Meadowbrook Subdivision, please identify all those meters by customer and parcel number that have been approved upon which installation has been approved by the plumbing inspector. If approval has not been obtained, please identify them by customer and/or parcel number the water meter that has not been approved and state the reasons therefor.

INTERROGATORY NO. 9

Have any additional plumbing permits been obtained for future meters to be set in Meadowbrook Subdivision? If so, please identify those by the parcel number anticipated to be served by the new meter.

INTERROGATORY NO. 10

With respect to the three-inch waterline extension located in Meadowbrook Subdivision that is requested to be accepted by the Bath County Water District, please state whether the owner or owners of the property whereupon this three-inch extension shall be or is located; and please state whether or not an easement has been prepared for signature by the owners granting Bath County Water District an easement to maintain and upgrade the proposed three-inch waterline extension. If no easement has been prepared, please state why.

INTERROGATORY NO. 11

Please identify by name, license number, address, and phone number each and every engineer who has prepared plans relating to the three-inch waterline extension for Meadowbrook Subdivision.

Respectfully submitted,

CAMPBELL & ROGERS ATTORNEYS AT LAW 154 Flemingsburg Road Morehead, KY 40351 (606) 784-8926

RV.

EARL ROGERS III
Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served on the parties by mailing or hand-delivering the same to the following:

Hon. Michael Fox Attorney at Law P. O. Box 1450 Olive Hill, KY 41164

Martin Huelsmann, Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, KY 40602

THIS the 14^{tL} day of March, 2000.

EARL ROGERS III

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION



In the Matter of:

ROBERT HATFIELD

COMPLAINANT

V.

BATH COUNTY WATER DISTRICT

DEFENDANT

CASE NO. 99-436

REQUEST FOR PRODUCTION OF DOCUMENTS PROPOUNDED TO THE COMPLAINANT

Comes now the Defendant, Bath County Water District, by and through counsel, pursuant to Order of the Deputy Executive Director of the Public Service Commission of 02 March 2000 and hereby submits the following Request for Production of Documents to be answered by the Complainant under oath within ten days of the date of service.

REQUEST No. 1

With respect to each individual time that the Complainant appeared before the Bath County Water District Board and requested that the Bath County Water District accept the three-inch waterline extension into the Complainant's subdivision, hereinafter called Meadowbrook Subdivision, please provide plat, a copy of the plans, or engineering report, submitted or presented to the Board on each particular occasion for approval.

REQUEST No. 2

If there exists now any current site plan, plat, or engineering report that the Complainant desires to have approved by the Bath County Water District for the three-inch waterline extension into Meadowbrook Subdivision, please provide a copy of said document.

REQUEST No. 3

Please provide a copy of all site plans, plats, engineering reports, or requests for approval submitted to the Natural Resources and Environmental Protection Cabinet, Department for Environmental Protection, Division of Water for Meadowbrook Subdivision.

REQUEST No. 4

Please provide a copy of all plumbing permits obtained concerning each water meter currently set for Meadowbrook Subdivision.

REQUEST No. 5

If any plumbing permit or subsequent approval of installation has been denied by the plumbing inspector, please provide a copy of all documentation concerning said denial.

REQUEST No. 6

Please provide all reports or studies prepared by your engineer relating to water flow, pressure, or usage, concerning Meadowbrook Subdivision.

REQUEST No. 7

Please provide a copy of any and all plats, surveys, or plans of Meadowbrook Subdivision that have been recorded in the Bath County Clerk's office.

REQUEST No. 8

Please provide a copy of any and all easements that have been prepared that would grant to the Bath County Water District an easement for purposes of maintaining and upgrading the three-inch waterline extension into Meadowbrook Subdivision should that extension be approved.

REQUEST No. 9

If any roads contained in Meadowbrook Subdivision have been acquired or assumed by Bath County, please provide any supporting documentation in that regard.

Respectfully submitted,

CAMPBELL & ROGERS ATTORNEYS AT LAW 154 Flemingsburg Road Morehead, KY 40351 (606) 784-8926

EARL ROGERS III Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served on the parties by mailing or hand-delivering the same to the following:

Hon. Michael Fox Attorney at Law P. O. Box 1450 Olive Hill, KY 41164

Martin Huelsmann. **Executive Director Public Service Commission** 730 Schenkel Lane P. O. Box 615 Frankfort, KY 40602

THIS the // day of // Cruh, 2000.



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

211 SOWER BOULEVARD POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

March 2, 2000

Mr. Alfred Fawns
Manager
Bath County Water District
21 Church Street
P. O. Box 369
Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

Honorable Earl Rogers Attorney for Bath County Water Dist. Campbell & Rogers 154 Flemingsburg Road Morehead, KY. 40351

RE: Case No. 1999-436

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/hv Enclosure

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:		
ROBERT HATFIELD)
	COMPLAINANT)
v.) CASE NO. 99-436
BATH COUNTY WATER	DISTRICT)
· _	DEFENDANT)

ORDER

Defendant having answered the Complaint and the Commission finding that issues of fact are in dispute and that a procedural schedule should be established to ensure the prompt resolution of this matter, IT IS HEREBY ORDERED that:

- 1. The formal hearing originally scheduled in this matter for March 3, 2000 shall be rescheduled for April 11, 2000 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, and continuing until completed.
- 2. On or before March 16, 2000, each party may serve upon any other party an initial request for production of documents and written interrogatories to be answered by the party served within 10 days of service.
- 3. On or before March 24, 2000, each party shall file with the Commission in verified form the direct testimony of each witness that it expects to call at the formal hearing.

4. On or before April 3, 2000, each party shall file with the Commission in verified form the testimony of each rebuttal witness that it expects to call at the formal hearing.

All provisions of the Commission's Order of February 9, 2000 that do not 5. conflict with this Order remain in effect.

Done at Frankfort, Kentucky, this 2nd day of March, 2000.

By the Commission

ATTEST:

Deputy Executive Director



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION 211 SOWER BOULEVARD POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

February 9, 2000

Mr. Alfred Fawns
Manager
Bath County Water District
21 Church Street
P. O. Box 369
Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

Honorable Earl Rogers Attorney for Bath County Water Dist. Campbell & Rogers 154 Flemingsburg Road Morehead, KY. 40351

RE: Case No. 1999-436

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/hv Enclosure

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

n the M	latter of:	
F	ROBERT HATFIELD	· ·
	COMPLAINANT	
V		CASE NO. 99-436
E	SATH COUNTY WATER DISTRICT	
	DEFENDANT)	
	ORDER	

Defendant having answered the Complaint and the Commission finding that issues of fact are in dispute and that a procedural schedule should be established to ensure the prompt resolution of this matter, IT IS HEREBY ORDERED that:

- An informal conference is scheduled for February 11, 2000 at 1:30 p.m.,
 Eastern Standard Time, in Conference Room 2 of the Commission's offices at 211
 Sower Boulevard, Frankfort, Kentucky.
- 2. A formal hearing in this matter shall be held on March 3, 2000 at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, and continue until completed.
- 3. Each party may, on or before February 15, 2000, serve upon any other party an initial request for production of documents and written interrogatories to be answered by the party served within 10 days of service.

- 4. On or before February 25, 2000, each party shall file with the Commission in verified form the direct testimony of each witness that it expects to call at the formal hearing.
- 5. On or before March 1, 2000, each party shall file with the Commission in verified form the testimony of each rebuttal witness that it expects to call at the formal hearing.
- 6. Direct examination of witnesses shall be limited to the authentication and adoption of that written testimony. No summarization of written testimony by the witness shall be permitted.
- 7. Witnesses who have filed written direct and rebuttal testimony shall present that testimony at the same sitting. Opposing parties may cross-examine such witnesses on both direct and rebuttal testimonies.
 - 8. No opening statements shall be made at the hearing in this matter.
- 9. Any party may within 15 days of the filing of the hearing transcript with the Commission submit a written brief. Briefs shall not exceed 25 pages in length.
- 10. Copies of all documents served upon any party shall be served on all other parties and filed with the Commission.
- 11. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.
- 12. To be timely filed with the Commission, a document must be received by the Secretary of the Commission within the specified time for filing except that any document shall be deemed timely filed if it has been transmitted by United States express mail, or by other recognized mail carriers, with the date the transmitting agency

received said document from the sender noted by the transmitting agency on the outside of the container used for transmitting, within the time allowed for filing.

- 13. Service of any document or pleading shall be made in accordance with Administrative Regulation 807 KAR 5:001, Section 3(7), and Kentucky Civil Rule 5.02.
- 14. As the Complainant bears the burden of proof in this matter, his failure to appear at the formal hearing and to present proof in support of his Complaint may result in the dismissal of his complaint with prejudice.
- 15. The failure of Defendant to appear at the formal hearing may result in the entry of an Order granting the Complainant's requested relief.

Done at Frankfort, Kentucky, this 9th day of February, 2000.

By the Commission

ATTEST:

Executive Director

Lola

1836 Blevins Valley Road Owingsville, KY 40360 Phone (606) 674-9999 Fax (606) 674-9530

February 2, 2000

Executive Director Public Service Commission PO Box 615 Frankfort, KY 40602

Dear Sir or Madam:

CA STAN I filed my original complaint against Bath County Water District on October 18, 19 that time Bath County Water District (hereinafter referred to as "BCWD") had been denying our water line extension requests since the water line extension ban was lifted in June of 1999. We requested the line extension with the understanding that we would incur all costs of the new line. We repeatedly requested this extension from June until December. Each time the BCWD said that they did not have the authority to allow our extension. This was simply not true.

In December, the Division of Water banned main line extensions in Bath County. At that time the Division of Water (hereinafter referred to as "DOW") granted me a main line extension to serve only 13 customers. According to Dennis Minks of the DOW, without the BCWD agreeing to service our extension they could not assist us any further. As I stated earlier the BCWD has been denying our extension request since June.

It is now apparent that Bath County will be under a water tap ban in the immediate future. I have been trying to purchase 18 meters from the BCWD. The BCWD is trying to say that their current water system will not support the additional meters. We have received two reports from their engineer, both stating that the present system will support at least thirty additional customers with pressure over 30 psi. (I am attaching the most recent data compiled by Scott Taylor, P.E. employed by the BCWD). I am only asking for 18. Yesterday the BCWD told me that they were ordering more tests from their engineer to contradict the previous findings. I sincerely believe this report will be falsified to prevent our service.

I am asking for immediate relief from the mistreatment I am receiving from the BCWD. If they continue to deny me service my business will close and I will be out of work. This discrimination cannot be allowed to continue. Please contact me concerning the action that can be taken in this matter.

Sincerely.

Parallel Pipe Equivalent Diameter Calculation Table

HL(ft)= 65.55098

Before Meadowbrook Subdivision
Bath County Water District
Preston Tank to Meadowbrook
B4Meadow PRO

Profiled Route Name: File Name:

Average Usage/Customer:

Project Title:

0.1141552 gpm 엌

5000 gal/mo

First Pipe Second Pipe Equivalent Pipe Length 29000 29000 29000

7.81 C-Value 140 140 148

Beginning Grade (ft MSL) =

970

PUMP TOH

PRV HGL

Pressure = 0

NUMBER 0	есеvатіон 900 700	SPS CUST/NODE 25	SPECIAL DEMANDS PEAK	AVERAGE	**************************************	LENGTH 7000	**PIPE DATA***********************************	C-VALUE 140	K-VALUE 0.9
-	è	3 5	l L			9000	0.00	140	0.90
2	780	46	75		u	5000	4.00	140	0.50
ω	730	20			4	2000	4.00	140	0.20
4	780	10			٠,	4000	4.00	140	0.40
S	780				6	2000	4.00	140	0.20
6	772				7	1500	4.00	140	0.15

Before Meadowbrook Subdivision

Pigeon Forge

Meadowbrook

% ~

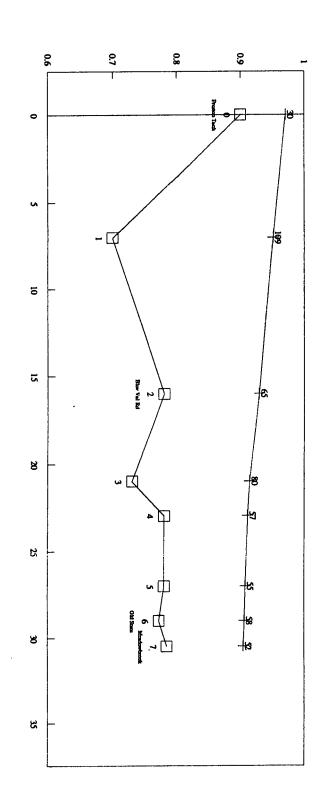
785 820

0 4

Old State

Bhev Val Rd Preston Tank DESCRIPTION

Bath County Water District



ELEVATION IN FT (MSL)

(Thousands)

(Thousands)

Preston Tank to Meadowbrook

Ground Line + HGL for Peak Flow

{

Profile Data Input Range
After Meadowbrook Subdivision w/ 30 Customers
Bath County Water District
Preston Tank to Meadowbrook
Meadow2 .PRO
0.1141552 gpm or 5000 gal/m

Profiled Route Name:
File Name:
Average Usage/Customer:

Project Title:

141552 gpm or	w2 .PRO	Tank to Meadowbrook	ounty Water District
5000 gal/mo			
Equivalent Pipe	Second Pipe	First Pipe	
29000	29000	29000	Length
7.81	6	6	Dia

C-Value 140 140 140

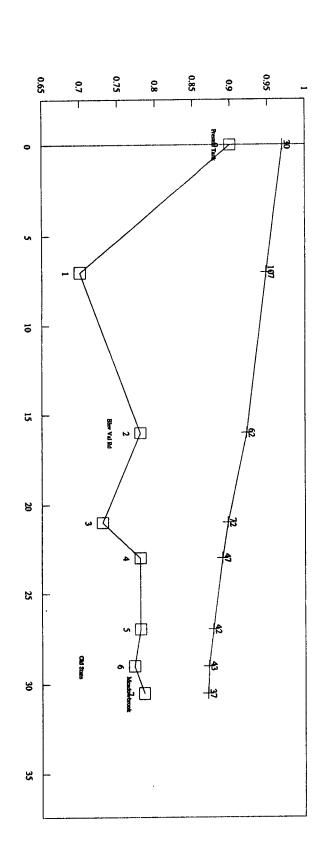
HIL(ft)=

100.0825

Secondary Company		Q.	;	q		,	•		Begir	Beginning Grade (ft MS)	(ft MSL) =	970
	**************************************	ATA******	********	********	*****				,	,	Pressure =	0
	!		SPE	SPECIAL DEMANDS	S	********	*******	***PIPE DATA***	******	****	*******	****
DESCRIPTION	NUMBER	ELEVATION	CUST/NODE	PEAK	AVERAGE	NUMBER	LENGTH	DIAMETER	C-VALUE	K-VALUE	PUMP TOH	PRV HGL
Preston Tank	0	906				_	7000	6.00	140	0.9		
		700	25			2	9000	6.00	140	0.90		
Blev Val Rd	2	780	40	75		ω	5000	4.00	140	0.50		
	ω	730	20			4	2000	4.00	140	0.20		
	4	780	10			տ	4000	4.00	140	0.40		
	5	780				6	2000	4.00	140	0.20		
Old State	6	772	30			7	1500	4.00	140	0.15		
Meadowbrook	7	785	6									
on Porge	· ∞	820	4	:	• • •							

Bath County Water District

After Meadowbrook Subdivision w/30 Customers



ATION IN FT (MSL)

(Thousands)

(Thousands)

Preston Tank to Meadowbrook

Ground Line + HGL for Peak Flow

.



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

January 14, 2000

Mr. Alfred Fawns, Manager Bath County Water District 21 Church Street P. O. Box 369 Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

Honorable Earl Rogers Attorney for Bath County Water Dist. Campbell & Rogers 154 Flemingsburg Road Morehead, KY. 40351

RE: Case No. 1999-436

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/sa Enclosure

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ROBERT HATFIELD)
COMPLAINANT)
v .) CASE NO. 99-436
BATH COUNTY WATER DISTRICT)
DEFENDANT	<i>)</i>)

ORDER

Bath County Water District ("Bath Water") having moved for a 30-day extension of time in which to submit its response to the Commission's December 6, 1999 Order and the Commission finding good cause, IT IS HEREBY ORDERED that Bath Water's motion is granted and its response is due January 14, 2000.

Done at Frankfort, Kentucky, this 14th day of January, 2000.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the	Matter of:		PUBLIC SERVICE COMMISSION
	ROBERT HATFIELD		COMMISSION
V.		COMPLAINANT)) CASE NO. 99-436)
	BATH COUNTY WATER DISTRI	СТ	
		DEFENDANT)

Comes now the Defendant, Bath County Water District, by and through counsel, and for its response to the Complaint filed herein, states as follows:

FIRST DEFENSE

1. The Complainant's Complaint fails to state a claim upon which relief may be granted and further fails to reference any law or order of which a violation is claimed.

SECOND DEFENSE

- 2. The Defendant admits the allegations contained in Paragraph A of the Complainant's Complaint.
- 3. The Defendant admits the allegations contained in Paragraph B of the Complainant's Complaint insomuch as it states that the utility's name is "Bath County Water District". This Defendant denies all other allegations contained in that paragraph and further affirmatively states that the utility's address is: 21 Church Street, P. O. Box 369, Salt Lick, KY 40371.

4. The Defendant denies the allegations contained in Paragraph C of the Complainant's Complaint and further affirmatively states that when the Complainant initially requested a water line extension in May of 1999, this Defendant was under a water line extension ban by the Division of Water. (See Exhibit "A" attached hereto and incorporated by reference.) The water line extension ban was lifted in June of 1999 (See Exhibit "B" attached hereto and incorporated by reference.) at which time the Hatfields attended a meeting of the Bath County Water District Board of Commissioners requesting approval of their extension. The Hatfields' request for approval of an extension of a water line was not denied. However, the Board of Commissioners wanted its engineers to review said request to determine whether or not the current Bath County Water District System was able to adequately serve the 75 proposed additional customers. As of July of 1999 the Board of Commissioners had still not received any information from its engineer and therefore, the Board of Commissioners did not approve the Complainant's request at that time.

Although the Complainant's request for water line extension has not been approved by the Bath County Water District, the District has set meters for approximately thirteen new customers located in the Complainant's proposed subdivision.

In November of 1999 the Bath County Water District received a report from its engineer stating that the Complainant's proposed water line extensions and additional users resulting therefrom would over-burden the Defendant's existing water system and supply of water.

To date the Complainant has yet to submit a complete and detailed set of plans of the subdivision which would show in addition to the location of the proposed water

lines, the depth of the lines, details concerning valves in the lines, details concerning creekcrossings, details concerning sewer crossings, and details concerning sewer parallels.

As of the present date, the Complainant's proposed plans have not been approved by the Defendant's Board of Commissioners.

THIRD DEFENSE

Effective 15 December 1999 the Commonwealth of Kentucky, Natural Resources and Environmental and Protection Cabinet, Department for Environmental Protection, Division of Water, issued a ban on water line extensions for the Bath County Water District. (See Exhibit "C" attached hereto and incorporated by reference.)

FOURTH DEFENSE

The Defendant is unable to provide service to the proposed water line extension of the Complainant as the four-inch main line serving the subdivision area does not have the capacity for the increase flow that would result from the water line extension and as a result would be unable to maintain the minimum legal amount of water pressure; the pump feeding the area of the proposed water line extension is inadequate; and the Defendant is currently exceeding its allotted capacity under its water purchase contract with the City of Morehead/Morehead Utility Plant Board and Rowan County Water District.

WHEREFORE, based upon the foregoing, this Defendant respectfully requests that the Complainant's Complaint be dismissed and held for naught.

Respectfully submitted,

CAMPBELL & ROGERS ATTORNEYS AT LAW 154 Flemingsburg Road Morehead, KY 40351 (606) 784-8926

BY:

EARL ROGERS III
Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served on the parties by mailing or hand-delivering the same to the following:

Robert Hatfield 100 Wild Ridge Road Morehead, KY 40351

THIS the 10th day of January, 2000.

EARL ROGERS III



Beinn's

COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601

October 1, 1997

0060022 Mr. Darrell Grimes, Manager Bath County Water District PO Box 369 Salt Lick KY 40371

Dear Mr. Grimes:

This is to notify you that the Division of Water is imposing, through the attached memorandum to the Division of Plumbing, a water line extension ban on your water supply system effective upon receipt of this letter. A line extension ban prohibits any water line extensions.

It is your responsibility to notify all interested parties, such as consultants and developers, that these bans are in effect.

The reason for the water line extension ban is that Bath County Water District has been experiencing water shortages during the summer months for several years due to hydraulic problems combined with high usage.

In the opinion of this office, the ban is necessary to facilitate the correction of these deficiencies. The ban will remain in effect until the Bath County Water District demonstrates to the satisfaction of this office that the item(s) listed above have been identified and corrected and that it can meet all the quantitative and qualitative parameters specified in the Drinking Water Regulations.



Bath County Water District October 1, 1997 Page two

If you have any questions pertaining to this matter, please contact my office at (502) 564-3410.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch Division of Water

VLR:GPO:mrg

c: Division of Plumbing
Bath Co. Judge Executive
Lonnie Castle, Morehead Regional Office
Jack Wilson, Director-Division of Water
George Schureck, CTAP
Maleva Chamberlain, DOW Information Officer
Tim Kuryla, DOW
Enforcement Branch
Sam Lester, Field Operations Branch
Drinking Water Files



COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601 May 27, 1998

0060022
Bath County Water District
Attn: Daryl Grimes
P O Box 369
Salt Lick KY 40371

RE: PWSID# 0060022

Revocation of Line Extension Ban

Dear Mr. Grimes:

As was detailed in the letter from the Drinking Water Branch dated May 24, 1999, the certification and field data concerning improvements in your water system has been received and accepted. As a result, the Branch is able to revoke the water line extension ban which was initiated on October 1, 1997.

Future expansion of Bath County Water District's service area should be proactively planned to ensure that growth in demand does not outstrip the pace of upgrades in the system.

If you have any questions pertaining to this matter, please contact Jerry O'Bryan at (502) 564-3410, extension 516.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch

Division of Water

VLR:GPO:mrg

c: Bath Co Judge/Executive

Bath Co Attorney
Bath Co Health Dept
Morehead Regional Office
Public Service Commission

Bob Arnett, Plans Review Greg Wilson, Enforcement Division of Plumbing Laura Meade

W. Solffer for



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EXHIBIT

B



COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601 December 15, 1999

Mr. Albert Fawns, Jr., Manager Bath County Water District P. O. Box 369 Salt Lick, KY 40371

Dear Mr. Fawns:

RE: PWSID# 0060022

In response to your letter dated December 9, 1999, the Division of Water is imposing a waterline extension ban on Bath County Water District (BCWD) effective this date. A waterline extension ban prohibits any water line extensions that increase the demand on water supply but does not prohibit line extensions for the purpose of improving flows and pressures in the distribution system. The ban does not prohibit the connection of customers to existing water lines. The exemptions to the ban are: previously approved plans and specifications; plans and specifications currently submitted for approval; system improvements that do not increase the demand; projects previously approved through FAR (A95) review; and projects that have secured another source of water.

It is your responsibility to notify all interested parties, such as consultants and developers, that this ban is in effect. A written request for an exemption must be made by BCWD for all future waterline extension plans and specifications to be submitted to the Drinking Water Branch while the sanction is in place. The request shall include the reason why the exception is being requested.

BCWD has been experiencing water shortages during the summer months for several years due to hydraulic problems combined with high usage. Based on documented information about these problems received by this office over the past several months, and your December 9, 1999 request for a line extension ban, we concur with BCWD that this ban is necessary to facilitate the correction of these deficiencies. The ban will remain in effect until BCWD demonstrates to the satisfaction of this office that the item(s) listed above have been identified and corrected and that all the quantitative and qualitative parameters specified in the Drinking Water Regulations can be met.

If you have any questions pertaining to this matter, please contact Bill Averell or Donna Marlin at (502) 564-3410 extensions 578 and 541, respectively.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch

Vicki d. Kang

Division of Water

VLR:DSM:WHA

c: Dennis Minks, Plans Review Section
Bath County Health Department
Morehead Regional Office
Enforcement Branch

Sharpsburg Water District
Public Service Commission
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Bath County Attorney
Frenchburg Wat

Division of Plun Drinking Water **EXHIBIT**

BATH COUNTY WATER DISTRICT POST OFFICE BOX 369 SALT LICK, KENTUCKY 40371

TELEPHONE (606) 683-6363

December 16, 1999

Mr. Jerry Wuetcher **Public Service Commission** Post Office Box 615 Frankfort, Kentucky 40602

Re: Case No. 99-436

Dear Mr. Wuetcher:

We are hereby requesting an extension of thirty days from date of this letter to respond to the above referenced case.

Our county attorney will be unable to answer due to a conflict of interest; therefore our Board of Commissions will have to ask the County Judge Executive to approve other legal counsel for the Water District. We are sending a copy of the letter from our county attorney for your files.

We regret any inconvenience this may cause to any or all parties involved. If you need further explanations or have questions please give me a call at 606-686-6363.

Sincerely,

Alfred Fawns, Jr., Manager

Theef facuns /

Bath County Water District

CC: PSC, Stephanie Bell

Enclosure



COMMONWEALTH OF KENTUCKY Office of the Bath County Attorney

P. O. Box 580 Owingsville, Kentucky 40360 (606) 674-6663

December 15, 1999

Mr. Alfred Fawns, Jr. Bath County Water District Church St. Salt Lick, KY 40371

Re: Hatfield Complaint with PSC

Dear Junior:

In response to your request for my services as county attorney and attorney for the water district in the above styled matter, as I informed you that after speaking with the Attorney General's Office, I am unable to represent the water district in the above referred complaint due to the fact that I am the opposing counsel in the pending court action of Bath County Fiscal Court vs. Bath County Water District, et al. This pending court action where I am the opposing counsel against the water district, creates a conflict of interest which prevents me from representing the district in the above PSC action. I have spoken with Judge Bailey about this matter and explained to him that since I am unable to represent the water district in this case, that the district will need to retain other legal counsel, which he has agreed to approve. I have instructed Judge Bailey that his office should send a written approval letter to your office in order to allow the district to proceed to retain another attorney for this case.

Also, I have spoken with Mr. Jerry Wuetcher, who is the legal counsel for the PSC in this case, and I have explained this situation with him, and have also informed him that the district would need additional time in order to retain an attorney and to file an answer to the Hatfield's complaint. He stated that there would be no problem with the granting of an extension of time, but stated that you should send the commission a letter on behalf of the district requesting an extension of how many days that you feel would be necessary for the district to get an answer filed. The fax number where the letter should be sent is (502) 564-3460, and the phone number where Mr. Wuetcher can be reached is (502) 564-3940, extension #259. Also, when you send your letter requesting an extension, Mr. Wuetcher indicated that you should also send the commistion this letter.

If you should have any questions about this case or anything that I have explained to you above, please do not hesitate to give me a call.

Sincerely,

Donald A. Maze Bath County Attorney

JA. May



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

December 6, 1999

Mr. Alfred Fawns, Manager Bath County Water District 21 Church Street P. O. Box 369 Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

RE: Case No. 1999-436

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/sh Enclosure

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the N	Matter of:		
ı	ROBERT HATFIELD)
		COMPLAINANT)
•	v) CASE NO. 99-436
I	BATH COUNTY WATER DISTRI	СТ)
		DEFENDANT)

Robert Hatfield ("Complainant") has brought a formal complaint against Bath County Water District ("Bath District"). On November 9, 1999, Bath District responded to this complaint by letter. Alfred Fawns, Jr., Bath District's manager, submitted the letter on behalf of Bath District. Mr. Fawns is not a licensed attorney.

ORDER

No person may engage in the practice of law in Kentucky without first obtaining a license to practice. SCR 2.100. The practice of law is

any service rendered involving legal knowledge or legal advice, whether of representation, counsel or advocacy in or out of court, rendered in respect to the rights, duties, obligations, liabilities, or business relations of one requiring the services.

Kentucky Supreme Court Rule 3.020. It includes, as Kentucky's highest court held in Kentucky State Bar Association v. Henry Vogt Machine Co., 416 S.W.2d 727 (Ky. 1967), the representation of a corporation before a state administrative agency.

As to its own proceedings, this Commission has adopted a similar position and has required that those representing the interests of others before us be licensed attorneys. In a previous case, this Commission ordered that:

[A]ny attorney who is not licensed to practice in the State of Kentucky and who seeks to represent a client or employer before this Commission, must engage a member of the Kentucky Bar Association. It logically follows that if an unlicensed attorney may not represent a client before this Commission, neither may a layman.

Administrative Case No. 249, <u>Practice Before the Commission by Attorneys Non-Licensed in the Commonwealth of Kentucky</u> (Ky. P.S.C. June 15, 1981) at 2.

Commission regulations concerning formal complaints incorporate, at least in part, these sentiments. Administrative Regulation 807 KAR 5:001, Section 12(2), states in part:

Complaints by corporations or associations, or any other organization having the right to file a complaint, must be signed by its attorney and show his post office address.

The regulation requires that a corporation or other organization, from the outset of a complaint proceeding, be represented by an attorney.

Based on the above, the Commission finds that Bath District's Answer fails to comply with Kentucky law and should not be accepted for filing. We further find that Bath District should be permitted to file an Answer that complies with Administrative Regulation 807 KAR 5:001 within 10 days of the date of this Order. If Bath District fails to submit a timely answer that complies with this administrative regulation, such failure will be considered as an admission of all allegations contained in the complaint and will constitute grounds for the entry of an Order granting the Complainant's requested relief.

IT IS THEREFORE ORDERED that:

- 1. Bath District's Answer is rejected.
- 2. Within 10 days of the date of this Order, Bath District shall submit an Answer that complies with Administrative Regulation 807 KAR 5:001. Failure to submit a timely answer that complies with this administrative regulation will be considered as an admission of all allegations contained in the complaint and will constitute grounds for the entry of an Order granting the Complainant's requested relief.

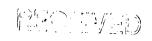
Done at Frankfort, Kentucky, this 6th day of December, 1999.

By the Commission

ATTEST:

Executive Director

BATH COUNTY WATER DISTRICT POST OFFICE BOX 369 SALT LICK, KENTUCKY 40371



NOV - 9 1999

PUBLIC SERVICE GOMMISSION

November 8, 1999

Stephanie Bell Public Service Commission 730 Schenkel Lane Post Office Box 615 Frankfort, Kentucky 40602

RE: Case No. 99-436

Dear Ms. Bell:

This is in response to the above case number and attested Commission order dated November 2, 1999.

The complainant, who has requested a water line extension to a new subdivision on Blevins Valley Road, has been asked to submit the necessary information to the District for a line extension. Prior to the District submitting plans for approval to the Division of Water (DOW), there are certain steps to follow. These steps have been given to the complainant and some of these have been followed. The District has requested that detailed plans be submitted for review and approval by the District's engineer. At the last meeting, information was given by an engineer representing the complainant. At this time, the District's engineer is reviewing this information. If our engineer states that the District has the necessary facilities to serve the new extension, the next step will be for the District to submit a letter and plans to the DOW for approval of the plans.

If required by PSC and other state regulations to approve this and future line extensions without regard to water purchase contracts, the District will proceed and request approval from DOW. Due consideration should be given though to the fact that extensions such as this have the potential to jeopardize continuous service to the more than 19,000 people who currently rely on the District for water service.

We await your further guidance on this issue.

Offeed Facures fr.

Sincerely,

Alfred Fawns, Jr.

Manager



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

November 2, 1999

Darryl S. Grimes Manager Bath County Water District 21 Church Street P. O. Box 369 Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

RE: Case No. 99-436

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/hv Enclosure

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ROBERT HATFIELD)
COMPLAINANT))
V.)) CASE NO. 99-436 `
BATH COUNTY WATER DISTRICT))
DEFENDANT))

ORDER TO SATISFY OR ANSWER

Bath County Water District ("Bath Water") is hereby notified that it has been named as defendant in a formal complaint filed on October 18, 1999, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, Bath Water is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 2nd day of November, 1999.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the matte	er of:					001 1004 1 1 30
		utfield)			Control of the contro
(Your	Full Na	me) COMPLAINANT)		a_	'n
VS.			; CA	SE C	14-4	36
Bath Co	of Utilit	Water District) }· }			
(Hame	or Gaing	DEFENDANT	,			•
		COMPLAINT				
The complai	int of _	Robert Hotfield (Your Full Name)		respe	ctfully	shows:
(a)	 	Robert Hatfield (Your Full Name)			·	
	_/0	OW: Id Ridge Rd; Morcheau (Your Address)	<u>d, K</u> Y	4035	51	
(b)	<u> B</u> o	th County Woter District (Name of Utility)				
	<u>_M</u>	ain Street, Solt Lick, Ky (Address of Utility)				
(c)	That:	(Describe here, attaching additional sheet	s if nece	essary,	·-	
		<u> </u>				
		the specific act, fully and clearly, or facts t	that are	the reas	οń	
			• • •		~	
		and basis for the complaint)		٠		

Continued on Next Page

c) On December 22, 1998 my wife and I purchased a 120 acre farm in Bath County for development. Prior to the purchase, I spoke with Darrell Grimes, water board manager at the time. Mr. Grimes assured me that county water line extensions into the future subdivision "would not be a problem". We purchased the property because of his reassurance.

In May of this year we attended the monthly meeting of the water board. We were reminded that there was a main line ban in place and for that reason they could not grant our request.

In June the line extension ban for Bath County was lifted. We were sure that our development was on its way. We attended the monthly water board meeting in June. To our dismay the board denied our request to extend the water line into our property at our cost. We contacted the Public Service Commission concerning this disservice. We were informed that the water district could not refuse to give us water.

In July we attended the monthly meeting and we offered to give the board control over the number of lots we would sell annually. They refused and told us that we could run one-inch lines to each house from the main road. This means that we would have at least 30 lines in two different ditches instead of one main line. If there is a leak, every line must be checked to find the leak. This also means that we would be spending at least 15 times as much money on individual water lines over and above our cost for the main line. At this meeting, we informed Mr. Grimes of our conversation with the PSC. He restated that it was out of his control.

In August, we continued to request line extensions. Each time we were declined. The water board told us that they could not grant any extensions. However, they extended the main water line from our property to accommodate other customers on Blevins Valley Road at the cost of the water district. Three extensions were made in walking distance from our property, yet we were again refused service.

In September, we contacted the Division of Water who told us that the water board could not deny us water if there is no extension ban. There is no ban. The water board continues to set meters at the road for our customers. They tell our customers that we will not have water and "that they can put their stake anywhere they want, but the meter will go at the road".

We have been cooperating with the water district but have had made no progress. We have hesitated in making this complaint until now but we feel that this is the first step in the recourse we have to take. We fill that this is a blatant injustice from the water district monopoly of Bath County. It appears to be a case of discrimination because other extensions have been granted in plain sight. We have purchased our main lines and have suffered damages as a result of the actions of the water district.

Formal Complaint
Robert Hatfield vs. Bath County Water District
Page 2 of 2
Wherefore, complainant asks <u>that the Beth County Water</u> (Specifically state the relief desired.)
District immediately grant ow request for line extensions.
extensions.

Dated at <u>Morchead</u> , Kentucky, this <u>/</u> dh day (Your City)
of October, 1999.
(Month) Tokert Hotheld
(Your Signature)
(Name and address of attorney if any)

-



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

October 22, 1999

Darryl S. Grimes
Manager
Bath County Water District
21 Church Street
P. O. Box 369
Salt Lick, KY. 40371

Robert Hatfield 100 Wild Ridge Road Morehead, KY. 40351

RE: Case No. 99-436

BATH COUNTY WATER DISTRICT

(Complaints - Service) OF ROBERT HATFIELD

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received October 18, 1999 and has been assigned Case No. 99-436. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Stephanie Bell

Secretary of the Commission

COMMONWEALTH OF KENTUCKY

- WINDONWEALTILE
In the matter of: BEFORE THE PUBLIC SERVICE COMMISSION
In the matter of:
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(Your Full Name)
(Your Full Name)
)
VS.
COMPLAIN.
Bath Count
Name of white Water
(Name of Utility) Water Distant
(Name of Utility) Water District) (ASE 99-436
DEFENDANT)
ENDANT)
COMPLAINT
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Robert Hatfield vs. Bath County Water District
Page 2 of 2
Wherefore, complainant asks that the Both County Water (Specifically state the relief desired.) District immediately grant ow request for line
extensions.
Dated at Morchead, Kentucky, this 14th day (Your City) of October, 1999. (Month) Details Hatfield
(Your Signature)

(Name and address of attorney, if any)

BEFORE THE

KENTUCKY PUBLIC SERVICE COMMISSION CASE NO. 99-436

RE: BATH COUNTY WATER DISTRICT

Pursuant to notice duly given, the above styled matter came to be heard April 11, 2000, at 10:00 a.m. in the hearing room of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky; The Honorable Paul Shapiro presiding.

FILED

APR 27 2000

PUBLIC SERVICE COMMISSION

VIVIAN A. LEWIS

COURT REPORTER - PUBLIC STENOGRAPHER
101 COUNTRY LANE
FRANKFORT, KENTUCKY 40601
(502) 695-1373

BEFORE THE

KENTUCKY PUBLIC SERVICE COMMISSION

CASE NO. 99-436

RE: BATH COUNTY WATER DISRICT

APPEARANCES:

Hon. Paul Shapiro Hearing Officer PUBLIC SERVICE COMMISSION

Hon. Jim Pinney Legal Counsel PUBLIC SERVICE COMMISSION

Hon. Michael B. Fox Post Office Box 1450 Olive Hill, Kentucky 41164 COUNSEL FOR PLAINTIFF

Hon. Earl Rogers, III 154 Flemingsburg Road Morehead, Kentucky 40351 Legal Counsel BATH COUNTY WATER DISTRICT

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1

2

24

1 HEARING OFFICER SHAPIRO: 2 This is a hearing before the Kentucky Public 3 Service Commission in the matter of Robert Hatfield versus Bath County Water District, Case Number 99-436. Is the complainant Robert Hatfield 5 6 ready to proceed? 7 MR. FOX: 8 Yes, Your Honor. 9 **HEARING OFFICER SHAPIRO:** 10 And is Bath County Water District ready to 11 proceed? MR. ROGERS: 12 13 Yes, Your Honor. 14 **HEARING OFFICER SHAPIRO:** 15 Can we have appearance of counsel, first for the 16 complainant Robert Hatfield? 17 MR. FOX: 18 Michael B. Fox, for the complainant. **HEARING OFFICER SHAPIRO:** 19 20 And your address Mr. Fox? 21 MR. FOX: 22 P. O. Box 1450, Olive Hill, Kentucky 41164. 23 **HEARING OFFICER SHAPIRO:**

And for Bath County Water District?

```
1
     MR. ROGERS:
 2
          Earl Rogers, III, R-o-q-e-r-s, and my address is
 3
          154 Flemingsburg Road, Morehead 40351.
 4
     HEARING OFFICER SHAPIRO:
          And for Commission Staff?
 5
 6
     MR. PINNEY:
          Jeff Pinney appearing for Commission Staff.
 7
 8
     HEARING OFFICER SHAPIRO:
          Are there any preliminary matters that we have to
 9
10
          take up at this time?
     MR. ROGERS:
11
          I'm unaware of any Your Honor.
12
13
     MR. FOX:
          None for the Complainant.
14
15
     HEARING OFFICER SHAPIRO:
          All right. Let me just introduce myself. My name
16
17
          is Paul Shapiro, I'm a Hearing Examiner for the
          Public Service Commission and I've been asked by
18
          the Commission to conduct the hearing here this
19
20
          morning. The Commission, some of you may know,
21
          consists of three members and, eventually, they
2.2
          will be the ones who will be deciding the case.
23
          So, at this point I'll ask Mr. Fox to call his
          first witness.
24
```

	1	MR.	FOX:
	2		I call Robert Hatfield.
	3	HEAR	RING OFFICER SHAPIRO:
	4		Mr. Hatfield, you want to come around please.
	5		(WITNESS DULY SWORN)
	6		
	7		The witness, ROBERT HATFIELD, having first been
	8	duly	sworn, testified as follows:
	9		DIRECT EXAMINATION
	10	BY M	R. FOX:
	11	Q	Tell the Judge your full name please?
	12	Α	My name is Robert Hatfield.
	13	Q	And what is your address?
	14	Α	100 Wildridge, Morehead, Kentucky.
	15	Q	And are you married?
:	16	A	Yes.
-	17	Q	And who is your wife?
-	18	A	Tina Hatfield.
=	19	Q	Is she present in the courtroom today?
2	20	A	She is.
2	21	Q	You and Tina are the complainants in this matter?
2	22	A	That's correct.
2	23	Q	As a result of the complaint that you filed
2	24		in this matter, did you complete an affidavit

1		summarizing the factual scenario that gave
2		rise to your complaint
3	Α	Yes.
4		MR. FOX:
5		Your Honor, I'd like toMr. Hatfield,
6		the record will reflect I'm handing you
7		a copy of an affidavit.
8	Q	Will you identify that affidavit Mr.
9		Hatfield?
10	Α	This is it.
11	Q	That is the affidavit that you completed. Is
12		it your understanding that that affidavit
13		fairly and accurately represents the factual
14		summary of the allegations of your complaint?
15	A	Yes.
16	Q	Will you adopt by reference into your
17		testimony the information contained in that
18		affidavit?
19	A	Yes.
20		HEARING OFFICER SHAPIRO:
21		You want to move that into evidence, is
22		that correct?
23		MR. FOX:
24		Yes, Your Honor.

1	HEARING OFFICER SHAPIRO:
2	Any objection?
3	MR. ROGERS:
4	No objection.
5	HEARING OFFICER SHAPIRO:
6	So ordered then. Mark it as Hatfield
7	Exhibit 1.
8	(EXHIBIT SO MARKED: Hatfield Exhibit No. 1)
9	HEARING OFFICER SHAPIRO:
10	Is the witness ready for cross-
11	examination?
12	MR. FOX:
13	I believe so, Your Honor.
14	HEARING OFFICER SHAPIRO:
15	Mr. Rogers?
16	MR. ROGERS:
17	Thank you, Your Honor.
18	
19	CROSS EXAMINATION
20	BY MR. ROGERS:
21	Q Mr. Hatfield, my namewe have met previously, my
22	name is Earl Rogers, I represent the Bath Water
23	District. I want to ask you some follow-up
24	questions concerning the proof that you have

	introduced. You have retained an engineer of your
	own, correct, to design the water system for your
	subdivision, correct?
Α	Yes.
Q	And what is the name of that engineer?
A	Gerard Sossongs.
Q	Okay. And you were informed that you needed
	to present proposed plans to the Bath County
	Water District for approval of that water
	main extension; correct?
A	Yes, far into my attempt.
Q	Okay. As Ias I look at your affidavit I
	believe you note that, in fact, at the
	regular monthly meetings of the Bath County
	Water District in October, November and
	December of 1999, you submitted plans to
	them; correct?
A	I can answer yes with the dates being in
	question. I feel like those are the correct
	dates.
Q	Okay. Now, I haveyou assisted your counsel
	in responding to a request for production of
	documents, did you not?
A	Yes.
	Q A Q A

Q	And the documents that you produced wereI
	had requested copies of all the plans that
	you had submitted to the Bath County Water
	District, did I not?
A	That sounds reasonable, yes.
Q	And did you provide those to me?
A	I provided as much as I could.
	MR. ROGERS:
	Your Honor, may I approach the witness?
Q	Would you identify these two documents for me?
	HEARING OFFICER SHAPIRO:
	Let's have them marked for
	identification, if you are going to do
	that, as Bath County 1 and 2.
A	The first is an approved set of plans for a water
	supply system.
Q	And could you tell me who prepared those
	plans?
Α	Gerard Sossongs.
Q	Okay. Let the record reflect that he is talking
	about Exhibit Number 1.
A	And the second is a miscellaneous
	construction, details and specifications, and
	I'm assuming that that has something to do
	A Q A Q

1		with our sewer system. I'm not positive.
2		No, actually, it is some information about
3		water and sewer crossings, typical
4		specifications and it goes into some detail.
5	Q	And were those not documents that you
6		provided to me in your response to request
7		for production of documents?
8	A	My wife took care of most of that. I'm
9		assuming that the answer would be yes.
10	Q	And with respect to Exhibits 1 and 2 that we
11		have just discussed, would you read the
12		preparatory date on those exhibits?
13	A	The drawing date on Exhibit Number 2 is 12-4-
14		99, and also on Exhibit Number 1, same date
15		of 12-4-99.
16	Q	Exhibit Number 1 has also been submitted to
17		the Division of Water, has it not?
18	A	Yes, that's correct.
19	Q	And what was the date of approval? It is
20		stamped approved, is it not?
21	A	It is.
22	Q	And what was the date of approval?
23	A	It looks like December 20, `99. To the best
24		of my recollectionto the best of my memory

- []		
1	L	the 17th was the actual date that we found
2	2	out that they were approved.
3	3 Q	Thoseyou said your wife is the one that
4	1	handled producing those plans, correct?
5	A	Yes.
6	5 Q	I'll save that and ask her. But, in fact,
7	7	weren't there additional plans that were
e	:	submitted at those prior meetings in October
9		and November that were subsequently changed?
3		and Movember that were subsequently changed?
10) A	There was. There was actually some plans
11	-	that I submitted earlier in the year that was
12	:	a rough sketch that I had made myself.
13	Q	These plans that were submitted earlier in
14	:	the year, in October and November, was it not
15	·	related to you by the Board that those plans
16		were insufficient or not acceptable?
17	' A	The sketch was produced in June or July that
18	}	I drew myself. But the plans that you are
19	l	referencing, the engineer and the Board had
20)	requested some modifications to the plans in
21		order to make them easier to service by the
22	<u> </u>	District.
23	Q	With respect to Exhibit 1, that wasthat was
24		the set of plans that you submitted to the

24

Α

Division of Water; correct? 1 2 That's correct. Α And you submitted it--submitted those plans 3 to the Division of Water prior to obtaining approval from the Bath County Water District, 5 did you not? 6 7 Α That's correct. And you submitted--that Exhibit 1 that you 8 Q submitted to the Division of Water was a plan 9 for the entire water system for the 10 11 subdivision; correct Exhibit 1, yes. 12 Α And the Division of Water only approved the water 13 line extension as it relates to 13 existing 14 customers; correct? 15 That's correct. 16 Α They did not approve any additional customers 17 other than the existing 13? 18 They said that would be up to the Bath 19 Α County Water District. 20 This property that--where you are 21 Q constructing your subdivision, when did you 22 acquire it? 23

I purchased it in December of `98.

1	Q	Okay. And what was your intent when you
2		bought the property?
3	A	To subdivide the property.
4	Q	And at the time that you bought this property
5		with the intent to subdivide it, you were
6		aware, weren't you, that the Bath County
7		Water District was on an extension line ban
8		by the Division of Water?
9	Α	Yes, I was.
10	Q	And you knew that it would be up to the
11		Division of Water to decide when that ban
12		would be lifted; correct?
13	A	That's correct. I had spoken with Mr. Grimes
14		about that matter. He was the
15		MR. ROGERS
16		Your Honor, I object, I didn't ask a
17		question.
18		HEARING OFFICER SHAPIRO:
19		Well, he can explain his answer, go
20		ahead.
21	A	He was the previous Manager of the Bath
22		County Water Board and I had made my offer
23		contingent, actually, made the phone call in
24		regards to the water from the sellers home,

Ш			
	1		Rexall Short, and Mr. Grimes told me they had
	2		to run a new line from the water source,
	3		Morehead Utility Plant Board, and upgrade
	4		some tanks, some storage facilities. And he
	5		said the project would be completed in May
	6		and the ban would then be lifted because they
	7		had some more projects or some approved
	8		extensions to go in. And I felt confident
	9		that if the ban was lifted we wouldn't have
	10		any problem obtaining a main line extension
:	11		for our subdivision.
:	12	Q	Okay. So, Mr. Grimes informed you that he thought
:	13		that the water line extension ban would be lifted?
:	14	A	Yes, he did.
	15	Q	But you knew that decision would be left up to the
:	16		Division of Water, did you not?
:	17	A	I did.
 -	18	Q	Since this complaint has been filed, have
:	19		you, in fact, purchased approximately 18 new
:	20		water meters for the subdivision, correct?
:	21	A	Yes, I have.
:	22	Q	And you have purchased those water meters
	23		even though you do not have existing customer
	24		or house or location for the service to go

- 2 A What I do with those meters is my business.
 3 Q Okay. But to answer the question is yes,
 4 isn't it?
- 5 A I have plans for those meters, yes.
- 6 Q But, currently, there is no customer out
- 7 there to use them?

to; correct?

1

- 8 A I would be the customer.
- 9 Q So, you are going to use water from 18
- 10 different meters right now?
- 11 A It is possible.
- 12 Q But it is not happening right now, is it?
- 13 A I don't have 18 meters.
- 14 Q But you purchased 18 meters; correct?
- 15 A That's correct.
- 16 MR. ROGERS:
- 17 I don't have any further questions, Your
- 18 Honor.
- 19 HEARING OFFICER SHAPIRO:
- 20 Mr. Pinney?
- 21 MR. PINNEY
- I have no questions at this time.
- 23 HEARING OFFICER SHAPIRO:
- 24 Mr. Fox?

1	MR.	FOX:
2		Yes, Your Honor.
3		
4		REDIRECT EXAMINATION
5	BY N	MR. FOX:
6	Q	Mr. Rogers asked you several questions about the
7		plans and whether they were submitted in a form
8		that was approved by the Bath County Water
9		District. At what point, if it occurred, at what
10		point were you told that the Bath Water District
11		had to approve those plans?
12	A	I don't know that I was ever told they had to
13		approve the specific plans.
14	Q	What was your understanding in terms of who
15		was going to approve those plans?
16	A	The Division of Water would have to approve
17		those plans and it would have to be, of
18		course, acceptable for the Bath County Water
19		Board.
20	Q	But as far as the approval of the sufficiency
21		and the appropriateness of the plans, what
22		was your understanding of who actually gave
23		approval?
24	A	The state.

II		
1	Q	Mr. Rogers asked you about theI believe it was
2		December 17 decision to approve the three inch
3		line that runs through the subdivision as an
4		extension. What was your understanding of the
5		impact of that decision?
6	Α	I felt the Bath County Water Board would hook
7		the meters up for those people that had
8		individual lines that were uncovered and put
9		water in those mains.
10	Q	Individual lines that were uncovered, what do
11		you mean?
12	Α	Well, we have some customers that live four
13		to five thousand feet off of the main road.
14		They have one inch service lines ran in an
15		open ditch to their property to supply them
16		with water.
17	Q	Why were those lines in an open ditch?
18	Α	Well, for one thing, the plumbing inspector
19		wouldn't allow us to cover them.
20	Q	Because?
21	A	Well, there were several different reasons.
22		I think that there is an actual law from the
23		state that says that that is not the correct
24		thing to do. There isthe water line should

1		be or the meter should be near the property
2		and, of course, that was our attempt with the
3		main, the three inch main.
4	Q	What didwhen the three inch main line was
5		approved, had that line gone into service, would
6		that have solved those problems?
7	A	Yes.
8	Q	Has that three inch line been placed into
9		service by the Bath County Water District?
10	A	No.
11	Q	Today as we speak, is it in use?
12	A	No.
13	Q	Is it ready for use?
14	A	Yes.
15	Q	There was some questions about your
16		understanding that there was an extension ban
17		in place when you bought the property. And I
18		think you testified that you believed that
19		ban would be lifted, was it, in fact, lifted?
20	A	It was, just as I was instructed it would be,
21		a little late but still lifted.
22	Q	You have indicated that you and your wife
23		bought this property in order to sub develop
24		it, have you sold lots in the subdivision?

11		
1	A	Several.
2	Q	What has been the impact of this situation that
3		gave rise to the complaint in terms of the sales
4		of the lots in your subdivision?
5	A	Well, for one thing, an open ditch with a bunch of
6		service lines streaming everywhere doesn't look
7		very good and that is not a neighborhood I would
8		move into. And I'm sure the people that live
9		there hold me responsible for their anguish with
10		frozen water. And I know the public's image has
11		to be negative because of that.
12	Q	Specifically, with regard to the 18 meters
13		that you have purchased, have they been set?
14	A	No.
15	Q	Is it becausewhy have they not been set?
16	Α	We haven't provided a permit for those meters
17		to be set. I wanted to seeon locations is
18		the reason why I haven't pushed it. My wife
19		may have other ideas on whether she wanted
20		some of those meters set or not set. I
21		actually haven't strongly pursued it since
22		the time of purchase in lieu of this hearing.
23	Q	I see. Have you and your wife lost sales of
24		lots because of this situation?

```
1
     Α
          I'm sure we have.
 2
               MR. FOX:
 3
                     That's all I have.
 4
     MR. ROGERS:
          Some follow-up Your Honor.
 5
 6
 7
                        RECROSS EXAMINATION
 8
     BY MR. ROGERS:
          Mr. Hatfield, you knew at the time that you were
 9
          selling these lots that you had not yet gained
10
          approval from the Bath County Water District for
11
12
          acceptance of this water main, didn't you?
13
          Yes, I did.
     Α
          And you knew that at the time you sold the lots
14
15
          that you had not yet gained acceptance of this
          water main from the Division of Water, didn't you?
16
          Yes, I did.
17
     Α
          And the engineer that you retained to prepare
18
19
          your water system plans, did he not tell you
          that your plans for the water system had to
20
          be approved by the District before they were
21
          submitted to the Division of Water?
22
          I'm not sure, I don't recall that, it's
23
     Α
24
          possible, but I don't recall that.
```

1	MR. ROGERS:
2	Okay. That's all the questions I have.
3	MR. PINNEY:
4	I just have two or three questions Mr. Hatfield.
5	
6	CROSS EXAMINATION
7	BY MR. PINNEY:
8	Q How many meters currently are set and operatable
9	on the property?
LO	A Twenty to twenty-two.
11	Q Twenty to twenty-two?
L2	A Twenty.
13	Q They are setting there and in use?
4	A Yes, that's correct.
.5	Q Yes, that's correct.
.6	MR. PINNEY:
.7	Okay. That's all the questions I have.
. 8	
.9	REDIRECT EXAMINATION
20	BY MR. FOX:
21	Q How many were set and in use on November 5?
22	A I think it was 11, somewhere between 11 and
23	13. I could check and be certain, but I know
24	it is a number between 11 and 13.

11		
1	Q	But in any event, is it your understanding
2		that on December 17 that three inch main
3		extension was approved by the Division of
4		Water?
5	A	It is.
6		MR. FOX:
7		Nothing further.
8	HEAF	RING OFFICER SHAPIRO:
9		Mr. Hatfield, how many lots are in the
10		subdivision?
11	A	We currently have plans on developing out around
12		45 to 50. In the beginning we had plans on
13		selling smaller lots, but we have had some
14		problems, of course, with the water and it seems
15		like the demand is for a larger tract and we have
16		lessened the number.
17	HEAF	RING OFFICER SHAPIRO:
18		Have you filed a subdivision plat?
19	Α	I would think so. I would think that has been
20		filed.
21	HEAF	RING OFFICER SHAPIRO:
22		Are you selling lots according to the plat?
23	A	Yes, we are.
24		

- 24 -

- 1 HEARING OFFICER SHAPIRO:
- And you say there is about 40 to 45 lots in that
- 3 plat--on that plat?
- 4 A There is actually probably more than that on
- 5 the actual plat.
- 6 HEARING OFFICER SHAPIRO:
- 7 So, you are selling partial lots, is that--or you
- 8 are combining them?
- 9 A We are selling mostly--most people buy two
- 10 lots for each house.
- 11 HEARING OFFICER SHAPIRO:
- 12 And how many lots are served by water at this
- 13 time?
- 14 A I would think 20.
- 15 HEARING OFFICER SHAPIRO:
- 16 Twenty. And you also have ordered 18, did you say
- 17 18 more.
- 18 A Uh-huh.
- 19 HEARING OFFICER SHAPIRO:
- So, that would be a total 38 lots that would be
- served by separate water meters?
- 22 A Uh-huh.
- 23 HEARING OFFICER SHAPIRO:
- 24 And those separate water meters are attached to

1		the Water District's main?
2	A	All of the meters that are set currently are
3		on their main. A personal thought was if we
4		couldif I could arrange those additional 18
5		to be placed on the three inch main that I
6		have installed it would be more efficient and
7		effective for me.
8	HEAR	ING OFFICER SHAPIRO:
9		There are 20 lots currently with water; is that
10		right?
11	Α	That's right.
12	HEAR	ING OFFICER SHAPIRO:
13		And there areyou have purchased 18 more meters?
14	Α	Uh-huh.
15	HEAR	ING OFFICER SHAPIRO:
16		And has the Water District accepted those
17		purchases, agreed to install those meters?
18	Α	They have accepted the check and have
19		informed me that in order for them to set
20		those meters they would have to be capable
21		and I would think that that is in regards to
22		water pressure and volume that those meters
23		would be set.

24

1	HEAR	ING OFFICER SHAPIRO:
2		What do you mean by capable?
3	A	Capable, that means they can service those.
4	HEAR	ING OFFICER SHAPIRO:
5		I'm sorry, I didn't hear you
6	A	It means they canwhat I mean by that is
7		they can service those meters. They can
8		actually keep the water pressure up to the 30
9		pound without jeopardizing the rest of the
10		customers on their system in that area. That
11		means if they can service those meters, they
12		will service those meters.
13	HEAR	ING OFFICER SHAPIRO:
14		So, essentially, what you are saying, then, is
15		they will furnish you those meters if they can
16		provide thirty pounds per square inch pressure,
17		which they are required to do by this Commission
18		standards? And what was the other reason?
19	A	Well, as long as they can keep the pressure up for
20		all the other customers in the area
21	HEAR	ING OFFICER SHAPIRO:
22		Maintain the current
23	A	Maintain the current pressure, the minimum
24		standard for the rest of thosethe rest of the

```
customers in the area.
 1
 2
     HEARING OFFICER SHAPIRO:
 3
          So, if you were to get all 18 meters approved, if
 4
          you were to get 18 more meters, that would give
          you 38 meters which would pretty much cover the
 5
          whole subdivision, maybe about seven lots left
 6
 7
          over; is that right?
 8
     Α
          That's right.
 9
     HEARING OFFICER SHAPIRO:
10
          Anything else of this witness?
     MR. ROGERS:
11
12
          I would like to move to introduce the plats that
          were identified as Exhibits 1 and 2, Defendant's 1
13
14
          and 2.
     HEARING OFFICER SHAPIRO:
15
          Any objection?
16
17
     MR. FOX:
18
          None.
19
     HEARING OFFICER SHAPIRO:
20
          Thank you, Mr. Hatfield.
21
          (EXHIBITS SO MARKED: Bath County Exhibits
          Numbered 1 and 2)
22
     HEARING OFFICER SHAPIRO:
23
24
          Call your next witness?
```

1	MR.	FOX:
2		I call Tina Hatfield.
3		(WITNESS DULY SWORN)
4		
5		The witness, TINA DENISE HATFIELD, having first
6	been	duly sworn, testified as follows:
7		DIRECT EXAMINATION
8	BY M	R. FOX:
9	Q	Tell the Judge your full name please?
10	Α	Tina Denise Hatfield.
11	Q	And, Ms. Hatfield, are you married to Robert
12		Hatfield who previously testified?
13	A	Yes.
14	Q	And are you a co-owner of the Meadowbrook
15		Subdivision in Bath County?
16	A	Yes.
17	Q	Have you prepared an affidavit in
18		anticipation of today's hearing?
19	A	Yes.
20		MR. FOX:
21		May I approach the witness? Let the
22		record reflect I'm showing her her
23		affidavit.
24	Q	Tina, if you will look at that and tell us if that

1		is the affidavit that you prepared for this
2		hearing?
3	A	Yes, it is.
4	Q	And to the best of your knowledge and belief,
5		is the information contained in that
6		affidavit true and accurate?
7	A	Yes, it is.
8		MR. FOX:
9		Your Honor, we move to identify that as
10		Complainant's Exhibit Number 2 and move
11		to introduce it as evidence in this
12		matter.
13		HEARING OFFICER SHAPIRO:
14		Any objection?
15		MR. ROGERS:
16		No, sir.
17		HEARING OFFICER SHAPIRO:
18		So ordered.
19		(EXHIBIT SO MARKED: Hatfield Exhibit No. 2)
20		HEARING OFFICER SHAPIRO:
21		Ready for cross-examination?
22		MR. FOX:
23		Yes, Your Honor.
24		

1		CROSS EXAMINATION
2	BY I	MR. ROGERS:
3	Q	Mr. Hatfield, I would just like to follow-up with
4		a few questions. You heard your husband testify
5		that he let you handle getting the documents
6		together, right?
7	Α	Yes.
8	Q	And if you could take a look at Defendant's 1
9		and 2
10		HEARING OFFICER SHAPIRO:
11		I think it is Bath County 1 and 2.
12	Q	Okay, Bath County 1 and 2, I'm sorry. Were
13		those the documents that you provided to me
14		in response to my request for production of
15		documents?
16	A	I am pretty certain that it is, yes.
17	Q	And you will note that those two exhibits
18		arethe preparatory on those is dated early
19		December, 1999?
20	A	Right.
21	Q	Ma'am, weren't there other plans that were
22		submitted to Bath County Water District in
23		November and October?
24	A	When I produced these plans, these are the

1		plans that I had possession of. The plans
2		that were submitted probably had different
3		legends. The same layout applied, the same
4		layout, the same details were the plans that
5		we submitted. The first time we submitted
6		them there were a couple of changes in the
7		details which we were asked to change, which
8		we did. But I don't have possession of the
9		plans that we had to revise because they
10		weren't of any use to us. So, I discarded
11		those.
12	Q	Okay.
13		HEARING OFFICER SHAPIRO:
14		Well, the question, though, was were
15		there other plans submitted earlier?
16	A	Yes.
17	Q	Okay. I think you pretty much answered my
18		question, those other plans had to be
19		revised; correct?
20	A	Right.
21	Q	And those were revised at the request of the
22		Bath County Water District, correct?
23	A	Yes.
24	Q	And they made that request at their October

H		
1		meeting?
2	A	I'm not sure if it was October or November,
3		it was one of the two.
4	Q	Could it have been both?
5	A	No.
6	Q	And your revised plans were submitted at the
7		December meeting; correct?
8	A	No.
9	Q	No? You did not submit any plans in
10		December?
11	Α	The DecI recall what happened at the
12		December meeting. I believe that weour
13		plans were already approved at that point and
14		I believe that we looked at them in reference
15		to the customers, but I don't know ifthe
16		plans weren't really the issue in December so
17		I don't really recall what happened with the
18		plans in December.
19	Q	When you said the plans were approved in
20		December, you meant they were approved by the
21		Division of Water; correct?
22	A	Yes.
23	Q	Now, when they were approved by the Division of
24		Water it was a limited approval; correct?

li		
1	A	It was an approval for the 13.
2	Q	Thirteen existing customers?
3	Α	Right.
4	Q	Not for any additional customers? I'm just
5		talking about the Division of Water?
6	A	No.
7	Q	Didyou made reference to what Mr. Fawns has
8		told you in your affidavit, but did youthe
9		engineer that you retained to help you
10		prepare the plans for your water system in
11		your subdivision, did he ever tell you that
12		your plans, by regulation, have to be
13		approved by the District before they are
14		submitted to the Division of Water?
15	A	My engineer?
16	Q	Yes.
17	A	No, not that II don't ever recall that, no.
18	Q	And the limited approval by the Division of
19		Water for the 13 customers was because those
20		customers had those long lateral lines that
21		were in open ditches; correct?
22	A	I'm fairly certain that was the reason, yes.
23		MR. ROGERS:
24		I don't have any further questions.

```
MR. PINNEY:
 1
 2
          I have no questions at this time.
 3
     HEARING OFFICER SHAPIRO:
 4
          Any redirect?
 5
     MR. FOX:
          Yes, Your Honor.
 6
 7
                       REDIRECT EXAMINATION
 8
 9
     BY MR. FOX:
          Were you ever made aware by the Bath County Water
10
     0
          District that they needed to approve these plans?
11
12
          No.
     Α
13
          How many meetings did you attend?
          Seven or eight.
14
     Α
15
          Okay.
                 With the last being when?
16
     Α
          December.
17
     Q
          December was the last meeting. So, up--I think
18
          your husband testified, I think, in May, May
19
          through December you attended seven meetings.
                                                           Αt
20
          any point in time did the Bath County Water
          District during the meeting or on any other
21
22
          occasion tell you that you had to submit plans to
          them for approval?
23
24
     Α
          They told me that we needed to submit our
```

1		plans to the Division of Water and that their
2		engineer needed to look over them as well as
3		KennyI don't know his position exactlybut
4		as well as Kenny needed to look over them to
5		look at the layout. There were a couple of
6		gate valves they wanted us to put on and they
7		wanted us to adapt our system, not that it
8		wasn't sufficient, but to adapt our system
9		for what I felt was easier maintenance. But
10		that was the only reason I was ever aware of
11		to submit the plans to them, to the Water
12		Board.
13	Q	Were there any changes that they requested
14		that you all did not make or refused to make?
15	A	No.
16	Q	Did you comply with all the requests of the
17		Bath County Water District?
18	A	As timely as possible.
19	Q	Do you know of any request that you did not
20		comply with?
21	Α	I don't recall anything. I've tried to do
22		everything they wanted to do.
23	Q	What was your understanding of the limitation
24		of the 13 customers? I think you mentioned

1		that it was up to the Bath County Water
2		District after that?
3	A	The Division of Water approved the 13 without
4		thewe were supposed to have a letter from
5		the Division of Water agreeing to service the
6		line.
7	Q	From the Division of Water?
8	Α	For the Division of Waterthe Division of Water
9		wanted a letter from the Board, the District,
10		agreeing to service the extension, and I couldn't
11		get a letter from them. And, so, with our
12		circumstances being as they were the Division of
13		Water went over the Water Board to approve the
14		extension for the existing customers. But they
15		made note that what I felt the reason for was they
16		made note that it was for the existing customers
17		and was not to be considered as approval for
18		additional customers unless it was okay with the
19		Water Board, unless the Water Board was in
20		approval of that. So, my opinion was that they
21		did that so that it wouldn't be tooI guess it
22		wouldn't be so out of line for them to go over the
23		Board.
24	Q	And what would have prevented the Water

1	Board, after that main extension was added,
2	the three inch extension, what would have
3	prevented them from adding more than 13
4	customers?
5	MR. ROGERS:
6	I object to the question. I'm not sure
7	she can answer that.
8	HEARING OFFICER SHAPIRO:
9	What was the question again?
10	MR. FOX:
11	What is her understanding of what would
12	have prevented the Bath Water District
13	from adding more than the 13 customers
14	after the three inch line was added to
15	the system?
16	HEARING OFFICER SHAPIRO:
17	What was the objection?
18	MR. ROGERS:
19	I guess I don't understand his question.
20	Her understanding of what the District
21	thought they could or couldn't do, what
22	would preventI don't understand the
23	question. And I'm sure I don't see how
24	she can answer the question.

1	HEARING OFFICER SHAPIRO:	
2	Well, if she knows she can answer it.	
3	Do you know?	
4	A Sure. Well, my opinion is what you are	
5	asking for. My opinion on why they couldn't	
6	service more, we have talked about it so much	
7	I've forgotten the question.	
8	Q What did they tell you, I mean, what was the	
9	reason that they wouldn't add more than 13	
10	customers even if the three inch line was	
11	added to the system?	
12	A The reason would be that the pressure would	
13	fall below and they wouldn't be able to	
14	service the additional meters, that it	
15	wouldthat would be the reason.	
16	MR. FOX:	
17	Okay. Nothing further.	
18	MR. ROGERS:	
19	Just one or two follow-ups.	
20		
21	RECROSS EXAMINATION	
22	BY MR. ROGERS:	
23	Q Ms. Hatfield, you said that you complied with al	1
24	of the requests of the District in revising your	

1		plans. But they were not final until December of
2		1999; correct?
3	A	Our plans were not final until December?
4	Q	Right. If you would like you can look at the
5		date on them?
6	A	They were approved in December, that is not to say
7		that ourweI know that we submitted them weeks
8		before they approved.
9	Q	Okay. What is the date that they were
10		prepared, you can look at the date?
11	A	The drawing date says December 4.
12	Q	Okay. And the meeting of the Bath County
13		Water District after December 4, the next
14		meeting was December 28, was it not?
15	A	I believe it was the 27, but right around there.
16	Q	Okay. And that was the next District meeting
17		and you went to that meeting; correct?
18	A	Yes.
19		MR. ROGERS:
20		Nothing further.
21	MR.	PINNEY:
22		I only have one question Ms. Hatfield.
23		
24		

- 40 -

1		CROSS EXAMINATION
2	BY I	MR. PINNEY:
3	Q	In regard to the existing meters that are
4		currently in operation, was there any difficulty
5		getting them set or installed?
6	A	Yes.
7	Q	Could you elaborate on that please?
8	A	I don't want to exaggerate, so I'll try not to.
9	Q	I'd appreciate you being objective as
10		possible.
11	Α	Several of the meters, less than half,
12		probably, several of the meters we had
13		difficulty in obtaining. Whether there was a
14		refusal to set the meter oran obvious
15		purposeful delay that was uncalled for, in my
16		opinion. Not to say that I could be wrong,
17		but we had difficulty in obtaining several of
18		the meters, yes.
19		MR. PINNEY:
20		Thank you.
21		HEARING OFFICER SHAPIRO:
22		Do you have anything else?
23		MR. PINNEY:
24		I beg your pardon, I have no further

1		questions.
2		
3		REDIRECT EXAMINATION
4	BY N	MR. FOX:
5	Q	Were you ever advised by the Water Board that
6		there was a tap ban on the subdivision?
7	A	Yes.
8	Q	Explain that if you will?
9	A	I went in to try to purchase meters and I
10		told them I wanted to buy a few meters and so
11		one of the ladies in the office got out the
12		paper work and she looked at me and she said
L3		are you Tina Hatfieldno, she said you're
L4		not Tina Hatfield, are you? And I said why
15		yes, I am, what does that have to do with
16		anything? And she said we can't sell you any
L7		meters. And I said why? And she saidI
18		said there is no tap ban so you have to sell
L9		me meters. There is no meter ban, you have
20		to sell me meters. She said no, but there is
21		a tap ban for you. And I said there can't be
22		a tap ban for me and they went on to tell me
23		that there was. And I went on to call the
24		Public Service Commission from their office

1		and sat there and wait and wait for them to
2		sell me some meters. Then I tried to
3		negotiate a lower number for them to sell me
4		because I wanted 18 and I tried to getthey
5		said the way I was doing things they couldn't
6		sell me any meters. And so, I said, okay,
7		they couldn't set meters to run so far back
8		into the subdivision. I said, okay, these
9		are the meters that I want to be put on the
10		main road to serve the road front lots, and I
11		counted like 10. I said okay, I need these
12		10 lots, I promise they will be for thego
13		on the property that they are serving, I need
14		these 10. And they said, no, couldn't sell
15		me any meters at all, no meters for me.
16	Q	When was this?
17	A	I want to say it was the beginning of
18		February or the end of January.
19		MR. FOX:
20		Nothing further.
21		
22		RECROSS EXAMINATION
23	BY M	IR. ROGERS:
2.4	0	That was after this complaint was filed with the

II .		
1		Public Service Commission, wasn't it?
2	Α	I think I maybe amended the complaint after
3		that. Maybeno, I didn't amend the
4		complaint, I was going to amend the
5		complaint. It was after the complaint was
6		filed.
7	Q	And theand when you said I think February
8		you are talking about of 2000?
9	A	Yes.
10	Q	And the concern that was related to was
11		because of the previously set meters that had
12		very long lateral lines remaining in
13		uncovered ditches; correct?
14	Α	I'm sorry, could you repeat that?
15	Q	The concern that was related to you there at
16		the Water District about these meters was the
17		past practice that you and your husband had
18		of setting meters and running extremely long
19		lateral lines and leaving the ditches
20		uncovered; correct?
21	Α	I can't answer what their concern was. I
22		don't really know.
23	Q	But I think you testified that they said
24		based upon your past practice, did you not

1	say that?
2	A I don't think I said based on it. I'm sure that
3	was one of their reasons.
4	MR. ROGERS:
5	Nothing further Judge. Let me ask one
6	more question.
7	Q But you doyou did, in fact, your husband
8	purchased those meters later on, didn't he?
9	A Later on.
.0	MR. ROGERS:
1	I have no further questions.
.2	HEARING OFFICER SHAPIRO:
.3	Thank you Ms. Hatfield. Let's take about five
.4	minutes.
.5	(OFF THE RECORD)
.6	MR. FOX:
.7	Gerard Sossong.
. 8	(WITNESS DULY SWORN)
.9	MR. ROGERS:
0.0	Your Honor, before Mr. Fox begins I'd like to note
21	my objection to Mr. Sossong testifying. His proof
22	affidavit, his verified testimony has not been
23	filed in the record, to my knowledge. I will, in
4	fairness, state that I believe the affidavit he is

```
going to testify from was faxed to my office.
 1
          can't recall, approximately a week ago, but it was
 3
          unsigned and since I never received a verified
 4
          document I assumed that he would not be called to
 5
          testify on direct. I was unable to prepare
 6
          rebuttal testimony and, therefore, I would object
 7
          to his testimony in their case in chief.
 8
     HEARING OFFICER SHAPIRO:
 9
          Do you have a copy of it Mr. Pinney?
10
     MR. PINNEY:
11
          I have not seen it.
12
     HEARING OFFICER SHAPIRO:
13
          But you did receive a copy of his testimony; is
14
          that correct?
15
     MR. ROGERS:
16
          I received an unsigned affidavit that was faxed to
          me, I can probably give you the time that I
17
18
          received that, but it will take me a few moments
19
          to find it.
20
     HEARING OFFICER SHAPIRO:
21
          Well, that's okay. Mr. Fox, did you file the
22
          original?
23
     MR. FOX:
24
          As far as I know, Judge, like we discussed earlier
```

```
1
          the other ones, wherever they are they are all
 2
          together.
 3
     MR. PINNEY:
 4
          I can go to the file and check.
 5
     HEARING OFFICER SHAPIRO:
 6
          Is it in this package you gave me?
 7
     MR. FOX:
 8
          Not the original, no, that's the copy I brought
 9
          today.
10
     HEARING OFFICER SHAPIRO:
          I mean, is this a copy--is Mr. Sossong's testimony
11
12
          in here?
13
     MR. FOX:
14
          Yes.
15
     HEARING OFFICER SHAPIRO:
          Affidavit in here also?
16
17
     MR. FOX:
18
                It's probably the last document.
19
          response to the objection, we have provided this
20
          testimony to opposing counsel.
                                           There is no undue
21
          surprise in the testimony that will be presented.
22
          Mr. Rogers and I have discussed his testimony, I
23
          don't believe that there is any surprise or any
24
          information that is contained in that affidavit
```

2 **HEARING OFFICER SHAPIRO:** 3 I'm going to allow the witness to testify. 4 However, I will allow the defendant to reserve the 5 right to cross-examine the witness beyond this 6 hearing if, in fact, it is determined that he 7 would be prejudiced by the failure to comply with 8 the Order. As the parties know, there was an 9 Order entered directing each of the parties to 10 file verified testimony of each witness who was to 11 appear at the hearing today. This, obviously--the 12 copy I have, obviously, does not comply with that 13 Order because it too was unsigned, and I'm not sure of the reason that we require the information 14 15 to be verified since the witness will be verifying it at the hearing again. So, I'll--but I don't 16 17 want to--but I can understand why the defendant 18 might not have prepared -- fully prepared his cross-19 examination. And if, in fact, he is not able to 2.0 cover certain areas that are covered in the 21 affidavit and wishes to--or feels that he needs--22 it is necessary for him to come back we will do 23 that.

that the defendant is not aware of.

24

1

1	MR. FOX:
2	Thank you, Judge.
3	HEARING OFFICER SHAPIRO:
4	But at this so at this point we will let the
5	witness proceed.
6	
7	The witness, GERARD SOSSONG, have first been duly
8	sworn, testified as follows:
9	DIRECT EXAMINATION
10	BY MR. FOX:
11	Q Mr. Sossong, did you prepare an affidavit in
12	anticipation of today's hearing?
13	A Yes, I did.
14	Q I'd like to show you a copy of that affidavit. To
15	the best of your knowledge, is the information
16	contained in that affidavit true and correct?
L7	A Yes, it is.
L8	MR. FOX:
L9	Your Honor, we would move to introduce
20	that as Complainant's Exhibit 3.
21	HEARING OFFICER SHAPIRO:
22	Yes. Any objection?
23	MR. ROGERS:
24	None other than previously noted.

1		HEARING OFFICER SHAPIRO:
2		Okay, so ordered.
3		(EXHIBIT SO MARKED: Hatfield Exhibit No. 3)
4		HEARING OFFICER SHAPIRO:
5		Is the witness ready for cross-
6		examination
7		MR. FOX:
8		Yes, Your Honor.
9		
10		CROSS EXAMINATION
11	BY M	IR. ROGERS:
12	Q	Mr. Sossong, my name is Earl Rogers, I don't guess
13		we have ever met before but I have some follow-up
14		questions to ask. How long have you been an
15		engineer sir?
16	Α	An engineer?
17	Q	Yes, sir.
18	Α	Eight years certified as a Professional
19		Engineer.
20	Q	Eight years. Sir, how long have you been
21		licensed in Kentucky?
22	A	I don't know that exactly but I'm going to
23		guess it is around three years now.
24	Q	Three years?

1	Α	Yes.
2	Q	And how many water systems have you designed
3		in the years that you have been practicing?
4	A	Probably about eight.
5	Q	Eight?
6	A	Yes.
7	Q	How many water systems have you designed and
8		submitted to the Kentucky Division of Water
9		for approval?
10	Α	Zero.
11	Q	When did Mr. and Mrs. Hatfield first contact
12		you to design their water system?
13	Α	Somewhere around October.
14	Q	October of 1999?
15	Α	That's correct.
16	Q	And, sir, you are aware that pursuant to
17		Kentucky Regulations that you are to design
18		that water systemit is to be reviewed and
19		approved by the District and then with a
20		letter of approval sent to the Division of
21		Water for approval?
22	Α	I am not aware of that.
23	Q	You are not aware that there is a Kentucky

regulation requiring that?

1	Α	That was notno, I'm not aware of that
	А	
2		regulation. I feel that I have a need to
3		explain something there.
4	Q	All right, sure, go ahead.
5	A	In my review of the submittal process
6		communicating with the state, not necessarily
7		reviewing all the regulations, the communicating
8		with the state and several of their engineers at
9		the state they gave me a check list of the items
10		that I needed to complete for this water
11		submittal. And in that check list there wasone
12		of the items was an approval letter from the
13		county or the district that you are referring to.
14		And this approval letter was the item that we were
15		attempting to get the approval letter of our
16		plans.
17	Q	Sir, are you, just for clarification, you are
18		not familiar nor have you read Kentucky401
19		Kentucky Administrative Regulation 8:100,
20		Paragraph 5, you have never read that?
21	A	I can't site that specifically.
22	Q	And if I told you that that reg reads as
23		follows, "Final plans and specifications for
24		water treatment plants and distribution

facilities: (a) plans for the construction or 1 2 modification of public water system shall be submitted by the water system or coming by 3 4 letter from the water system affirming that it has reviewed the plans, accepts the design 5 and can and will provide water to service the 6 7 project". 8 Α Okay, I'm familiar with that, I've read that before. 9 10 Okay. So, you acknowledge--you don't dispute 0 that is what that regulation provides? 11 12 I do not. Α Mr. Sossong, did you prepare your own 13 Q hydraulics report concerning this 14 subdivision? 15 Yes, I did. 16 Α Did you--where is that report? 17 0 18 I have a copy of it in my file. Α Okay. Do you have any idea why that report 19 Q 20 was not provided to me through my request for production of documents? 21 I do not know. 22 Α Have you ever, yourself, took it upon 23 yourself to provide that report to the Water 24

1		District's engineer for his review?
2	Α	No, I did not.
3	Q	Did you think it would be important for him
4		to see your report or findings?
5	Α	ThisI will answer the question and then ask
6		for an explanationan opportunity to explain
7		myself.
8	Q	That will be fine.
9	Α	Yes, I think it was important forwell,
L O		actually no, I think that from my
L 1		understanding of it, I was under the
12		understanding that they needed to review all
L3		of the plans for the subdivision. There was
14		a need tofor the state to review all of the
L 5		plans for the subdivision. They had
16		indicated that they wanted to review the
L7		plans and the lay out to make sure that we
18		were laying out our system that would be easy
L9		to maintain and would be acceptable to their
20		needs.
21	Q	You were aware, were you not, that the
22		District's chief concern was that this
23		subdivision would drain water pressure in
24		that area and cause it to go below 30 psi,

1		right?
2	A	That's correct.
3	Q	And you are aware that the District took it
4		upon itself to ask its own engineer to do a
5		model and do some calculations to see if this
6		subdivision would adversely affect the water
7		pressure in that area?
8	A	That's correct.
9	Q	And, in fact, this affidavit I've been given
10		today is basically you saying that you
11		disagree with his report?
12	A	The methodology in thewhat it disagreed
13		with is, and I'll say, yes, I disagree with
14		the method. But at the time that he did it,
15		it was satisfactory for the knowledge that we
16		had; thereafter, there was a water pressure
17		reading which was taken and was accurate
18		information at a point closer to the
19		subdivision which suddenly made any estimates
20		back from that subdivision much less
21		accurate.
22	Q	So, you were aware that he did hydraulics
23		calculation or estimate or report; correct?
24		We're talking about Scott Taylor, Mr. Taylor

did that? 1 2 Yes, yes, I saw it, yes. Α And you had done hydraulics report yourself; 3 0 correct? On the subdivision itself. 5 Okay. You did not evaluate how the water 6 Q 7 pressure would be affected in the surrounding area, did you not? 8 No, I did not. 9 Α And let me ask you this, you did not evaluate 10 Q how this subdivision would affect--strike 11 12 that, let me re-ask that question. report you did not evaluate how the drain 13 that this subdivision would cause would 14 affect its own pressure, did you not? And if 15 I asked a bad question tell me, I'll try to 16 17 rephrase it. You might want to rephrase that. 18 Α Did you calculate--I'm not sure how to ask 19 Q 20 the question, Mr. Sossong. Basically, your report was only within the subdivision? 21 22 Α That's correct. You had no idea how the subdivision's drain would 23 0

affect other customers in the area?

- 1 A That's correct.
- 2 Q And you have no idea how the subdivision's
- drain would affect its own pressure right at
- 4 the property line?
- 5 A Beyond the main extension that we were proposing,
- I do not, but I do know how it affected along that
- 7 main extension throughout the property, the
- 8 pressures.
- 9 Q And you are aware, are you not, that this
- 10 District has an obligation to maintain 30 psi
- 11 to all customers?
- 12 A Yes, I am.
- 13 Q They have a legal obligation to do that,
- 14 don't they?
- 15 A Yes, I am.
- 16 Q In your affidavit, Paragraph A, you are
- referring to--that the assumptions were not
- 18 true pressure readings and this water
- 19 pressure meter that was placed for one week,
- you are referring to, is this the one you are
- 21 referring to as getting the 80 psi?
- 22 A That's correct, yes.
- 23 Q Do you know where that meter was located?
- 24 A I do not. At the time--since then I've been

II .		
1		told it was placed in the approximate area
2		where I assumed it would have been placed and
3		did my calculations from.
4	Q	And that was a low area in that subdivision,
5		wasn't it?
6	A	Actually, fromno, it was one of the higher
7		points in the subdivision, my intersection
8		with the mains was at a higher point in the
9		subdivision.
10	Q	And you are saying that is where the meter
11		was located?
12	Α	From what I understand it was.
13	Q	And the 80 psi reading you stated was taken
14		for one week?
15	A	IfI don't recall the exactthe chart, it
16		was a circular chart that basically monitors
17		for multiple days. I think it was a week, I
18		seem to recall that wasit was a week
19		reading.
20	Q	Could it have been three days?
21	A	I don't recall right offhand.
22	Q	You've seen the chart, right?
23	A	Yes, I have.
24	Q	And the chart was taken in the month of November?

Α

1	Α	I don't recall the exact date at this time.
2	Q	Good. Would you agree with me, as an
3		engineer and designer of water systems, that
4		the month of November or December are usually
5		low demand months?
6	Α	I cannot testify to that, I do not know that,
7		those statistics.
8	Q	You are not familiar enough with those
9		statistics?
10	A	That's correct.
11	Q	Would you believe that Mr. ScottMr. Scott
12		Taylor would be familiar with those
13		statistics?
14	A	I believe he probably would be.
15	Q	And assume for meassume with me that
16		November and December are low demand months,
17		wouldn't that mean that there would be
18		greater pressure if there is lower demand?
19	A	At myyes.
20	Q	And as an engineer, would you agree with me,
21		sir, that a three day window in the month of
22		November or December of year is not a good
23		indicator of an entire year?

I cannot indicate that. I was not

1		responsible charge for placing the meter or
2		running the test.
3	Q	But as an engineer, wouldn't you want more
4		information?
5	A	I'll say yes, but I also would give an
6		explanation.
7	Q	Sure.
8	Α	As an engineer, of course, I always want more
9		information until the point is where it is no
10		longer an estimate. At some point you must
1		break it off in any estimate and say, okay,
L2		we are going to use this amount of
13		information. This is what was provided at
L 4		the time.
15	Q	When did you first learn that Mr. Taylor
16		didn't think this subdivision would basically
L7		fly due to water pressure?
18	A	I don't recall if it was the October or November
L9		meeting that Scott Taylor wasshowed up for the
20		meeting and was available and he provided me with
21		the model at that point. That was pretty much
22		that he was showing with his model that there was
23		not going to be sufficient pressure according to
2.4		his model.

1	Q	Did you ever take it upon yourself to do
2		further calculations over and above what you
3		had previously done within the subdivision to
4		see if you could dispute his model?
5	A	No, thatno, I did not, with also an
6		additional explanation. Within my little
7		subdivision, or my calculations, I cannot
8		dispute anything in his model because his
9		model takes into consideration everything
10		inside my subdivision plus everything outside
11		of that up to the Preston Tank. Whether my
12		calculationswhatever I do with my
13		calculations, as long as I'm not exceeding
14		the state requirements, I cannot do anything
15		to affect his model, basically. I did my
16		calculations based on the fact that we had a
17		two gallon per minute demand according to the
18		state. They required that and required a 30
19		psi at all meters. So, I took that to that
20		limit and maximized it and, basically, did my
21		calculations to verify if we had enough
22		pressure at all of the meters and if we could
23		actually provide the two gallons per minute
24		at each meter. And that was the case, so I

1		did not go beyond that. There, of course, we
2		could always open up a line someplace and,
3		yes, we would drain everything out from the
4		Preston tank also. But that is something
5		that nobody would think would be reasonable.
6	Q	You don't dispute Mr. Scott Taylor's
7		knowledge of the lines, the line diameters,
8		the length of the lines, the location and
9		elevation of the lines, you don't dispute
10		those, that information, do you?
11	A	They were estimates. I'm going to say I
12		don't know that they are accurate. And I
13		can't say that they are accurate because I
14		don't have that information, so, no, I can't
15		dispute them, although they are estimates.
16	Q	You can't say they are inaccurate either, can
17		you?
18	Α	That's correct.
19	Q	But my question a while ago was you obviously, to
20		some extent, disagree with Mr. Scott Taylor's
21		findings or conclusions. Did you take it upon
22		yourself to do your own study or your own model to
23		see if you could reach a different conclusion?
24	Α	I could notI do not have the access to the

Α

1		information that he has.
2	Q	Did you ever request that information?
3	A	No, I did not. I think that I need to give
4		an explanation for that also.
5	Q	That will be fine.
6	A	I did not request that because I am being
7		paid byI could, of course, come up with all
8		kinds of work and drain these people's money
9		pockets dry. I am working for them and,
10		basically, I do what they need. Of course,
11		they are a small operator and beginning
12		developer so they are trying totheir
13		pockets are not deep.
14	Q	The plans that you prepared, you attended some of
15		the Bath County Water District meetings, correct?
16	Α	Would you repeat that for me please?
17	Q	I'm sorry, that was a two part question. So,
18		scratch that. You attended some of the Bath
19		County Water District Board meetings with
20		your client?
21	A	I did, yes, I did.
22	Q	I'm going from memory but I believe were you there
23		in October?

Yes, I believe I was also.

Q

Were you there in November? 1 Q 2 Α I believe I was. What about December? 3 0 I think I was there in December also. 4 Α And you came to those meetings with a set of 5 6 plans and specifications, correct? Yes--no, I did not. I came with a set of 7 Α plans, not the specifications and the 8 details. 9 10 Q Didn't Mr. Taylor request to see your specifications and details? 11 In a letter he had indicated that he has not 12 reviewed them. In our discussions I 13 indicated that it was my understanding that 14 he was going to be reviewing the plans, and 15 I'm speaking of the planned use, the layout 16 of the subdivision and not the details. And 17 18 at that point I assume that that was what they needed to review. 19 As for the plans that he reviewed, did he and 20 the Water District request changes and 21 22 modifications? Yes, they did. 23 Α

And I think those--were those requests made

1		at the October and November meetings?
2	Α	October, yes, changes were requested. Of
3		course, we changed the layout of our plans.
4		November, I can't say that they requested
5		changed to the plans.
6	Q	Okay. But in any event, your plans were not
7		finalized until early December of 1999;
8		correct?
9	A	That's correct.
10	Q	Would you, just for the purposes of the
11		record, take a look at what we have marked as
12		Water District's Exhibits 1 and 2, and just
13		for clarification, if you could tell me
14		whether or not those were your final plans?
15	A	Yes, these are my final plans.
16	Q	And what waswhen did you complete those
17		plans?
18	A	According to this date, December 4, 1999.
19		There should also be some other plans besides
20		this. There were some details that were
21		submitted also that should have been
22		approved, that were approved, I know.
23	Q	But they are not there?
24	A	No.

1	Q	When I asked you previously how many water
2		system designs you had submitted to the
3		Division of Water for approval you said none.
4	Α	I'm sorry, sir.
5	Q	When I asked you previously how many water
6		system designs you had submitted to the
7		Kentucky Division of Water for approval you
8		said none.
9	A	None in the correctin regards of getting
10		their review of the plans and the approval,
11		that would be done by an engineer. That was
12		my understanding that that was to be
13		completed on a state level. Their layout
14		was, from what I was told, was to be reviewed
15		and approved by the Water Board of the
16		District.
17	Q	Did you submit these plans, Exhibits 1 and 2
18		to Division of Water or did the Hatfields?
19	A	I don't recall at this time who actually
20		mailed them out.
21	Q	Just some questions from an engineering
22		aspect and let's take, for example, the
23		hydraulics report that you did, what was the
24		averagethe peak average demand that you

Α

used for your subdivision per lot? 1 I did not hear you, the peak what? 2 Α Average demand, gallons per minute? 3 0 Gallons per minute, it was two to each 4 Α 5 customer. Two to each customer? 6 Q 7 Yes, each property. Α And do you think that is industry standard, 8 0 would you think that would be appropriate 9 That was the state requirement. I think a Α 10 little explanation I think is necessary. 11 12 0 Sure. I think that is over what the industry 13 standard is. I think there was formulas out 14 there that Mr. Taylor and I have discussed 15 that are out there that are actually below 16 17 that 2.0, so I took what I felt was the higher values and, of course, what the state 18 regulation. 19 Over seven years or over eight years, you have 20 Q prepared how many water system designs? 21 I'd say about eight. 22 Α What do you do mainly? 23 Q

My main profession, or position right now, I

1		am an engineer from Marshall Middleton
2		Associates, or my job consists of almost
3		anything and everything in the way of
4		engineering. I'm a jack of all trades when
5		it comes down to it. I've done slope
6		stability analysis, mine plans, I'm a mining
7		engineer by background and have basically
8		have civil engineering courses that provides
9		me with the knowledge and the background and
10		the qualifications of civil engineering,
11		water design systems, sewer systems,
12		feasibility studies.
13	Q	Mr. Sossong, are you familiar with the Hayes and
14		Williams head loss formula?
15	Α	Hayes and Williams head loss formula, I can't
16		recall at this time.
17		MR. ROGERS:
18		Your Honor, I have no further questions.
19	HEAF	RING OFFICER SHAPIRO:
20		Mr. Pinney?
21	MR.	PINNEY:
22		I have no questions.
23		
24		

REDIRECT EXAMINATION 2 BY MR. FOX: 3 Gerard, Mr. Rogers indicated in one of his questions that the Bath County Water District's 4 5 chief concern was pressure on the system. have had a chance to review the estimates that 6 7 were prepared for the assumptions, I think, that 8 were prepared by Scott Taylor as well as the 9 actual readings that were taken by Mr. Taylor on 10 this system. Which is better information to you 11 as an engineer, the estimates or assumptions that 12 he made or the actual readings? 13 Well, of course, the actual readings are more Α important. The estimates were based on an 14 15 entire system, especially back from the subdivision of the Hatfields. The actual 16 17 reading was taken right at the subdivision, 18 which pretty much--you can disregard all of 19 your estimates back from that point. 20 take that point on down the line and use that 21 accurate measurement and go from -- take that 22 pressure reading and start doing estimates down the line if you want to further. 23 24 that accurate reading provides a lot more

1		validity to the actual conditions of the
2		system.
3	Q	So, you said you could actually just
4		disregard those estimates once you had the
5		actual readings?
6	A	Back from that point, yes.
7	Q	Okay. Then what is your understanding of
8		what the readings did show in terms of
9		pressure to the subdivision?
LO	A	Well, the reading was at 80 psi was what
11		Scott and I talked about, was the average,
L2		approximate average for that reading. And
L3		that in comparison to what was shown at the
L4		that the model produced was around 52 to 58
15		depending on where you looked at on the
L6		subdivision along those two roads, Bluffen
L7		Valley and Old State. And that difference
8		between the actual and what was estimated all
L9		the way back to the Preston tank down to
20		their subdivision it showed basically that
21		that estimate is off, and that actually we
22		could probably disregard the estimate and go
23		with the accurate reading. And then from
24		there start with that accurate reading and do

1		estimates down the pipe, so to speak, or
2		further down the line.
3	Q	I see. So, do I understand you correctly
4		that you are saying that both his estimate
5		and the actual measurement show that the
6		pressure was greater than 30 psi at the
7		subdivision?
8	A	Yes.
9	Q	To your knowledge, is there any indication,
10		based on the information that has been
11		provided by Mr. Taylor and your review of
12		that information, is there anything that
13		would indicate that 30 additional customers
14		in this subdivision would deplete the
15		pressure below 30 psi?
16	A	It appears on myon that subdivision that it
17		would not. Again, I did not do calculations
18		beyond the subdivision.
19	Q	I'm asking you about his calculations. Is
20		there anything about his calculations that
21		would lead you to believe that 30 additional
22		customers would deplete the pressure below 30
23		psi?
24	Α	I cannot recall the actual numbers on his

1		charts, I cannot say yes or no to that.
2		HEARING OFFICER SHAPIRO:
3		Well, doesn't the report that Mr. Taylor
4		I'm looking at Mr. Taylor's report
5		here and doesn't it say that 30
6		additional customers would not go below
7		30 psi?
8		MR. ROGERS:
9		I believe that is what it says.
10	Q	Would that informationthat information would be
11		based on the circumstances as they existed when
12		the readings were taken; is that right?
13	Α	What are you referring to, I'm confused?
14	Q	The water pressure meter readings were taken,
15		I don't think there is any dispute, it was
16		taken between November 3 and November 5.
17	A	Okay.
18	Q	So, the information that has been provided by Mr.
19		Taylor, that would indicate that those conditions
20		as they existed in the beginning of November,
21		November 3 through 5?
22	Α	That would be reasonable, yes.
23	Q	Based on the actual readings that were taken,
24		what is your opinion of the model that Mr.

	Taylor incorporated?
A	I think that it needs to be reconsidered or
	re-reviewed, that because of the difference
	between what the model said was going tothe
	pressure was going to be at that point and
	the actual measurement of the pressure at
	that point, the significant difference which
	is around 25% at the least, depends on where
	you look at on the road, is a pretty
•	significant difference in what the pressure
	actually was.
Q	Is a 25% margin of error standard in the
	engineering field?
A	Usually 10% is the standard of error except
	or reasonable for any of my budget estimates
	or work that I have done, I usually try to
	stick within 10% plus or minus.
Q	With regard to the plans that you and Mr.
	Taylor discussed, you have indicated that
	plans were finally prepared, I think,
	December 4 of `99; is that right?
A	Yes.
Q	Had there been discussions with Mr. Taylor
	about those plans before that time?
	Q A

Α

1	A	Yes, there was.
2	Q	For how long or for what period of time had those
3		plans been discussed?
4	A	Since the time, I'd say, probably a month
5		after the Hatfields retained me
6	Q	Which was when?
7	A	on this project. I don't know the exact
8		date, but I think in our previous discussion
9		we said that they retained me somewhere in
10		October, plus or minus. Anyway the pointat
11		a point during my review, after communicating
12		with the Bath County Board and the state, I
13		had been led to their engineer with the Board
14		that was Mr. Taylor and I communicated with
15		him, yes.
16	Q	Okay. So, I think you indicated earlier that
17		there were some changes that were made to
18		accommodate the Bath County Water District, but
19		were those substantive changes in the plans or
20		were those just simply accommodations to the Water
21		District?
22	A	Yes, they were.
23	Q	They were accommodations?
l		

Yes, well, they were changes that were

1		requested to improve the system, yes.
2	Q	Did it change the overall design of the plan?
3	A	From the first revision, yes, it did.
4	Q	Okay. After the first revision did it change?
5	A	After the first revision? No, after the
6		first revision there wasn't substantive
7		changes that were requested. Actually, the
8		first revision was taken with us to the
9		October Board hearing which we reviewed them
10		and there was some concerns. I also, if I'm
11		correct, submitted then, sent an e-mail copy
12		to Scott at that time. He reviewed them and
13		came to the conclusion that there were some
14		needed changes and they were inadequate. We
15		made the changes and
16	Q	At that point in time when you made those
17		changes, was that when you and/or the
18		Hatfields began to seek the letter of
19		approval from the Bath County Water District?
20	A	That's correct.
21	Q	And was that given?
22	A	No, it was not.
23	Q	Was there any explanation as to why the
24		letter of approval was not given?

111		
1	A	No, there was not. It wasn't because of the
2		plans. It was my understanding that the
3		plans were satisfactory during our review. I
4		think it was during the November Board
5		hearing that their objection was simply
6		because there was lack oftheir concern for
7		the lack of pressure.
8	Q	Okay. Do you know what date that was in
9		November?
10	A	I do not recall at this time the exact date
11		of the hearing. I think it is the fourth
12		Tuesday of every month.
13	Q	It was the November meeting though?
14	A	I seem to recall it was the November meeting.
15	Q	November 23, does that sound right?
16	Α	That would be approximate, yes.
17	Q	So, that would have been after those pressure
18		readings were taken on November 3 and 5?
19	Α	That would be correct.
20	Q	And the Bath County Water District was still
21		telling you that they thought there was
22		insufficient pressure to provide service into
23		Meadowbrook Subdivision?
24	Α	That's correct.

1	Q	Mr. Rogers asked you several questions about
2		your qualifications. Have you designed or
3		come up with any designs that have been
4		adopted by the state as models in terms of
5		water or sewage?
6	Α	Would you repeat that please?
7	Q	Have you developed any designs that have been
8		adopted by the state as models?
9	A	Yes, I have.
10	Q	What are some of those?
11	Α	It was for a sewer system, septic system
12		actually, for the Hatfields.
13	Q	You said that you attended the meetings. Was
14		there any discussion by the Board members
15		themselves where they question their engineer
16		Scott Taylor's findings that you recall?
17		MR. ROGERS:
18		I object, I think it is beyond the scope
19		of cross.
20		HEARING OFFICER SHAPIRO:
21		Go ahead, beyond the scope of your
22		cross?
23		MR. ROGERS:
24		Yes, sir.

1	HEARING OFFICER SHAPIRO:
2	What's your response?
3	MR. FOX:
4	I didn't know if you wanted me to
5	respond. Your Honor, it is not beyond
6	the scope of cross. There has been
7	discussion in the cross-examination
8	about the pressure readings themselves
9	and the estimates. The question is
10	intended to explore the Bath County's
11	the Water District's refusal to accept
12	their own engineer's reports. I think
13	that this witness can talk about what
14	their discussion was at the meeting
15	regarding pressure readings.
16	HEARING OFFICER SHAPIRO:
17	Well, as I recall the affidavit that you
18	have tendered, basically, this witness
19	is saying that he disagrees with the
20	findings of the initial report because
21	he said they were based on estimates;
22	isn't that right?
23	MR. FOX:
24	That's right.

1	HEARING OFFICER SHAPIRO:
2	And that he thought that the estimates
3	should, instead of using estimates, they
4	ought to beuse pressure readings.
5	MR. FOX:
6	Ought to use pressure readings.
7	HEARING OFFICER SHAPIRO:
8	I think Mr. Taylor's report itself says
9	thator his affidavitindicates that
0	they made two estimates, one based on 30
1	customers and one based on 60. The
2	first one on 60 and then he came back on
3	30, he doesn't tell us, I don't believe,
4	in here what the 30what the first one
.5	found, but I assume from what he has
.6	done here that it didn'twell, he does
.7	sayit said it would fall below 30 psi,
.8	but that with 30 customers it would not
.9	fall below 30 psi, if I'm reading it
:0	correctly. And I don't know where, even
1	thoughwhat does this witness actually
22	offering beyond the fact that he thought
23	thatdoes he disagree with the 30 psi

estimate with the 30 additional

1 1	customers or not;
2	MR. FOX:
3	Well, we don't
4	HEARING OFFICER SHAPIRO:
5	He actually didn't make a model, did he?
6	He doesn'the hasn't made his own
7	calculations. I think he said all he
8	did was review Mr. Taylor's
9	calculations. And on the basisand he
10	felt like Mr. Taylor's calculations were
11	not reliable, I'd say, because they were
12	based on estimates rather than actual
13	readings. Isn't that the extent of his
14	testimony?
15	MR. FOX:
16	That is the heart of his testimony.
17	HEARING OFFICER SHAPIRO:
18	The heart of his testimony.
19	MR. FOX:
20	That is the heart of his testimony and I
21	guess this illustrates the discussion we
22	had before the hearing where I proposed
23	to you that I call Mr. Sossong as a
24	rebuttal witness. I was concerned that

1	the information presented by the
2	defendants would not be consistent with
3	what Mr. Sossong has testified to here
4	today. I think you understand the heart
5	of his testimony, yes.
6	HEARING OFFICER SHAPIRO:
7	Well, that's the way I understand it
8	now. I may be convinced otherwise later
9	by one of the parties, but that is my
10	impression at this point. Essentially,
11	all this witness is saying is I disagree
12	with Mr. Taylor's methodology. It is
13	not that he is saying that Mr. Taylor's
14	methodology was based upon estimates
15	rather than actual readings and he felt
16	like that is not the methodologythe
17	proper methodology or the more accurate
18	methodology, the more reliable
19	methodology would be to use actual
20	readings.
21	MR. FOX:
22	Yes.
23	HEARING OFFICER SHAPIRO:
24	So, what does this question that you had

1	have to do with any of that?
2	MR. FOX:
3	Well, what this question has to do with
4	is to demonstrate that there was not
5	only no basis for denial by the Bath
6	County Water District for thesefor the
7	adoption of the three inch water main
8	and the additional meters, but it also
9	is intended to show that there seems to
10	be some proactive attitude of the Bath
11	County Water District to prevent the
12	Hatfields from getting these
13	HEARING OFFICER SHAPIRO:
14	Well, your question was did anybody
15	questionthe question you proposed to
16	the witness was did anybody at the
17	meeting
18	MR. FOX:
19	The Board members was the question.
20	HEARING OFFICER SHAPIRO:
21	Any of the members question
22	MR. FOX:
23	Mr. Taylor.
24	

1	HEARING OFFICER SHAPIRO:
2	Mr. Taylor's findings.
3	MR. FOX:
4	Yes.
5	HEARING OFFICER SHAPIRO:
6	And the objection is that that is a new
7	issue that hasn't been raised by any of
8	the previousin any of the previous
9	testimony.
10	MR. FOX:
11	Well, it'sI mean, it is the
12	HEARING OFFICER SHAPIRO:
13	How does it relate to any of the test
14	it wasn'the didn't sayhe didn't
15	raise it in his testimony initially.
16	Now, didhow does it relate to any of
17	the examination that Mr. Rogers
18	conducted. Did he ask him any questions
19	about that?
20	MR. FOX:
21	He didn't ask him specifically about
22	what the Bath County Water District did
23	at their meetings, but they discussed
24	meetings in his cross-examination about

1	whether he attended and about the
2	pressures that were available.
3	HEARING OFFICER SHAPIRO:
4	But this is an issue that is being
5	raised for the first time, isn't it?
6	MR. FOX:
7	No, this is the central issue of
8	HEARING OFFICER SHAPIRO:
9	Well, this is an issuethe centralyou
10	are sayingI can see where it is
11	relevant in the sense that you are
12	saying that other people were
13	questioning the findings. But heit
14	wasn't raised on cross-examination and
15	it wasn'tso it isit wasn't raised on
16	direct examination, we agree on that, it
17	is not in the original affidavit.
18	MR. FOX:
19	We agree on that.
20	HEARING OFFICER SHAPIRO:
21	Okay. So, in order for it to be
22	rebuttal it would have to be raised on
23	cross-examination. Right?
24	

24

1	MR. FOX:
2	Yes, that's correct, I agree with you.
3	HEARING OFFICER SHAPIRO:
4	Okay. Now, you can argue with me, I'm
5	you can convince me otherwise if I'm
6	wrong butor try to convince me. It
7	seems to me that this is a question that
8	is being raised for the first time on
9	rebuttal to theor redirect which is
0	essentially rebuttal of cross.
1	MR. FOX:
2	Well, it is my position that the Bath
.3	County Water District's denial of their
.4	of the Hatfield's request for water in
.5	the subdivision is the central issue in
.6	this hearing. And that the cross-
.7	examination conducted by Mr. Rogers
.8	touched on those issues dealing with why
.9	the Bath County Water District denied
0	the request for water. And I am asking
1	Mr. Sossong to elaborate on that issue
22	of whether or why the pressure wasor
23	why the water applications were denied.
24	And I think one of the explanations can

1	be answered in his answer to the
2	question I posed.
3	HEARING OFFICER SHAPIRO:
4	But this is the first time that I heard
5	any mention of whether the findings by
6	Mr. Taylor were questioned by the Board
7	itself. That has not been raised in any
8	of the previous testimony?
9	MR. FOX:
10	That has not been raised specifically.
11	HEARING OFFICER SHAPIRO:
12	Well, I'm going to sustain the
13	objection.
14	MR. FOX:
15	No further questions.
16	MR. ROGERS:
17	Nothing further, Your Honor.
18	HEARING OFFICER SHAPIRO:
19	Thank you Mr. Sossong. Can this witness be
20	excused, you don't have to make him leave, but is
21	there any objection to his being excused at this
22	point?
23	MR. ROGERS:
24	I have no objection.

1 HEARING OFFICER SHAPIRO: 2 You may want to keep him here, but I--but he is 3 free to leave if you so choose. MR. FOX: 4 5 Thank you. 6 HEARING OFFICER SHAPIRO: Let's be in recess until one o'clock. 8 (OFF THE RECORD) HEARING OFFICER SHAPIRO: 9 Back on the record. Mr. Rogers, you want to call 10 11 your first witness. MR. ROGERS: 12 Yes, sir. I would call Alfred Fawns. 13 14 (WITNESS DULY SWORN) 15 MR. ROGERS: Your Honor, I have the verification -- my copies of 16 the verified affidavits and attached documents 17 that we recorded. Am I to introduce those? 18 19 HEARING OFFICER SHAPIRO: 20 Is that the only ones that you have? MR. ROGERS: 21 22 Yes. HEARING OFFICER SHAPIRO: 23 24 Why don't you introduce those and then we will

```
reserve the right to withdraw them and substitute
1
2
          a copy.
    MR. ROGERS:
3
4
          Thank you.
     MR. PINNEY:
5
          Earl, I might have an extra copy.
6
7
     MR. ROGERS:
          I was going to say we had filed these things with
8
          10 copies.
9
     MR. PINNEY:
10
          Well, I have about four of them.
11
     MR. ROGERS:
12
          Mr. Shapiro, do you have one?
13
     HEARING OFFICER SHAPIRO:
14
          Yes, I have one.
15
16
     MR. ROGERS:
17
          Thank you.
18
          The witness, ALFRED FAWNS, JR., having first been
19
     duly sworn, testified as follows:
20
                         DIRECT EXAMINATION
21
22
     BY MR. ROGERS:
          State your name please?
23
24
     Α
          Alfred Fawns, Jr.
```

1	Q	And,	Mr.	rawns,	wnere	αo	you	live?	
---	---	------	-----	--------	-------	----	-----	-------	--

- 2 A 436 Ferguson Road, Owingsville, Kentucky
- 3 40360.
- 4 Q And how are you employed?
- 5 A Manager of the Bath County Water District.
- 6 Q And as Manager, who do you report to or who
- 7 do you work under?
- 8 A The Water Board, District Commissioners.
- 9 Q And how long have you been employed with the
- 10 Bath County Water District?
- 11 A Since August.
- 12 Q And at my request have you prepared an
- affidavit that was signed and notarized?
- 14 A Yes, I did.
- 15 Q In this proceeding?
- 16 A Yes, I did.
- 17 Q And I'd like for you to take a look at that
- document and the attachments to it. Is that
- 19 your affidavit that has been executed for
- this proceeding?
- 21 A Yes, it is.
- 22 Q And the exhibits attached thereto, do you desire
- that they be incorporated and made a part of your
- 24 testimony?

1	A	Yes.
2	Q	And you desire that this affidavit be
3		accepted by the court as your testimony here
4		today?
5	Α	Yes, I do.
6	Q	Does it truely and accurately reflect your
7		statement of facts and observations relating
8		to this case?
9	A	Yes, it does.
10		MR. ROGERS:
11		Your Honor, I would move to introduce
12		this exhibit as I believe that will be
13		Defendants 3.
14		HEARING OFFICER SHAPIRO:
15		Bath County 3.
16		MR. ROGERS:
17		Bath County Number 3.
18		HEARING OFFICER SHAPIRO:
19		Is the witness tendered for cross-
20		examination?
21		MR. ROGERS:
22		Yes, he is, sir, assuming that the
23		exhibit is admitted into evidence.
24		

1		HEARING OFFICER SHAPIRO:
2		Yes, so ordered. Mr. Fox?
3		(EXHIBIT SO MARKED: Bath County Exhibit No. 3)
4	MR.	FOX:
5		Thank you.
6		
7		CROSS EXAMINATION
8	BY I	MR. FOX:
9	Q	Mr. Fawns, you have indicated that you have been
10		employed as the manager of Bath County Water
11		District since August of `99. Were you employed
12		by the District before August of `99?
13	Α	No, I wasn't.
l 4	Q	Okay. Before August of `99, had you ever been
15		employed by the Bath County Water District?
16	Α	No.
17	Q	So, what is the extent is your understanding
18		or familiarity with the day to day operations
L9		of the District before August of `99?
20	A	Before August of `99 I was County Judge for
21		five years for Bath County.
22	Q	And did your term end the December before you
23		began work in August?
24	Α	No, it was in December of `98.

- 1 Q Okay. So, it was just eight months or so
- between your stint as Judge-Executive and
- 3 Manager of the Water Board?
- 4 A I guess that is right, yes.
- 5 Q Okay. As the former Judge-Executive of Bath
- 6 County, were you familiar with the Bath
- 7 County Water District?
- 8 A Somewhat, yes.
- 9 Q Okay. And how long did you serve as Judge-
- 10 Executive?
- 11 A Five years.
- 12 Q Just one term?
- 13 A Yes.
- 14 Q Okay. Now, in your affidavit, do you discuss
- 15 the water purchase contract, or a water
- 16 purchase contract that you have--the Water
- District has with the City of Morehead Water
- 18 Utility Plant Board Ground Water,
- 19 Incorporated, are you familiar with that?
- 20 A Yes.
- 21 Q Do you know when it was first entered into?
- Was it 1979, is that your understanding?
- 23 A That sounds right, of course, it has been
- 24 redone.

- 1 Q Right, I understand it has been--
- 2 A Renegotiated.
- 3 Q --renegotiated. But, essentially, as I
- 4 understand it, Bath County has been buying
- 5 water from Rowan County and other entities in
- 6 Rowan County for about 20 years?
- 7 A Yes, I'd say so.
- 8 Q Is that a correct summary?
- 9 A Yes.
- 10 Q Is Bath--the Bath Water District able to
- supply its present customers within the terms
- of that contract? In other words, do you
- have to buy more water than is described in
- the contract or less, or do you just use what
- is allotted in the contract?
- 16 A We do buy more water from the City of Mount
- 17 Sterling sometimes, most all time.
- 18 Q So, you buy water from these entities in Rowan
- 19 County, Morehead, as well as water form Mount
- 20 Sterling
- 21 A Right.
- 22 Q In your affidavit I think you say that the
- allotted capacity--well, you don't say what
- 24 the allotted capacity is, you just say that

1		it exceeded the allotted capacity in 1999.
2	Α	Yes, that's right.
3	Q	I'm saying all of this to ask this question,
4		how long has Bath County Water District been
5		exceeding its allottedallotment of water,
6		for how many years?
7	A	It has been for some time, I can't exactly
8		quote you the dates its been, but I know in
9		`99 it did, approximately five times they
10		went over their contract. And our contract
11		our contract with Morehead is 20% of what
12		they produce. And we say it is a million but
13		there is, you know, a question of how much
14		they can produce. They say it is 880,000
15		gallons. And we did exceed the contract with
16		Mount Sterling also, two times.
17	Q	When you say two times, five times, do you
18		mean monthly
19	A	It's monthly, yes.
20	Q	Monthly, okay. Do you recall exceeding the
21		allotment while you were Judge-Executive?
22	A	I was in several meetings trying to get
23		upgrades and everything, you know, to get the
24		grants and so forth. There was a study done

H		
1		I think it was approximately two years ago to
2		do upgrades with the Morehead Utility Plant
3		Board and that has been gone through to do
4		these upgrades.
5	Q	So, is that a yes?
6	A	That's a yes.
7	Q	And you wereyou served as Judge Executive
8		the years of `94, `95, `96, `97 and `98?
9	A	Right.
10	Q	Do you know if the Water Board was exceeding
11		its allotment before 1994?
12	A	No, I couldn't say for sure, but I knew they
13		wereyou know, it was tight, that they
14		needed extra water. I know they give us
15		severalthey were out several thousand
16		dollars to do the study. I know the Board
17		did a study.
18	Q	At what point in time was the decision made
19		by the Bath Water District to sell more water
20		than it could contractually buy from these
21		other sources?
22	A	I don't understand that question.
23	Q	Well, you told us that at some point in the
24		90s while you were Judge-Executive you know

1		that the Bath Water District was providing
2		water to its customers in excess of the
3		contracted amounts that were allotted by
4		these entities of Morehead as well as Mount
5		Sterling. What I'm asking you is when was
6		the decision made to sell more water than you
7		could contractually buy?
8	A	Well, I don't know whether it was a decision
9		made, it is like we tried to accommodate all
10		the customers and Morehead was good about
11		coming up with, you know, they never give us
12		any deadline or anything to stop selling
13		water is what I'm trying to say.
14	Q	I see.
15	A	Just like we do with Frenchburg. We have a
16		contract with Frenchburg for 250,000 gallons
17		a day and they have exceeded it several times
18		like 357 a few times last year. So, you
19		know, it is just sort of trying to serve all
20		you can.
21	Q	I understand. So, if I understand what you
22		are telling me, there has never been a
23		decision, a formal decision, by the Bath
24		Water District to deny an application for

1		water because the providers of water had
2		contracts that limited the amount that you
3		could buy?
4	A	No, but I think it should be in the back of
5		your heads too. You know, you can'tit's
6		hard to give or sell something that you don't
7		have. I mean, they could stop it at any
8		time.
9	Q	Well, I understand that it is
10	A	And they have made the comment that if they
11		got extra industry and so forth, that what
12		they have told us this will go out the
13		window, they can't serve us.
14	Q	I understand, but that has been the situation
15		since you were Judge-Executive, right?
16	A	Yes.
17	Q	If not before then?
18	A	Probably.
19	Q	Okay. And knowing that, I'm speaking
20		directly towards the Bath County Water
21		District, knowing that, there has never been
22		a formal decision to not sell water to
23		customers because of available volumes of
24		water?

1	Α	No,	we	have	always	tried	to	serve.	
---	---	-----	----	------	--------	-------	----	--------	--

- 2 Q Okay. Do you know approximately how many
- 3 customers have been added by the Bath County
- 4 Water District beginning approximately 1994
- 5 A No, I couldn't say for sure.
- 6 Q Can you guess?
- 7 A It usually runs around--I think it is probably in
- 8 the neighborhood of 120 customers per year,
- 9 probably.
- 10 Q You'll add to the system?
- 11 A Uh-huh.
- 12 Q Okay. And is that a fairly consistent number
- of customers over the years?
- 14 A You know, I can't state it as a fact.
- 15 Q I understand.
- 16 A But, yeah, I would think so.
- 17 Q Okay. So, other than those periods of time
- when there has been imposed by the Division
- of Water a main line extension ban or a tap-
- on ban, other than those periods of time,
- there has been no formal decision by the Bath
- Water District to not provide water service
- 23 to those who requested it?
- 24 A No.

Ш		
1	Q	One of the documents that you attached, I
2		believe it is to your affidavit, was a letter
3		from the Division of Waterlet me find it
4		dated May 27, 1999. It was written,
5		actually, to Mr. Grimes, dated May 27, 1999,
6		addressed to Mr. Grimes from Vickie L. Ray,
7		Manager of the Drinking Water Branch,
8		Division of Water. It may be helpful if I
9		show you a copy of it if the record will
10		reflect that I'm showing you a copy of it.
11		Do you recall seeing that letter before?
12	A	Yes, I have.
13		MR. ROGERS:
14		Mr. Fox, what is the exhibit number on
15		that?
16		MR. FOX:
17		К.
18		MR. ROGERS:
19		K, okay, thank you.
20	Q	You are familiar with this letter?
21	A	Yes, I think I saw that before.
22	Q	And if you will read the second paragraph?
23	A	"Future extensions of the Bath County Water
24		District service areas such as potentially

1		planned to secure growth in demand does not
2		outstrip the pace of upgrades in the system."
3	Q	"Future expansion of the Bath County Water
4		District's service area should be proactively
5		planned to insure that growth in demand does
6		not outstrip the pace of upgrades in the
7		system." Do you understand what is indicated
8		in that second paragraph of that letter?
9		Would you not agree that the Department of
10		Water through the Drinking Water Branch is
11		directing the Divisionor the Bath County
12		Water District to proactively plan so that
13		growth doesn't outstrip the pace of upgrades?
14		Do you understand that?
15	Α	Uh-huh.
16	Q	What has the Bath Water District done in
17		terms of proactive plan to prepare for that
18		demand in contrast to the upgrades of the
19		system?
20	A	Well, to the contract with Morehead, like I
21		stated, has done their study to do the
22		upgrades that where the quantity of water, we
23		will have more quantity of water, almost
24		double the quantity down through the years.

1	Q	Is there a plan that has been adopted, a
2		written plan?
3	A	There is a proposed study that has been done,
4		we haven't signed the contract with them yet.
5	Q	Okay. Well, I mean, have you or someone with
6		the Division of Water undertaken to do a
7		study to determine what the economicthe
8		projected economic growth or development is
9		within the county?
10	Α	I would think so. Not myself, but I think we
11		had and our engineers has done this, you
12		know, to look to the future. We hadn't done
13		the Help One project and there is a Help Two
14		project that, you know, is to come along once
15		we get the quantity of water. We don't have
16		the quantity to do these upgrades right now.
17	Q	Well, do you know what the information is
18		about the projected growth of the county?
19	A	Like percentage of growth, no, I can't recall
20		that.
21	Q	So, has that information been made available
22		to the customers in Bath County?
23	Α	No, I don't think so.
24	Q	Are you aware that there are rules and

1		regulations that have been adopted by the
2		Bath Water District and I guess approved by
3		the Public Service Commission that were
4		effectivethe date is hard to read
5		Februaryor excuse me, March 1988, they were
6		attached as Exhibit A to your answers to
7		interrogatories?
8	Α	That's the tariff, yes.
9	Q	Are you familiar with those?
10	Α	Uh-huh.
11	Q	Do you think that the Bath Water District has
12		complied with all the provisions of those
13		rules and regulations?
14	A	Yes, I do.
15	Q	Okay. We'll come back to that in a moment.
16		How often, in terms of monthly meetings, how
17		often do people come to the Bath District
18		Bath County Water District meetings to ask
19		for service in terms of extensions or meters
20		or things of that nature?
21	A	Well, I can't, you know, since I've been
22		there, you are talking since I've been
23		Manager?
24	Q	Uh-huh. Is it monthly?

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1	Α	Pretty regular, yes. There are some months
2		they don't, but pretty regular.
3	Q	What policies and procedures does the Bath
4		County Water District have that directs
5		people on how they are to apply and how their
6		applications are considered when they do ask
7		for water service in Bath County
8	Α	Well, there isthey are asked, you know, for
9		the engineer and so forth, to do studies. We
10		try to accommodate as many customers as
11		possible as funds we have and as much
12		quantity of water we have. You know, that is
13		also in the back of their minds also.
14	Q	But my question is what policies and
15		procedures have you adopted that directs the
16		applicants on what steps they have to take in
17		order to be approved for water service?
18	A	We havethey adopted a policy last meeting,
19		but it hasn't been approved by the Public
20		Service Commission, but there hasn't been any
21		that I know of before.
22	Q	As we speak here today there is no approved
23		plan or no policy procedure I should say?
24	A	No.

1	Q	That has been approved?
2	A	Right.
3	Q	So, when these complainants, the Hatfields,
4		werehave been inas they have been in the
5		process of asking for water from your Water
6		District, there has been no written rules or
7		policies directing anyone how to get that
8		water service that they have asked for?
9	A	No, just to service as many as we can.
10	Q	Okay. Is it basically taken on a case by
11		case basis?
12	A	Yes.
13	Q	How do you insure that people are treated
14		fairly in that situation
15	A	Well, that is the Board's decision, it is not
16		mine.
17	Q	When I say you, I don't mean you, I meanand
18		that's probably a poorly worded question.
19		How does the Bath Water District insure that
20		applicants are treated fairly and uniformly
21		with regard to their request for applications
22		of service?
23	A	Most usually, in some cases, it is cost per
24		customer and, you know, if it is the area

Ш			
	1		where we can serve or can't serve. You know,
	2		I can't sit here and tell you what runs
	3		through the Board's mind. I mean, I'm just
	4		an employee of the Board.
	5	Q	I understand that. But when you say what
	6		they can and can't serve, what do you mean by
	7		that?
	8	A	Well, if you are referring to this case?
	9	Q	I'm referring to the entire system.
	10	A	Ifwe have them submit us plans for what they are
	11		going to, say subdivision, and it is studied and
 -	12		they have submitted plans and we have the engineer
	13		look at the plans. And like this case, the plans
	14		were for 75 customers, not for 30 customers, not
	15		for 20 customers. They plans are actually for 75
	16		customers. And we don't have the facilities in
	17		that area to serve 75 customers, according to our
	18		engineers.
	19	Q	Again, what policy or procedure iswas in
	20		place that would have told thesethis couple
	21		that they needed to submit a plan? Was there
	22		one that you are aware of?
	23	A	Well, that's, you know, in order to getno,
		Л	
١	24		there is no setin order to get a set of

1		plans approved there are some steps you have
2		to go through though.
3	Q	And where are those steps written?
4	A	There is no written steps.
5	Q	So, howdo you think that the Hatfields were
6		told?
7	A	Yes.
8	Q	How do you know that?
9	A	I told Tina Hatfield when they firstit was
10		back probably in September.
11	Q	Okay. You told her what?
12	A	That there were certain steps, they was
13		anxious to get water real quick. And I told
14		her it would take time, that there were
15		certain steps they had to do. They would
16		have to have a set of plans and the Board
17		would ask an engineerwould have to have a
18		seal on them before the Board could submit it
19		to the Division of Water, and that does take
20		time. Sometimes it takes the Division of
21		Water two weeks or three weeks before it
22		returns.
23	Q	You say this was in September?
24	Α	Probably, I'm not sure, but I think it was

1		about September, the first time I met them.
2	Q	You took your position in August; is that
3		right?
4	A	Yes.
5	Q	And what training or orientation did you go
6		through to learn how to be the Plant Manager there
7		at the Bath County Water District?
8	A	I didn't go through any training, I haven't
9		had any training.
LO	Q	And you have never worked there in any
l 1		capacity prior to August?
12	Α	No, no.
13	Q	So, in August of 1999 do you think you were
14		fully aware of all of the policies,
15		procedures, regulations and requirements that
16		applied to the Bath County Water District?
L 7	A	Probably not, no, not all of them, no.
L8	Q	Isn't it correct or true that when the
19		Hatfields began selling lots and, when I say
20		selling lots, I mean lots that were not
21		adjacent to the two main roadto the two
22		road main line extensions, the Blevins Road
23		and the Old State Road, are you familiar with
24		what I'm talking about?

- 1 A Say that again.
- 2 Q Let me back up, strike what I just said, we
- 3 will start a little slower. Are you familiar
- 4 with the Meadowbrook Subdivision?
- 5 A Yes, I am.
- 6 Q Are there roads that are adjacent to that
- 7 subdivision?
- 8 A Yes.
- 9 Q What are they?
- 10 A Blevins Valley and Old State Road.
- 11 Q And are there main lines on Old State Road
- 12 and Blevins Valley Road?
- 13 A Yes, there are.
- 14 Q So, some of the people who have bought lots
- in the Meadowbrook Subdivision are adjacent
- to those roads and those main lines; is that
- 17 correct?
- 18 A Right.
- 19 Q Some of the lots, however, are not adjacent
- 20 to those main lines there within the
- 21 subdivision, right?
- 22 A Right.
- 23 Q Some of those lots that were sold were sold
- 24 meters for property that is not adjacent to

- 1			
	1		the Old State Road and Blevins Valley Road;
	2		that's correct?
	3	Α	Right.
	4	Q	And those properties are serviced by what I'm
	5		calling service lines where the meter is on
	6		the main line but the service line runs
	7		hundreds if not more than a 1,000 feet to the
	8		property line; is that your understanding?
	9	Α	Right.
	10	Q	Those are the lines that Mr. Hatfield
	11		discussed previously that had been left
	12		unopen and frozen over the winter?
	13	A	In my understand it isthatwe are
	14		responsible to the meter, that's his
	15		responsibility once we turn the meter on.
	16	Q	When did you give permission to Mr. Hatfield
	17		to set those meters like that?
	18	A	Permission to set them?
	19	Q	Uh-huh.
	20	A	When he came in and signed up for them.
	21	Q	Did he ask to do it that way or did you
	22		suggest that it be done that way?
	23	A	If he wanted one, like I said, right quickly,
	24		we'd have to do it until the others got

- 1 approved.
- 2 Q Until what others got approved?
- 3 A Until this line got approved.
- 4 Q Until the three inch line got approved?
- 5 A Uh-huh.
- 6 Q Is that what you are talking about?
- 7 A Yes.
- 8 Q So, that was December 17, wasn't it, that the
- 9 Division of Water approved that three inch main
- 10 line?
- 11 A They didn't approve it for them, for the--all
- these meters that they have already gotten.
- 13 Q Did they approve it?
- 14 A They approved it for 13 only.
- 15 Q So, it was approved on December 17 for 13
- 16 meters, right?
- 17 A Yes.
- 18 Q That line is not in service today?
- 19 A No.
- 20 Q Today is April 11.
- 21 A No.
- 22 Q Why have you all not allowed that three inch
- line to go into service if it was approved
- 24 back in December?

	1	A	The Board feels that once they take this line
	2		over that they will be back down here to the
	3		Public Service Commission once they exceed
	4		the 30 pounds pressure where they can't serve
	5		itthey submitted plans for 75 customers.
	6		The District can't service 75 customers in
	7		that area. So, once these lines are
	8		connected they become property of the
	9		District and we can't refuse to serve an
	10		individual customer. So, if it goes up to 75
	11		we will be right back in here again.
	12	Q	So, let me understand what you are saying.
]	13	A A	They are in this business to make a profit
		А	-
	14		and we service, you know, individuals, but we
	15		can't service 75 customers according to our
	16		engineers, we can't service thesethis area,
	17		75.
	18	Q	But you know here today that they are not
	19		asking for 75?
	20	Α	It's not what they are asking, it is what the
	21		plans that the Board had to review and they
	22		didn't approve the plans for 75. And the way
	23		I think if it is tomorrow they want to come
11	45		

11		
1		set of plans and approved by the Division of
2		Water.
3	Q	Let me ask you a question please. To make
4		sure I understand what you are telling me,
5		you are saying that the reason that three
6		inch line was not approvedor it has not
7		been put into service after it was approved
8		in December of 1999, is because you fear
9		future complaints with the Public Service
10		Commission for not allowing additional
11		customers on that line; is that right?
12	A	Yeah.
13	Q	Okay. The approval by the Division of Water
14		for those 13 meters was specific as to the 13
15		meters because of concerns about pressure;
16		right?
17	A	I'm not sure what theirI mean
18	Q	Well, that's your concern though, isn't it,
19		with the Bath County Water District? Isn't
20		that what you are telling us here today, is
21		that if more than a certain number
22	A	It wouldn't be concerned on the 13, no, I
23		don't think so. We'd have to ask our
24		engineer. But the engineer says we can't

1		take care of 75 and that's basically the
2		reason that that wasn't approved.
3	Q	That was the reason what wasn't approved?
4	A	The plans by the Board.
5	Q	So, when are you talking about when you
6		didn't approve the plans? When were they
7		disapproved?
8	A	Well, theI think you said the plans were
9		actuallyDecember when they actually had the
10		plans drawn. There might have been some
11		sketches or something before but there has
12		always been talk of 75 customers.
13	Q	When did you notify the Hatfields that you
14		were not going to accept the three inch water
15		line with those 13 metered customers after it
16		was approved in December of `99?
17	A	When the Board decided?
18	Q	When were they notified that the Division of
19		Water's approval was not going to be
20		acknowledged and that they were not going to
21		be able to use that three inch line?
22	Α	I guess probably at the Board, the Board decision
23		probably in December, I would think. They said
24		they wanted to move them, but they didn't want to

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accept the line. Of course, it is not possible to
 1
 2
          do one without the other. They approved the
          moving of the 13 meters, but they didn't want to
 3
 4
          accept the line.
          I'm looking at the minutes of December 28,
 5
     0
 6
          1999, and it is indicated in the one, two,
          three, four, five, sixth paragraph down, it
 7
          says, "Commissioner Norris moved to move the
 8
          13 existing meters to the property of users
 9
10
          at an approximate cost of $75 to be paid for
                         Commissioner Ginter seconded
          by the users.
11
12
          the motion. Commissioners present voting yes
          and Commissioner Crooks abstained from
13
          voting. There was no approval by the Board
14
          for the 8,000 linear feet of three inch
15
          line." It doesn't say anywhere in the
16
          minutes why that was not allowed. Can you
17
18
          tell me why, specifically, that was not
          allowed?
19
20
     Α
          No, I can't.
          You were there, weren't you?
21
     Q
22
          Well, they didn't accept the line.
     Α
23
     Q
          No reasons were given?
24
          I can't have an opinion of what their
     Α
```

1		thoughts were.
2	Q	I'm not asking you to tell us what they were
3		thinking, I want you to tell us what the
4		stated reason was for disapproving that three
5		inch line that was approved by the Division
6		of Water?
7	Α	I think maybe there was some comments of what
8		I commented earlier, that once they accept
9		these lines they were property of the
10		District, and their plans said 75 customers
11		and we couldn't serve 75 customers because of
12		the facilities.
13	Q	How many could you serve?
14	A	That'sI mean, I'm not an engineer and that
15		is something we ask our engineer.
16	Q	Do you know?
17	A	No, I don't.
18	Q	Okay. That's all you have to say, I don't
19		know.
20	A	Okay.
21	Q	So, what was the reason that they movedI
22		don't understand this, why did they movewhy
23		was the motion made to move those water
24		meters if they weren't going to be able to

1		use the three inch line?
2	Α	There was several of the residents that came
3		to the meeting and they were sort ofthey
4		wanted something like, I think, the Division
5		of Water, that's my opinion, okay, that they
6		wanted something to do with these customers
7		that had these lines out there freezing up,
8		and so forth, in these open ditches.
9	Q	Uh-huh. It was a bad situation, wasn't it?
10	A	Yes, it was.
11	Q	So, the Boardlet me see if I understand
12		this, the Board voted to move the meters,
13		charged the user \$75, but they wouldn't agree
14		to put water in the line; is that basically
15		it?
16	Α	That's basically it.
17	Q	Was that meant to accomplish something?
18	Α	I can't answer that, I don't know.
19	Q	Are you still selling meters in that area?
20	A	Yes, we are. We put two in for them Friday,
21		those 18 you were talking about
22	Q	Two of them have been
23	Α	Yes.

--been set?

24

Q

1	Α	Uh-huh.
2	Q	Right, but they are adjacent to the Old State
3		Road and Blevins Valley Road?
4	A	Yes, they are.
5	Q	Not off of that three inch main that runs
6		through the middle of the subdivision
7	A	No.
8	Q	Do you know how many customers have been
9		added and extensions granted after the
10		Hatfields have asked for this extension to be
11		added to their system?
12	Α	I don't know of any.
13	Q	Do you know a Ms. Stamper on Old State Road?
14	Α	I know Ms. Stamper on Old State Road, it
15		hasn't been granted.
16	Q	Hasn't been granted?
17	A	No.
18	Q	What is the status of that, because it
19		appears from the minutes that there are other
20		people even adding on to her line?
21	A	They are still just like this, they was
22		looking at it, you know, when we hadthey
23		come to the meetings they look at all of the

projects.

24

- 1 Q I didn't hear the last part.
- 2 A They look at every--you know, when you come
- 3 to a meeting asking for water, they don't
- just say, you know, they just consider it
- like they consider all projects. If they can
- serve a few, they will serve them.
- 7 Q Has she ever submitted plans to the Division
- 8 of Water?
- 9 A Not to my knowledge, no.
- 10 Q But her line is in the ground, isn't it?
- 11 A Yes, her individual line, yes, we serve her
- 12 with a meter.
- 13 Q Right, and she came to the August meeting and
- said that she wanted to install that line and
- wanted you all's approval because--"Ms.
- 16 Stamper wanted someone from the Water
- District to inspect the line as it was being
- built in case others wanted to tie into the
- 19 line in the future." Do you recall that?
- 20 A Yes, I do.
- 21 Q And you all accepted that?
- 22 A Do what?
- 23 Q You all accepted that from Ms. Stamper?
- 24 A We haven't accepted the line, no.

- 1 Q But you haven't gotten any plans from her, right?
- 2 A No.
- 3 Q Are the Cophers hooked on to Ms. Stamper?
- 4 A Cophers?
- 5 Q Cophers.
- 6 A Where is this at?
- 7 Q Apparently adjacent to Ms. Stamper?
- 8 A Not to my knowledge, no.
- 9 Q On October 26, 1999, the Cophers family at
- 10 2727 Old State Road came in and wanted
- service off the Ms. Stamper line?
- 12 A Oh, no, no. That line is still her line.
- 13 O But there is water in it?
- 14 A Yes.
- 15 Q Were the Hatfields ever told specifically
- what they needed to do to comply with the
- 17 Bath Water District's requirements in order
- 18 for the Bath Water District to provide them
- 19 service?
- 20 A Say that again?
- 21 Q Were the Hatfields ever told specifically
- what they needed to do to get water from the
- 23 Bath County Water District?
- 24 A Like I said earlier, I stated when I first

- 1 met these--this couple that I told them the
- 2 steps.
- 3 Q This was in September?
- 4 A Yes. I think it was in September, you know,
- it was early on, I just had come on board. I
- told them that they basically would have to
- 7 have a set of plans.
- 8 Q Okay. And then they got the plans?
- 9 A And they had to be submitted to the Board.
- 10 Q Okay.
- 11 A And they would have to have an engineer to--there
- would have to be a seal from the engineer before
- the Board could submit these plans to the Division
- of Water.
- 15 Q I understand. So, that's the only--all that
- has been done, hasn't it?
- 17 A No.
- 18 Q What hasn't been done?
- 19 A The Board hasn't agreed to supply 75
- customers on this line because the facilities
- 21 is not there.
- 22 Q Has it agreed to provide water to the
- 23 customers that it can?
- 24 A Yes.

- 1 Q Oh, really? How many can you provide water
- 2 to?
- 3 A Well, that is what I have been hearing our
- 4 engineers argue about, I don't know just exactly
- to this day how many we can, 30, I mean, you know,
- 6 I don't know.
- 7 Q You have read over Mr. Taylor's affidavit and
- his answers, haven't you?
- 9 A Mr. Taylor wasn't hired to actually do these,
- he was hired to review Mr.--their engineer's
- 11 study.
- 12 Q That wasn't my question. You have reviewed
- 13 Mr. Taylor's affidavit and his answer to
- 14 interrogatories?
- 15 A Yes, yes, and does it state exactly how many?
- 16 Q Well, I'm asking you the questions. He says
- 17 that 30 additional customers won't cause a
- 18 problem with pressure; right?
- 19 A Well, if it doesn't cause a problem, we are
- willing to serve 30.
- 21 Q Well, how long have you known that?
- 22 A We cannot serve 75, that is the only plans we
- 23 have had for this.
- 24 Q Mr. Fawns, I'm trying to learn--

1	Α	You are trying to bargain 30 customers.
2		Seventy-five customers is what we considered.
3	Q	I'm trying to learn how many customers that
4		you agree that you can serve. You see, I'm
5		trying to find a point at which we agree, and
6		if we can start there then we can kind of set
7		that aside and then we can talk about what we
8		disagree about.
9		MR. ROGERS:
10		I object.
11	A	I cannot agree on
12		MR. ROGERS:
13		Wait just a minute, I object, first of
14		all, Mr. Fawns doesn't have authority to
15		sit here and speak for the Board as to
16		what they can agree to and what they
17		can't. As for the engineering reports,
18		I think they speak for themselves and we
19		can let the engineer testify to that.
20		But if he is asking Mr. Fawns to say
21		what his board collectively would agree
22		to do, I don't think that is fair to Mr.
23		Fawns to tie him down that way.
24		

1		MR. FOX:
2		Let me rephrase the question because I'm
3		not asking him what he agreeswhat they
4		will agree to do. I'm asking the
5		witness if he agrees that the
6		information is that at least 30
7		customers can be served without
8		depleting water pressure in that
9		subdivision or to the existing
10		customers.
11		MR. ROGERS:
12		Well, if that is the question that is
13		fine. That's a fine question to ask.
14		MR. FOX:
15		Well, I'm asking it.
16	A	I understand that and our engineer says they
17		can serve 30 customers.
18	Q	Okay. And how long have you known that?
19	A	Well
20	Q	They did that water pressure test in November
21		of `99.
22	A	I can'tlet's seeprobablyI don't know
23		just exactly, I was trying to think. I can't
24		recall, to be honest I can't.

1	Q	It's been months though, hasn't it?
2	A	Well, like I said, this study that their
3		engineers done, it was on this water pressure
4		test which was probably in
5		HEARING OFFICER SHAPIRO:
6		Mr. Fawns, are you tell us that the
7		reason the Hatfield's request was turned
8		down was because the initial request was
9		for 70 meters
10	Α	Seventy-five.
11		HEARING OFFICER SHAPIRO:
12		75 meters and the Board determined
13		that they could notor felt like they
14		could not provide water service to 75
15		meters and meet the requirements of this
16		Commission and I guess maybe the
17		Department of Water; is that right?
18	Α	Exactly.
19		HEARING OFFICER SHAPIRO:
20		Or the Division of Water?
21	Α	Yes, sir.
22		HEARING OFFICER SHAPIRO:
23		But that a lesser number, as far as you
24		know, well, I guess you are aware of

1		everything they have done, I assume,
2		since you have been employed by them.
3	Α	Right.
4		HEARING OFFICER SHAPIRO:
5		By the Board. And since you have an
6		employee of the Water District they have
7		never considered whether or not a lesser
8		number of residents could be serveda
9		lesser number of taps could be served
10		from that three inch line?
11	Α	That's right, they haven't beenthey haven't
12		had any plans from the Hatfields for a lesser
13		amount to consider.
14		HEARING OFFICER SHAPIRO:
15		But they have been aware since the
16		report that was filed by Mr. Taylor that
17		there, at least according to the report,
18		that the line could serve as many as 30
19		customers
20	Α	Yes, sir.
21		HEARING OFFICER SHAPIRO:
22		without affectingand still comply
23		with the requirements and regulations
24		and the standards?

1	Α	Yes, sir, that's exactly true.
2		HEARING OFFICER SHAPIRO:
3		Has that information ever been conveyed
4		to the Hatfields, as far as you know?
5	A	As far as I know it has.
6		HEARING OFFICER SHAPIRO:
7		It has?
8	Α	Yes, as far as I know.
9		HEARING OFFICER SHAPIRO:
10		They were told by somebody either by you
11		or somebody from the Water District that
12		if they sought to amend their
13		application they would be able to
14		receive service for 30 taps?
15	A	I think they were at the meeting when both
16		engineers were there and had this discussion
17		and said 30 or whatever.
18		HEARING OFFICER SHAPIRO:
19		And are you telling us now that the
20		Boardwas this discussed through the
21		Board itself?
22	A	Yes.
23		HEARING OFFICER SHAPIRO:
24		And did the Board, in fact, make a

1		statement to that effect?
2	A	No, no, what it was, our engineers said there
3		was a possibility of serving 30 but it
4		wouldn't serve 75. So, you know, they
5		couldn't okay these plans that they had.
6		HEARING OFFICER SHAPIRO:
7		They couldn't okay the plans for the 75.
8	A	Right.
9		HEARING OFFICER SHAPIRO:
10		But were they ever told to resubmit
11		plans for the 30?
12	A	No, not to my knowledge.
13		HEARING OFFICER SHAPIRO:
14		Does that cover what you wanted to ask
15		him?
16		MR. FOX:
17		I think so.
18		HEARING OFFICER SHAPIRO:
19		Okay. Let's go on to something, I think
20		we have beat this horse well enough.
21		MR. FOX:
22		Just a couple more hits on this horse
23		Judge.
24	Q	Isn't it true that they did, in fact, submit plans

1		or proposal for 60 customers in October and 30
2		customers in November?
3	A	They were plans submitted to the Board?
4	Q	Proposals to knock the request down from 75 to 60
5		in October and to 30 in November?
6	A	Like I said, they wereyou know, there are
7		amounts talked, 60, 30, 45, but to get back
8		to what I said, the Board had to consider the
9		plans that were submitted to them.
10		HEARING OFFICER SHAPIRO:
11		Wait a minute. Now, I'm getting lost.
12		Plans were submitted for 75 taps.
13	Α	Right.
14		HEARING OFFICER SHAPIRO:
15		And the Board saidyou told us that the
16		Board determined that based upon what
17		Mr. Taylor told them, they couldn't
18		provide service to meet the requirements
19		of the statutes and regulations for 75
20		taps on that line.
21	A	Right.
22		HEARING OFFICER SHAPIRO:
23		Now, Mr. Fox has asked you were they
24		isn't it a fact that plans were

1		submitted for 60 taps?
2	A	Not to my knowledge, I haven't saw those
3		plans.
4		MR. FOX:
5		My question was was a proposal for 60
6		and a proposal for 30?
7		HEARING OFFICER SHAPIRO:
8		Was a proposal made to the Board, then,
9		for 60 taps, do you remember?
10	A	Not to my knowledge.
11		HEARING OFFICER SHAPIRO:
12		Not to your knowledge, is that right?
13	A	Like I said, there were several things
14		discussed, it might have been 60, 30, 45, it
15		wasI mean, it was likebut not any plans
16		for 60, no.
17		HEARING OFFICER SHAPIRO:
18		There was no plans, but did they come in
19		and saydid these people, the
20		Hatfield's, come to the Board while you
21		were there, or come to you, and say,
22		okay, we can't have 75, can we have 60?
23	A	Myself, I don't think the Board either one
24		could say until we have our study?

1		HEARING OFFICER SHAPIRO:
2		No, I'm asking did they come to you or
3		to the Board
4	A	No, no, not to my knowledge.
5		HEARING OFFICER SHAPIRO:
6		and ask you could we have 60?
7	A	It is possible, I guess, like I said, there
8		were several different numbers discussed.
9		HEARING OFFICER SHAPIRO:
10		If its reflected in the minutes would
11		that bewould that mean it is correct?
12	A	Yes, it would mean it is correct.
13		HEARING OFFICER SHAPIRO:
14		If its in your minutes?
15	A	Right.
16		HEARING OFFICER SHAPIRO:
17		Did they come to the Board and ask for
18		30 taps or propose 30 taps?
19	A	Not to my knowledge.
20		HEARING OFFICER SHAPIRO:
21		Not to your knowledge, but if it is
22		reflected in the minutes, then that
23		would bethen you will say that that is
24		probably true.

1	A	I would, yes.
2		HEARING OFFICER SHAPIRO:
3		In any event, whether there were plans
4		submitted or proposals made, there was
5		never any approval given to them for
6		anything at all, as far as you know,
7		whether it was for 75 taps, 60 taps or
8		30 taps?
9	A	Right, there was not.
10	Q	Just a moment. Do you know Mitchell Crooks?
11	Α	He's one of the Commissioners.
12	Q	One of the Commissioners. Has he indicated
13		to you his position on the extension?
14	Α	Nothing only what is said in the Board
15		meetings.
16	Q	And in the Board meetings hasn't he said that
17		under no circumstances would he approve the
18		extension?
19	A	He would have to see the plans, I think he
20		said. He wouldn't approve unless he saw the
21		plans.
22	Q	He would not approve the plans?
23	A	Yes, he would have to see the plans or see
24		it, you know. What it was, I think they were

ii .		
1		asking me to write a letter and he said he
2		wanted to see the plans that that were asking
3		for.
4	Q	Right, now when you talk about plans, are you
5		possibly confusing plans with the plat, the
6		plat that describes 75 separate lots? You
7		have been present today, you heard Mr
8	A	The plans that are here is 75 customers also.
9	Q	But you heard Mr. Hatfield testify that some
10		of the people that have purchased land in the
11		Meadowbrook Subdivision were purchasing more
12		than one lot to obtain a larger size tract.
13	A	I don't know that.
14	Q	You heard that.
15	A	I heard him state that.
16	Q	You understand that?
17	A	Yes.
18	Q	Okay. So, if a person is buying more than
19		one lot then that by necessity means that
20		there are going to be less than 75 houses
21		built in that subdivision? You have known
22		that since the beginning, right?
23	Α	Since the beginning?
24	Q	Yes, well, since August of `99?

1	A	I guess that's possible, yes, you could sell
2		four or five of them to one customer.
3	Q	In your affidavityes, in your affidavit on page
4		five, beginning, I guess, under number five on
5		page four, the paragraph that is at the end. I'll
6		just read it. It says, "Even if an agreement
7		could be fashioned that would be binding upon the
8		Hatfields to limit the number of lots that would
9		be provided water within Meadowbrook Subdivision,
10		it is the position of Bath County Water District
11		Board that such an agreement would be unfair to
12		other prospective customers in that same area in
13		that such an agreement would allot all of our
14		available water capacity to one subdivision
15		regardless of whether or not the lots are prepared
16		and ready to hook on. Therefore, should another
17		perspective customer desire to hook on in that
18		area, we would have to deny service to that
19		customer due to the fact that all of our capacity
20		will be set aside for the Hatfield subdivision."
21		Do you recall saying that?
22	Α	Yes.
23	Q	Okay. Now, as I understand your earlier
24		testimony and if you will look further on in

1		your affidavit, even on that same page, you
2		are already over capacity, aren't you?
3	A	The facilities, you mean the quantity of
4		water we have?
5	Q	Yes. What percentage of increase do you
6		think that these houses in this subdivision
7		is going to cause for your overage in water
8		usage for the whole water district?
9	Α	I can't answer that. You are saying percentage
10		wise.
11	Q	Well, you are already over your capacity, you
12		are over the amount of water that you have
13		available to you under your contracts, right?
14	Α	Five months out of last year, yes.
15	Q	Okay. But you are saying that that is the
16		reason that you don't want to provide water
17		service in this subdivision. My question
18		is
19	A	That's not theokay, that's not the only
20		reason. Like I said, the amount of customers
21		in this subdivision. Like I said, we have
22		served them, I think we have got 24 customers
23		in the subdivision with the addition of two
24		more Friday, sobut

1	Q	But my question to you isis it your
2		understanding, Mr. Fawns, that in that
3		portion of your affidavit under number five
4		that I just read that that relates to the
5		physical requirements or stresses that would
6		be placed on the pipe, actual pipe so as to
7		cause problems with pressure, not volume of
8		water?
9	Α	Yes.
10	Q	That's your understanding of it. So it is a
11		question of pressure not volume, in your
12		mind?
13	A	If I was, I mean
14	Q	We have already spent a lot of time talking
15		about the pressure and I think you have
16		acknowledged that since November of 1999 you,
17		through your engineer, have known that the
18		pressure is not the problem for at least 30
19		customers. And we also know that since 1994
20		that your Water District has been over the
21		amount of available water to it, in terms of
22		capacity and volume. So, if those two things
23		are already
24	Α	Since `94 it has been over the capacity?

1	Q	Well, I guess I'm summarizing yourwhat I
2	~	think your testimony is, that the Bath County
		•
3		Water District has been selling more water
4		than it has the contractual right to buy
5		since the middle of the 1990s. Isn't that
6		what you said? So, if pressure has been
7		addressed and the capacity has apparently not
8		been something to keep you all from adding a
9		100 or so customers a year since the mid
10		1990s, why is it preventing the Hatfields
11		from getting water in this case?
12	A	We are back to the same thing, we cannot
13		serve 75 customers particularly.
14	Q	All right.
15	A	Facilities we don't have.
16	Q	CanI've not seen it, is there a letter to
17		the Hatfields somewhere that says we can
18		serve 30?
19	Α	No.
20	Q	Is it somewhere in the minutes where they
21		were told we can serve 30?
22	A	I seen it earlier, I don't have itI didn't
23		bring it with me.
24	Q	But there has never been a vote of the water

1		district to allow 30 customers in that
2		subdivision?
3	A	Not to my knowledge.
4	Q	Even though you all have had the physical
5		capacity and ability to provide 30 pounds of
6		pressure at the meters in that subdivision
7		and to the existing customers in neighboring
8		areas?
9	A	There has never been a letter.
10	Q	Was there ever any discussion or proposal to
11		add customers a few at a time to see what the
12		actual affect on the water system would be?
13	A	No, but that is being done. I mean, like I
14		said we added two Friday on the end
15		subdivision.
16	Q	But those customers are on Old Valley Road or
17		Blevins Road, right? Those are not within
18		the subdivision because that three inch water
19		line has not been put into use, right?
20	Α	I don't see any difference, they are still
21		serving the customers.
22	Q	You don't see any difference?
23		HEARING OFFICER SHAPIRO:
24		Well, wait a minute. It's right, it is

1	customers along Oldwhat road?
2	MR. FOX:
3	Old ValleyBlevins Valley Road and Old
4	State Road.
5	HEARING OFFICER SHAPIRO:
6	Blevins Valley Road and Old State Road,
7	he has answered the question and I think
8	that is a little argumentative.
9	MR. FOX:
L O	I understand.
l1	HEARING OFFICER SHAPIRO:
L2	Let's go on.
L3	MR. FOX:
L4	Nothing further.
15	HEARING OFFICER SHAPIRO:
L6	Mr. Pinney?
L7	MR. PINNEY:
L8	Nothing further.
L9	MR. ROGERS:
20	I have some redirect, I'll be very brief.
21	
22	REDIRECT EXAMINATION
23	BY MR. ROGERS:
2.4	O Mr. Fawns, you were asked on cross and I heard you

н			
	1		mention that the Morehead Utility Plant Board or
	2		the City of Morehead has made the comment about
	3		restricting your flow or restricting your water if
	4		they need their capacity. When did those
	5		discussions start?
	6	A	It was in a meeting at the Morehead Utility
	7		Board back in the summer when Owingsville was
	8		in desperate need of emergency use of water.
	9		And we had a meeting there and they said they
	10		would continue to supply us water as long as
	11		they could butand to go ahead and let them
	12		have water. Butthen they wouldn't reduce
	13		our water, like I said, until they had to.
	14		But if they had any industry, or so forth,
	15		come into Morehead that what they said in
	16		this meeting went out the window, that they
	17		would have to
	18	Q	So, this was back in the summer of `99?
	19	A	Right.
	20	Q	Exhibit K that was referred to, which is the
	21		letter from the Division of Water dated May
	22		27, I just want a point of clarification and
	23		you stated this in your affidavit, but I
	24		wanted to clarify this. The letter is dated

```
May 28 of `98, but in fact that is 1999;
 1
          correct?
 2
          Huh?
 3
     Α
          The letter Exhibit K was dated May 27, 1998,
     0
 4
          but in fact it was mailed in 1999, May 27,
 5
          1999, the letter, right?
 7
          1999, right.
     Α
          Mr. Fox was asking about what things the
8
     0
          District has done and you mentioned Help
9
          Grants. Can you elaborate a bit more?
10
          Well, in Help One that's funding from ARC and
11
     Α
          FHA and so forth, and that put in some larger
12
          lines and a large pump in the Midland area,
13
          it was--and also, in that particular grant
14
          there was some projects in Menifee County for
15
          some customers.
16
          So, basically, these are grants that you have
17
     Q
          applied -- the District has applied for to
18
          upgrade your lines and--
19
          Right.
20
     Α
          --your pumps?
21
     Q
22
          Right.
     Α
          And are you currently making more
23
24
          applications for more funding to do the same
```

	type of thing?
A	Yes, it will be Help Two.
Q	And does the end result of bigger lines or
	more lines and more pumps mean you can serve
	customers such as the Hatfields and those
	where pressure is low?
A	Yes, right, once we have the quantity of
	water to do so.
Q	Mr. Fox was asking you about, I think it was
	reasons for denying extensions. Sir, didn't
	you provide to Mr. Fox a list in your
	Response to Interrogatories of requested
•	extensions that had been denied?
A	Yes, I did.
Q	And those date back, it looks like, to 1993,
	correct?
A	Right.
Q	And what were some ofI'm not asking on a case by
	case specific basis, but what were some general
	reasons for denial of those extensions?
A	Some of those applications, you know, was
	about petition and they were putting some of
	these projects, and they got turned down
	according to cost per customer. That's why,
	Q A Q

1		you know, this ARC and this money is put up.
2		And some of these projects had to have pumps
3		to serve the area, it was cost per customer
4		really.
5	Q	But some were turned down because they didn't have
6		pressure, right?
7	Α	Right.
8	Q	You said you would have had to buy a pump to
9		serve the area?
10	A	Right, there had to be pumps.
11	Q	Mr. Fox was also asking you about these
12		meters with long lateral lines. Is it your
13		understanding of the Public Service
14		Commission Regs that if the property is
15		within 50 feet of your main you have to serve
16		them? Is that what your understanding is?
17	Α	Yes.
18	Q	When you set these meters on the property line
19		this long lateral line may have run to another
20		lotbut wasn't all that property owned by Mr.
21		Hatfield?
22	A	Yes.
23	Q	Mr. Fox was asking you about a Ms. Stamper and a
24		line that she has that has water in it. Who owns

- 1 that line?
- 2 A Ms. Stamper.
- 3 Q In fact, how many years has she been asking
- 4 the District to take over that line?
- 5 A I think I looked back and it was `93 when I
- saw where she had been to some of the
- 7 meetings.
- 8 Q And you still haven't taken it?
- 9 A No.
- 10 Q Why?
- 11 A Because we can't serve that area because of
- 12 pressure.
- 13 Q And this property is just past the Hatfield's
- 14 property, isn't it?
- 15 A That is right.
- 16 Q They were--Mr. Fox was asking you about Mr.
- 17 Crooks' statement and I'll just ask you, is the
- Board's concern based upon the Public Service
- 19 Commission Reg that they would have to hook up
- 20 lots within 50 feet of the main? Is that what
- 21 really bothers the Board?
- 22 A Exactly.
- 23 Q And is it your--if you accept that three inch
- extension, would that be considered a main to

1		you?
2	A	Yes, it would.
3	Q	And would the District have any control over
4		how the lots are subdivided or partitioned if
5		they accept that three inch main?
6	Α	No.
7		MR. ROGERS:
8		I have no other questions Judge.
9	HEA	RING OFFICER SHAPIRO:
. 0		You are limited to something that was raised the
.1		first time here, you understand?
.2	MR.	FOX:
.3		I understand.
4		
.5		RECROSS EXAMINATION
6	BY I	MR. FOX:
7	Q	You mentioned that the other applications that
.8		were denied, the main reason was cost per
.9		customer?
0	A	That's in these projects that is considered
1		federal funds and so forth, you have to have
2		so many customers per mile and you have to
3		have cost per customer in those projects.
4	Q	But cost per customer is not an issue here,

1		is it, because the Hatfields paid for all the
2		development?
3	A	No, like I stated before, we can't serve 75
4		customers in this area.
5	Q	I understand what you are saying. With regard to
6		Ms. Stamper, you said that the big problem there
7		was with pressure. Mr. Rogers said her house is
8		just down the road.
9	A	Yes, it is.
L 0	Q	But her elevation is how many hundreds of
1		feet higher than the Meadowbrook Subdivision?
2	A	It's quite a bit.
. 3	Q	Quite a bit, isn't it?
4	A	Uh-huh.
.5		MR. FOX:
.6		That's it.
.7	HEAI	RING OFFICER SHAPIRO:
.8		Mr. Fawns, let me see if I can summarize some of
.9		what you have told us here this afternoon to get
20		it clear in my own mind. It is your understanding
21		that the Board rejected the plans submitted by the
22		Hatfields because the Board felt the plans would
23		require them to extend service to at least 75 new
24		taps: is that correct?

1	A	That's right.
2	HEAR	ING OFFICER SHAPIRO:
3		And that the Board felt it could not extend
4		service to 75 new taps and still comply with state
5		regulations. The Board's engineer or the engineer
6		they hiredwas he hired for this case to evaluate
7		the situation?
8	Α	He is our engineer.
9	HEAR	ING OFFICER SHAPIRO:
L 0		He is your regular engineer?
11	A	Yes.
12	HEAR	ING OFFICER SHAPIRO:
13		But in any case, it was his view, based upon what
14		he reviewed, that while the line might not support
15		75 new taps, it could support or seemed to be able
16		to support 30 new taps. But the Board has never
17		taken any action based upon that information?
18	A	Right.
19	HEAR	ING OFFICER SHAPIRO:
20		But if the Board was sureif the Board was
21		assured that the number of taps on the three inch
22		line did not exceed the number that would allow
23		the Board or allow the Water District to comply
24		with state regulations, would it have any

2 number of taps to be placed on the line? 3 Α As far as I know, no. HEARING OFFICER SHAPIRO: 4 But there is a concern that if they accept the 5 line they have no way to control the number of 6 taps? Exactly. 8 Α HEARING OFFICER SHAPIRO: 9 So, that is the second reason for rejecting it? 10 Exactly. 11 Α 12 HEARING OFFICER SHAPIRO: But that same situation exists all along that 13 road, doesn't it? 14 Exactly. 15 Α 16 HEARING OFFICER SHAPIRO: Isn't that correct? 17 Α At this particular time until we exceed this 18 number, it does. 19

objection, as far as you know, to allowing that

24 On all roads?

HEARING OFFICER SHAPIRO:

HEARING OFFICER SHAPIRO:

I'm talking about in general?

Exactly, on all roads.

1

20

21

22

23

Α

1	A	Yes.
2	HEAR	ING OFFICER SHAPIRO:
3		You mean thisyour line runs up to public
4		highways; isn't that correct?
5	A	Right.
6	HEAR	ING OFFICER SHAPIRO:
7		And I assume there are tracts that went in
8		abutting that highway or both highways?
9	A	Uh-huh.
.0	HEAR	ING OFFICER SHAPIRO:
.1		Isn't that right?
.2	A	Right.
.3	HEAR	ING OFFICER SHAPIRO:
.4		So, depending upon how many parcels those tracts
.5		are subdivided in will dependwill decide how
. 6		many taps might be asked for that line?
.7	A	Exactly.
.8		
.9	HEAR	ING OFFICER SHAPIRO:
20		Isn't that right?
21	A	That's right. And there is another subdiv
22	HEAR	ING OFFICER SHAPIRO:
23		So, you have the same problem, you have the same
24		problem with your own mains as you would with the

1		main that the Hatfields are proposing for their
2		subdivision; is that correct?
3	Α	That's correct, yes.
4	HEAR	ING OFFICER SHAPIRO:
5		You have to answer verbally because she is writing
6		down what you say. Although Vivian has perifial
7		vision so she can usually see what is going on on
8		the side. So, if a proposal was made to the Board
9		that allowed for a number of taps that would not
LO		affect the Water District's ability to comply with
11		the statutes, and if that proposal also fixed the
L2		number of taps that were made to that three inch
L3		line going into the subdivision at that number,
L 4		whether it be 30, whether it be 50, whether it be
L5		10, that would be a reasonable proposal as far as
L6		you can see; is that right?
L7	A	As far as I can see, yes, it would.
18		
L9	HEAR	ING OFFICER SHAPIRO:
20		And you wouldwould you see any problem with
21		that, would you see any problem that the Board
22		might have with that?
23	A	I wouldn't see anythingI mean, I can't
24		speak for the Board, you know, I couldn't see

1	any problem with that.
2	HEARING OFFICER SHAPIRO:
3	Thank you Mr. Fawns. I assume that takes care of
4	it.
5	MR. ROGERS:
6	Nothing further.
7	HEARING OFFICER SHAPIRO:
8	Thank you Mr. Fawns. We'll talk about 10 minutes.
9	(OFF THE RECORD)
10	HEARING OFFICER SHAPIRO:
11	Let's go back on the record.
12	MR. ROGERS:
13	Your Honor, I would call Scott Taylor.
14	(WITNESS DULY SWORN)
15	
16	The witness, DAVID SCOTT TAYLOR, having first been
17	duly sworn, testified as follows:
18	
19	DIRECT EXAMINATION
20	BY MR. ROGERS:
21	Q State your name please?
22	A David Scott Taylor.
23	Q Scott, how are you employed?
24	A I am an Engineer for Mayes, Sudderth and

1		Etheredge, Incorporated.
2	Q	What is your alls address?
3	A	624 Wellington Way, Lexington.
4	Q	How long have you been a licensed engineer?
5	A	Since `78. So what is that?
6	Q	That will do for an answer and how long have
7		you been with MSE?
8	A	Full-time basis now since `76 and before that
9		I went to work with them while I was in
LO		school for a few years.
L1	Q	And what particular area of the engineering field
12		do you work in now?
L3	A	I'm the Manager of the Water Supply Section,
L 4		water supply is my area.
L5	Q	How many water supply systems have you designed
L 6		over the years?
L7	A	I couldn't count, hundreds, actually, over
L8		the course of the years my résumé showed a
19		list of a portion of those clients and we
20		have doneon many of those we have done
21		multiple projects for them. Some of them 90
22		miles of water mains, tanks, and pumps,
23		another one 80. We do many in the 40 and 50
24		mile range. I had two bidding this month in

- 1 the 40 mile range.
- 2 Q And do you submit plans to the Division of Water
- for approval on a regular basis?
- 4 A Yes, sir.
- 5 Q How long have you been employed with the Bath
- 6 County Water District?
- 7 A I'm trying to recall.
- 8 Q You can approximate.
- 9 A Over 20 years.
- 10 Q Okay. And have you been the engineer on all
- of their projects during that period of time?
- 12 A In that period, yes.
- 13 Q Scott, I'd like you to take a look at this
- document and ask you if you recognize it and
- 15 the attachments to it?
- 16 A Yes.
- 17 Q And what is this?
- 18 A This is my affidavit.
- 19 Q And is that your signature?
- 20 A Yes.
- 21 Q And the attachments, are those letters or
- 22 reports that you have prepared at the request
- of the Bath County Water District?
- 24 A Yes.

1	Q	And would you desire that this affidavit and
2		the accompanying reports be made a part of
3		the record as your testimony here today?
4	A	Yes.
5		MR. ROGERS:
6		Your Honor, for the record, I'd like to
7		submit and ask to be introduced into
8		evidence this affidavit of Scott Taylor
9		and the two attachments to it. I would
10		like to reserve, since this is my copy,
11		I would like to reserve the right to
12		supplement or to replace it with a copy
13		later. But I think we can go ahead and
14		introduce that as Bath Water Exhibit 4,
15		I believe.
16		MR. FOX:
17		No objection.
18		
19		HEARING OFFICER SHAPIRO:
20		Any objection?
21		MR. FOX:
22		No objection.
23		HEARING OFFICER SHAPIRO:
24		So ordered.

1		(EXHIBIT SO MARKED: Bath County Water District
2		Exhibit No. 4)
3		MR. ROGERS:
4		Your Honor, I will pass the witness for
5		cross-examination.
6		
7		CROSS EXAMINATION
8	BY 1	MR. FOX:
9	Q	Mr. Taylor, when did you first become aware of the
10		Hatfield's request for water service on the
11		Blevins Valley Road?
12	A	I don't really recall which meeting it was.
13		Robert did mention it was the meeting he
14		attended where he gave us ashowed a copy of
15		a hand drawn sketch of the subdivision that
16		he did. He and another fellow from Pike
17		County introduced himself as "sorry folk from
18		Pike county."
19	Q	Now, was this in the summer or fall, just
20		roughly?
21	A	I think probably around August or something
22		like that, maybe.
23	Q	Okay. And when did you become involved on a
24		professional basis with his request?

1	A	I believe it was late October after Bath
2		County meeting in October.
3	Q	And you were directed to do what?
4	Α	Review the Division of Water submittal, the
5		plans and specifications, hydraulics for Bath
6		County in order to give my opinion as to
 7		whether they could write their letter
8		accepting and approving the project.
9	Q	I see. Your affidavit discusses the concerns
10		you had with Mr. Sossong's plans and you
11		talked with Mr. Sossong about your concerns.
12		Did you find that he was willing to make the
13		changes that you suggested?
14	A	Yes. Basically, at the time I gave the
15		letter, I believe it was like November 28,
16		discussing those deficiencies in the plans,
17		actually, he was at the meeting at the Bath
18		County Water District in November when we
19		discussed it, so it was in front of everyone
20		that he learned along with every one else
21		what my opinion was.
22	Q	Now, this was you said the November 28
23		meeting. At that point you had already
24		conducted a study of the actual pressure that

1 existed near the Meadowbrook Subdivision; is 2 that right? 3 Α Yes. And who directed you to do that? The Bath County Water District asked me in 5 6 part of my review, since I didn't have any 7 hydraulics, I did some on my own to review it. 8 9 Would you agree that actual pressure I see. readings are much more accurate and reliable 10 11 than estimates or assumptions? As a general statement? 12 Α 13 Yes. 14 Α Yes. 15 So, you did determine for the period of time between November 3 and November 5 what the 16 17 pressure was on the main line that would 18 serve the Meadowbrook Subdivision? 19 Bath County Water District faxed me a chart Α 20 of pressures during that period, yes. 21 And what is your recollection of the amount Q 22 of pressure that was on that line? It varied and what we have talked about is a 23 Α 24 minimum of 80 pounds on the chart.

- 1 Q All right. Now, are you familiar with the
- 2 elevations of the water lines that are--that
- 3 lie within the Meadowbrook Subdivision?
- 4 A Yes.
- 5 Q Are most of those elevations below the
- 6 elevation at which you took those pressure
- 7 readings?
- 8 A It is not my understanding, no.
- 9 Q There are some locations within the
- 10 subdivision that are higher than this?
- 11 A Than the pressure chart, yes.
- 12 Q All right. Did you conduct any other studies
- of pressure in and around that area?
- 14 A No.
- 15 Q So, you felt like, then, on November 5 or
- when you received the information that that
- 17 information was sufficient?
- 18 A For my review at that time?
- 19 Q Yes.
- 20 A Yes.
- 21 Q If it hadn't been sufficient you would have done
- 22 more studies?
- 23 A Yes.
- 24 Q Well, based on the information that you had

1		the first week of November, did you advise
2		the Bath County Water District that there was
3		sufficient pressure for additional customers
4		within that subdivision?
5	Α	My initial letter, of course, advised that it
6		was based on 60 users discussed, and I
7		advised that it was not adequate. At that
8		meetingat a meeting
9	Q	Let me stop you right there though. Who came
10		up with the 60 customers?
11	A	I don't really recall, in a meeting with the
12		Hatfields there and the Board it was
13		discussed. The 75 was being discussed and I
14		think someone said what if we had 60, do your
15		calculations for 60, so that's what I based
16		it upon.
17	Q	So, probably sometime in October because this was
18		done November 3 through 5.
19	A	The test was done November 3 through 5 and my
20		calculations were sometime near the 28 just
21		before attending the meeting.
22	Q	Okay. But sometime before November 3 it was
23		decided that youror maybe I misunderstood you.
24		Sometimes before November 28 it was decided that

- 1	1		
	1		your calculations were going to be based on 60
	2		customers?
	3	A	Yes, sir.
	4	Q	Not 75?
	5	A	Yes.
	6	Q	Have you ever done a study for 75 customers?
	7	A	I have not computed it at 75.
	8	Q	I mean, you have heard Mr. Fawns testify that
	9		one of the reasons why the Bath County Water
	10		District had denied service to this
	11		subdivision was because it could not service
	12		75 customers. But that has never been part
	13		of your calculations or the directive given
	14		to you by the Bath County Water District, has
	15		it?
	16	A	No, but it would be obvious that if it can't
	17		serve 60, it can't serve 75.
	18	Q	I understanding if you can't do 60, you can't
	19		do 75, but youthey never discussed with you
	20		75 customers?
	21	A	Discussed it, yes, but I did not compute it.
	22	Q	All right. What was the effect of 60
	23		customers, specifically, in terms of pressure
	24		readings in that subdivision?

	1	A	Well, in this review the subdivision area
	2		pressures were shown to drop from 55 to 30.
	3	Q	To 30. Now, you said 55, the actual study or
	4		the chart shows 80 psi, right?
	5	A	Yes.
	6	Q	Where did the 55 come from?
	7	A	From my analysis in the November 28. I used
	8		a model from the tank out to the subdivision,
	9		applied the number of customers that I
ľ	10		understood, from a previous study, were in
	11		that region, and based on my knowledge of the
	12		pressure chart being placed at a low point,
	13		the low point out there, I thought the
	14		numbers I showed matched up fairly well at
	15		the 80 pounds.
	16	Q	But in any event, the 55 number, the starting
	17		point, the 55 pounds per square inch number
	18		was based on a model or an estimate, whereas
	19		the 80 pounds per square inch was the actual
	20		number that you found?
	21	A	Actually, I believe the 55 I'm talking to is
	22		aboutis at a high spot near the corner and
:	23		the 80 is at a low spot near the creek. So,
	24		they are two different locations as shown on

- 1 my calculations.
- 2 Q So, were measurements taken at two different
- 3 locations?
- 4 A No, only at the low spot where the 80 was.
- 5 Q Where the 80 was. So, again the 50 or 55 psi
- that you found is an estimate?
- 7 A It is calculated based upon the 80 at the low
- 8 spot and less pressure at high spots.
- 9 Q All right. And what was the resulting
- pressure effect on other customers if 60
- 11 customers were placed in the Meadowbrook
- 12 Subdivision?
- 13 A In the area of the subdivision they dropped
- 14 from 55 to 30.
- 15 O To 30?
- 16 A Uh-huh.
- 17 Q And that's with 60 customers?
- 18 A Yes.
- 19 Q Okay. What about existing customers, was there an
- 20 effect on pressure there?
- 21 A Yes. One up toward the end there is a
- customer with 52 and it is shown to have
- dropped to 23.
- 24 Q Twenty-three, okay. And that's with 60

1		customers?
2	A	Yes.
3	Q	Was there a calculation that caused you to arrive
4		at this opinion of 30 additional customers not
5		having an adverse effect or was that simply an
6		estimate that you calculated?
7	A	When I reported that the 60 wouldn't work,
8		the Hatfields said what about 30, would you
9		calculate it again for 30 and I did.
.0	Q	Okay. And what was your results of the
.1		calculations of 30?
.2	A	It would show that in the original pressures
.3		at the concerned customers were 52 and with
.4		60 it went to 23, with 30 it would be 37.
.5	Q	37?
.6	A	Estimated.
.7	Q	That's estimated, okay. So, to summarize
.8		your opinion based on the effect of
.9		additional customers in the subdivision, 30
0		additional customers would not adversely
1		affect the existing customers and the Bath
2		County Water District would be able to
13		provide adequate service to new customers or
4		30 additional customers in the subdivision?

Q

```
Is that a question?
1
     Α
 2
     Q
          Yes, is that right?
          As I told them when I calculated this 30, I
3
     Α
4
          don't--there is a point where you are not
          going to be able to compute, you know.
 5
          by the numbers here shows it is okay, 60
6
7
          shows it is not, surely somewhere in between
          is the one that breaks it.
                                       I don't believe
8
9
          that with the two or three day information
          that we had in November and basing this data
10
          on that that is sufficient to get down
11
12
          to counting five and ten customers out there.
          But my number of 30 based on the same method
13
          that I used in computing for 60 showed that
14
          it would work. But I definitely think it is
15
16
          a very close call.
          And you have told the Bath County Water
17
    0
          District that they could do 30 customers;
18
19
          right?
20
          I told them that the result of my
    Α
          calculations estimations was that 30--it
21
          shows pressures above 30 pounds for all
22
23
          users.
```

You are familiar with this situation

1		where the customers that are out there have
2		had these long service lines, hundreds of
3		feet, if not thousands of feet?
4	A	Yes.
5	Q	Is that a good situation, in your opinion?
6	Α	Long service lines in general are not uncommon,
7		but with a subdivision I suppose it may be wise to
8		do otherwise.
9	Q	Isn't it contrary to the regulations of the
10		Bath County Water District?
11	A	To have long service lines?
12	Q	Well, to have meters on property that the
13		meters don't serve?
14	Α	I'm not aware of any.
15	Q	In other words, let me ask you this, and I'm
16		looking at Exhibit A, on the one, two, three,
17		four, fifth page
18		
19		HEARING OFFICER SHAPIRO:
20		Exhibit A to Mr. Fawns's deposition.
21		MR. FOX:
22		Of the Answers to Interrogatories I
23		believe by the defendant. It's a copy
24		of the tariff, it is page, I guess it is

1		indicated as sheet number 4.
2		HEARING OFFICER SHAPIRO:
3		That was Mr. Fawns's affidavit, it's an
4		exhibit to his affidavit.
5		MR. FOX:
6		That's right, I'm sorry, yes, Exhibit
7		Number 4 has six paragraphs, six
8		numbered paragraphs.
9	A	I still haven't found it.
10	Q	Okay, I can show you mine. Just one sentence
11		in number six, says, "All meters will be
12		located on district mains and in the absence
13		of special permission, on the property to be
14		served." Were you familiar with that?
15	Α	No.
16	Q	So, only in special circumstances should
17		these meters be placed on some piece of
18		property other than property that it is
19		serving, according to Bath County's tariffs,
20		rules and regulations, right?
21	A	That's what is stated.
22	Q	Okay. Were you aware of any special
23		permission that was requested or given for
24		that?

Α

No.

1	Α	By whom?
2	Q	By anybody? Do you know if it was ever
3		discussed as a special circumstance where
4		permission was either asked for by the
5		Hatfields or permission was granted by the
6		Bath County Water District?
7	Α	I don't know that anyone identified it as
8		such. I think by virtue of the fact that we
9		had the problems with the service of the
10		pressure makes it a special condition.
11	Q	When you discussed the pressure readings at
12		the individualbefore the individual
13		customers and the effect on the individual
14		customers of these additional customers in
15		the subdivision, are you talking about the
16		pressure at the meter or the pressure at the
17		house?
18	A	These figures I've just given are along the main
19		at the meter.
20	Q	At the meter?
21	Α	Yes.
22	Q	So, you didn't consider the elevations of the
23		actual house?

There is one across the street from the

1		subdivision that would be a problem, but it
2		has not been the issue. The meter is low but
3		the customer lives up on a high spot. But
4		that is not the controlling.
5	Q	The water system that supplies the Meadowbrook
6		Subdivision, I've seen plans that you have
7		described here, do they form a loop around the
8		subdivision?
9	Α	Two sides.
10	Q	I mean, it doesn't dead end, it attaches on the
11		back end; is that right? It is attached on both
12		ends so it makes a loop.
13	A	The lines on-there are lines on two sides of
14		the subdivision.
15	Q	Right.
16	A	The one going down Blevins Valley Road goes
17		on down Blevins Valley Road, the one on
18		StateOld State goes back there and dead
19		ends.
20	Q	Okay. And the three inch line that runs
21		through the subdivision that would attach on
22		one end to the Blevins Valley Road and on the
23		other end
24	A	To Stateor to Old State Road.

- 1 Q Old State Road.
- 2 A Yes, sir.
- 3 Q So, if the three inch line is adopted into
- 4 the system, that forms a loop, does it not?
- 5 A Yes.
- 6 Q That in and of itself would increase the
- 7 pressure, wouldn't it?
- 8 A It could improve the pressure out past the
- 9 subdivision, right.
- 10 Q Are there tanks or pumps on the--what I call
- the low or the down flow side of the
- 12 Meadowbrook Subdivision? I'm not an
- engineer, so I'm using terms that may confuse
- 14 you.
- 15 A I don't follow the question.
- 16 O Can the water flow from either direction?
- 17 A Yes, I follow you now. The Preston--there is a
- pump station in Preston which feeds water to a
- tank that actually has a water line coming back
- over to the corner of that subdivision, a long
- 21 three inch line ending.
- 22 Q Considering all of that, then, if that three
- inch line is implemented into this system and
- used, then the pressure is likely to

1		increase, isn't it?
2	A	Yes.
3		HEARING OFFICER SHAPIRO:
4		The pressure might increase where; in
5		the three inch line?
6		MR. FOX:
7		In the three inch line.
8	A	Yes. Well, the three inch line has that pressure
9		on it, if it were open to feed back to the
10		subdivision it would be different.
11	Q	Are you aware of any occasion where the Bath
12		County Water District has supplied either the
13		Hatfields or their engineer the specific
14		requirements that would allow their request
15		to be honored?
16	A	No.
17	Q	Do you know if the Morehead Water Treatment
1.8		Plant is operating at full capacity now?
19	A	Today, I would estimate it is not.
20	Q	It is not operating at full capacity?
21	A	At this date. It could do like Mr. Sossong
22		I understand last summer it was at 24 hours a
23		day full capacity.
2.4	0	And last summer was probably the driest

1		summer in a 100 years, wasn't it?
2	Α	I have no idea. It was a dry year, a drought
3		year.
4	Q	But as we speak theone of the suppliers of
5		water to the Bath County Water District is
6		not operating at full capacity, to your
7		understanding?
8	A	It would be a guess, total speculation.
9	Q	All right. Do you know anything about the
10		Mount Sterling water supply?
11	A	Their capabilities, total capacity, no. I know
12		only the limitations of the contract for the Mount
13		Sterling end.
14	Q	Okay. But Bath County has exceeded the
15		limitations of that contract for several
16		years, hasn't it?
17	A	Mount Sterling's or Morehead?
18	Q	The Morehead?
19	A	Morehead. I suppose, it depends on which basis
20		you look at it, daily basis, monthly or annual.
21		So the answer is yes and no. On a daily basis
22		some days, monthly some days, on the year, no.
23	Q	How would you describe your role with the
24		Bath County Water District? Is it simply

II		
1		advisory when problems come up or do you
2		actively participate in the policy making and
3		planning of the water district?
4	A	My role, consulting engineer. Generally, I
5		am designing a specific project, specific
6		needs. But, also, I am available for many
7		other consulting tasks asfor consulting
8		advice, and I'm sure that through the work
9		over the years that working with me and
10		seeing the way things work that it may have
11		affected their policies in the long run.
12	Q	Okay. You were in the hearing room earlier
13		this morning when I discussed with Mr. Fawns,
14		I believe, the May 27, 1999, letter from the
15		Division of Water that suggested to the Bath
16		County Water District that they implement a
17		proactive plan to address the use as opposed
18		to the capacity. Have you been involved in
19		any plan that has been established or
20		discussed by the Bath Water District?
21	A	Yes, sir.
22	Q	Is that a written plan?
23	Α	Thethere is no formal adopted report
24		written plan, but what I was involved in is

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	1		meetings with Morehead, Bath County,
	2		Frenchburg, Owingsville, for supply over the
	3		next 30 years, the planning of the new
	4		treatment plant and the financing and what
	5		impact that would have financially on the
	6		various customers in Bath County and to their
	7		service to Frenchburg and Sharpsburg, and the
	8		new customer, Owingsville.
	9	Q	Okay. And that plan, did it identify how to
	10		deal with and determine a procedure when new
	11		customers come to Bath Water District and
	12		apply for service?
	13	A	No, it is really a plan of upgrading and
	14		improving the system facilities to allow for
	15		more service.
	16	Q	And is there any policy or procedure that you
	17		are aware of that objectively and fairly
	18		identifies how to handle these applications
	19		for water when they do come in?
	20	A	I don't know the plan, but in working with
	21		them over the years I can tell you what I
	22		have seen as they apply.
	23	Q	I'm asking for a policy or procedure.
	24	A	I know of no written policy or procedure

1		other than what was written today, what was
2		discussed today. And I guess by default the
3		Public Service Commission rules on
4		extensions.
5	Q	Mr. Fawns, I think, said it was on a case by
6		case basis, is that your understanding?
7	A	His description of it was fair and accurate, yes.
8		MR. FOX:
9		Nothing further.
10	MR.	ROGERS:
11		No questions.
12	HEAR	ING OFFICER SHAPIRO:
13		Mr. Taylor, let me ask you some questions about
14		pressure, particularly with respect to the three
15		inch line, and when I'm referring to the three
16		inch line I'm referring to the line that goes into
17		the subdivision. I assume that line, the main is
18		probably four inches or more, isn't it? Is that
19		correct?
20	Α	Four inches.
21	HEAR	ING OFFICER SHAPIRO:
22		It's a four inch line that goes in front of the
23		subdivision?
24	Α	Yes.

1	HEAR	ING OFFICER SHAPIRO:
2		And I think you said that there was actually two
3		lines, two mains, two four inch lines that go in
4		front of the subdivision. One goes down the Old
5		Blevins
6	A	Blevins Valley and Old State.
7	HEAR	ING OFFICER SHAPIRO:
8		And Old State Road, one is Old Blevins and one is
9		Old State. And I believe Mr. Fox asked you
10		whether or notyou toldyou responded to a
11		question by Mr. Fox that the line, the three inch
12		line will loop from one to the other. Will the
13		flow of water be in one direction or willcan it
14		be in both directions under those circumstances?
15	A	It would be in one direction from the tank
16		past the subdivision, and right now it goes
17		past the subdivision on Old Blevins Valley
18		and turns down State to the additional
19		customers. With their three inch line it
20		would allow once it reaches the subdivision
21		the water could go two directions, come back
22		into Old State and go, which could allow for
23		some slight

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	1	Α	Do you know how much water they used that
	2		month?
	3	Q	No, sir, you would be in a better position to
	4		know that than I would.
	5	A	My understanding is that there were seven and
	6		not moved in using the water as a regular
	7		customer. So, my usage of that matched that
	8		80 pounds at zero new customers.
	9	Q	Well, all right. Even assuming that you were
	10		right and there were only seven, that is 30
	11		customers in addition to those seven, right?
	12	A	I don't believe you can calculate it to that
	13		degree.
:	14	Q	Well, you have.
:	15	A	Oh, yes, you could plug in the numbers, but
-	16		whether you can say surely or not, I don't
1	L7		know. The seven users, to my understanding,
1	L8		and I suppose the record would indicate what
1	L9		they used that month and find out if they
2	20		were an average user, but in my model I
2	21		didn't have any users at that point and I
2	22		matched the 80 pounds. Had I had seven users
2	13		in that and matched the 80 it would have made
2	4		a slight difference.

24

Α

Q

So, I think we finally gotten to the 1 2 crux of it. You didn't calculate for any 3 users at that time, whether it was seven or 4 13? 5 Α Correct. So, if you had of calculated for the users that 6 7 were present on November 5, the 30 would be in 8 addition to however many that was, the seven or 13 or whatever number? 9 10 Α These calculations, yes. Okay, all right. We were looking at these 11 12 charts that showed the Meadowbrook 13 Subdivision. These charts show elevations, 14 do they not? Yes, uh-huh. 15 Α Can you tell us where on this chart the water 16 Q 17 pressure meter was set? I'm really not certain, I believe it was set off 18 Α the site on the four inch main above the site. 19 20 Q Okay. When you say above the site, as I'm 21 looking at it, Blevins Valley Road that this 22 is--

--north or south, Blevins Valley Road runs

It is north-south.

Q

I see.

north and south, Old State Road runs east and 1 west, coming south on Blevins Valley Road 2 indicates a four inch PVC pipe and then there 3 is a 780 where the three inch PVC pipe begins 4 5 to run each way. Does that 780 indicate an elevation of 780 feet? 6 7 Yes, uh-huh. Α In that area is that where the pressure meter 8 Q was set? 9 I had it figured at a creek north of that Α 10 site, north of that. 11 Can you tell me the elevation of the creek? 12 13 730. Α 730, is that indicated somewhere in these 14 0 15 records? Not that I--not directly, it is shown in the 16 Α chart at point three, elevation at 730. 17 18 chart before--19 Yes? Q --shows a point three marked at--I guess the three 20 Α is not labeled on it, 730 just above the 780, that 21 22 represents that point that you were talking about in the subdivision. 23

It is--can you show me where your

- 1 point? 750?
- 2 A It should be 30.
- 3 Q I'll show you a larger copy of it there, 750?
- 4 A 730.
- 5 O Just so the record will reflect what we are
- doing, we are looking at your chart, the
- 7 computer generated charts which, I guess,
- 8 correlate the number, elevation, customer
- 9 node, columns, the elevations for each number
- which is charted on that graph correspond
- 11 with that hand drawn; is that right?
- 12 A Yes.
- 13 Q So, that is clear, right?
- 14 A Yes. And my bad handwriting, that is a 730,
- 15 here is the original.
- 16 Q Can you see that?
- 17 A Yes, I can see how you can construe 750, yes,
- the blur of the copy it looks like.
- 19 Q Have you done--do you--are--strike all that. Are
- you aware that additional customers have been
- added since November 5 and December 3
- 22 A Yes.
- 23 Q Have you undertaken to do additional studies
- to see what the impact of those additional

- 1 customers have been on the pressure?
- 2 A No.
- 3 Q Why not?
- 4 A I have not been asked to.
- 5 Q Okay. Is there a formula or a, basically, a
- for the first rule of thumb that would indicate how much
- 7 pressure you will lose per linear foot as the
- 8 elevation drops per foot?
- 9 A Yes.
- 10 O What is that?
- 11 A That one foot, or one psi of pressure is
- equal to 2.306 feet of elevation. So, for
- every 2.306 feet you rise in grade your
- 14 pressure would drop one psi.
- 15 Q Roughly two to one?
- 16 A 2.3 to one.
- 17 Q Oh, 2.3. So, if you go 10 foot--23 feet you
- are going to drop 10 pounds of pressure?
- 19 A Ten pounds.
- 20 Q Okay. Well, in looking at that chart you
- indicate that point number 3 is where the
- water pressure is meeting the meter. And
- that would have been at elevation of 750--
- 24 A 730.

1	Q	beg your pardon, 730then what was the
2		elevation at point number four?
3	Α	780.
4	Q	So, that's a 30what is that 30 foot?
5	A	50.
6	Q	A 50 foot drop. What would you expect would
7		be the loss of pressure on 50 feet?
8	Α	To rise 50 feet in elevation like that?
9	Q	Yes.
10	Α	I can't do the math too well, 22 pounds or
11		something, 50 divided by 2.3. But keep in
12		on this chart you will notice that the line
13		drawn here is not horizontal, that not only
14		have you risen in elevation but you have lost
15		pressure in the main.
16	Q	This is a declining line showing declining
17		pressure?
18	, A	Yes, right. So when you are asking that
19		question about how many feet and all that,
20		that is really static pressure water not
21		moving.
22		MR. FOX:
23		I see. Alright. No further questions
24		

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1	MR. ROGERS:
2	Nothing further.
3	HEARING OFFICER SHAPIRO:
4	Thank you Mr. Taylor.
5	MR. ROGERS:
6	There is nothing further for the District, Your
7	Honor.
8	MR. FOX:
9	Nothing else further from the Hatfields Your
10	Honor.
11	HEARING OFFICER SHAPIRO:
12	We'll take about five minutes and then we will
13	wrap it up.
14	(OFF THE RECORD)
15	HEARING OFFICER SHAPIRO:
16	Okay, back on the record. In an off the record
17	discussion the parties have indicated that they
18	wish to file briefs in this matter and also make
19	closing statements. The briefs will be due 20
20	days from the date the transcript is filed and the
21	briefs will be filed simultaneously. We will
22	begin the closing arguments with the defendant,
23	Bath County Water District.
24	

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1 MR. ROGERS:

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Thank you, Your Honor. Mr. Fox, Judge, as a brief summation today I quess I look back to our Response to Interrogatories where the question was asked, state with specificity the basis for the defendant's denial of the complainant's request There has been a denial here for water service. or a refusal to accept an extension, not a denial of water service. And for one reason completed plans weren't presented until after, and I want to point something out because a lot of what was filed on behalf of the District was documentary evidence, but if you will note that in mid-December the Division of Water reimposed a water extension ban on this District. And there had not been completed plans submitted by that date. Further, the complainants here, the Hatfields, did not when they learned that there were concerns over these deficiencies in water pressure or deficiencies in the system in this area did not take it upon themselves to have their own study done to provide assurances to this district that they weren't jeopardizing other clients by accepting the three inch water main. The District

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contacted its own engineer and asked for a model to be done, but the complainants here do nothing but pick and challenge the District's Engineer as if he has some bias or some reason to be against I point out that the District is in them on this. the business of selling water and desires to sell But we can't jeopardize our existing customers in the name of growth. We have to protect the customers we have. The District is being proactive, they have applied for grants in the past year or so that were granted and They are applying for constituted upgrades. grants now that will pay for upgrades to their system and, hopefully, they can resolve this situation in Blevins Valley. At what point in time that will occur I don't know. Also, they are working together with Rowan County, the City of Morehead, the City of Owingsville and Frenchburg to all come together to build a bigger water treatment plant to have more water to sell. they are over their capacity and I would point out, yes, the City of Morehead has been very tolerate with this District over the past years as to the amount--as to the District going over their

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allotted capacity. This past year when the drought hit the City of Morehead, as Judge Fawns testified, said, guys, if it gets much worse we are going to have to start cutting you all back to protect ourselves, because it is their plant. that is a concern that the District had, that is a concern that ferried on up to the Division of It is one of the considerations that the Water. Division of Water has considered when they have imposed the extension ban. But the real concern here is the limited facilities. I mean, that is what it boils down to, the limited capacity to carry the water to this subdivision without hurting the other customers. And Mr. Taylor has given an opinion that, yeah, we can carry 30 more customers. And I wanted you to understand that and that's why I asked him on redirect, are you saying just 30 more customers for this subdivision I think the court's questioning was or this area. going toward shouldn't there be a resolution here that the Hatfields will agree only to 30 customers in that subdivision. That does, on its face, sound like a reasonable alternative and it is something that was actually discussed since this

litigation began and since we went to the prehearing conference. But I can tell you in my discussions with the Board their concerns were over that, based upon Mr. Taylor's testimony, is that we only have 30 more or in that range, customers we can allow in that whole area, not just that subdivision. And you heard testimony that Mr. Taylor(sic) has come in and bought 18 meters as if to get in line before anyone else regardless of whether or not the house is ready or the property is ready to be served. happens to this District if right across the road from this subdivision a young couple comes in, buys a lot, not in the subdivision, builds their home, has it completed and is ready to move in and says we need water. And this District has already sold all of its meters to the Hatfields even though they are not using them. Do we have to turn down that person? That is a concern this District has with accepting the limited number. We don't want to allot everything to one customer even though they are not going to use it. that is a big concern that we have.

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1	HEARING OFFICER SHAPIRO:
2	Can I ask you something about that?
3	MR. ROGERS:
4	Yes, sir.
5	HEARING OFFICER SHAPIRO:
6	I was wondering about that. If he purchases 18
7	let's say he purchases 30 meters and the meters
8	are set, then those meters start producing revenue
9	right away, don't they?
10	MR. ROGERS:
11	Yes, they do.
12	HEARING OFFICER SHAPIRO:
13	Because there is a minimum bill?
14	MR. ROGERS:
15	Assumingyes, assuming they are set and in use,
16	yes.
17	HEARING OFFICER SHAPIRO:
18	So, it is notso if someone else comes along and
19	says I wantI mean, when people come along and
20	say I want service, essentially, there isyou are
21	saying there is 30 more spots open along that
22	route?
23	
24	

1	MR. ROGERS:
2	Right.
3	HEARING OFFICER SHAPIRO:
4	How were those spots given out? Are they given
5	out on the basis of areas or are they given out on
6	first come first served basis?
7	MR. ROGERS:
8	First come first served. And let me back up and
9	say something else, Judge. Just because he has
10	purchased some meters doesn't mean it is set. I
11	think if you will recall from the testimony Mr.
12	Hatfield says he hasn't even gotten the plumbing
13	permit yet which has to be acquired before the
14	meter can be set because he doesn't even know
15	which lot he is going to be put that meter on. He
16	hasn'teither he hasn't sold it or someone hasn't
17	built on it, I don't know. I'm not sure, he said
18	he had plans to use them. But he hasn't directed
19	the District as to where to locate the meter. He
20	has only purchased the meter.
21	HEARING OFFICER SHAPIRO:
22	Well, let me ask you another question then. Let's
23	assume that he says, okay, I want a meter at this
24	particular location.

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MR. ROGERS:
 1
 2
          Yes, sir.
 3
     HEARING OFFICER SHAPIRO:
          Why can't that meter be placed along on that three
 4
          inch line rather than at the road if it is going--
 5
          putting it at the road is going to require, say, a
 6
 7
          1,000 foot extension?
 8
     MR. ROGERS:
          I understand.
 9
     HEARING OFFICER SHAPIRO:
10
          Is it because of the fear that if you take over
11
12
          the--if you do that you will have to take over the
13
          line?
14
     MR. ROGERS:
          Exactly. The concern for the District has been
15
          from the get go is if we accept the three inch
16
          line then every--any customer or any lot that is
17
          sold along that three inch line we are going to
18
          have to set a meter for. Regardless--and we have
19
          no way to control it, we have no way to control
20
          the growth And it is going to hurt our existing
21
22
          customers.
     HEARING OFFICER SHAPIRO:
23
24
          But that is the concern?
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1	MR. ROGERS:
2	That is the concern.
3	HEARING OFFICER SHAPIRO:
4	If that concern were eliminated, what would be the
5	objection to putting it on a three inch line;
6	would there be any?
7	MR. ROGERS:
8	I cannot tell you there would be, I would not see
9	an objection to accepting the three inch line so
.0	long as we can limit the growth.
.1	HEARING OFFICER SHAPIRO:
.2	I can understand why you don't want to accept this
.3	three inch line butto a certain extent, but if
.4	you accept the three inch line and you getlet's
.5	say you get 40 applications, what happens if you
.6	get 40 applications now along Blevins and the Old
.7	State Road, whateverBlevins Valley and Old State
.8	RoadI'll have it by the end of the dayif you
.9	get 40 applications you are going to fill those
20	applications on the first come first served bases;
21	right?
22	MR. ROGERS:
23	Right.

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Τ	HEARING OFFICER SHAPIRO:
2	What would be the difference what happens when you
3	get to number 30, when you get number 31, what do
4	you do then? Do youI mean
5	MR. ROGERS:
6	I don't know. I mean, we are trying to prevent
7	getting to that point by accepting this three inch
8	line but, yes, if somebody comes in, if they want
9	to put 40 houses right along Old State and Blevins
0	Valley Road and set meters right away, we are
1	going to be in another dilemma because we have got
2	to decide are we going to stop at some point even
.3	though it is contrary to PSC reg, but at some
4	point it is a catch 22 for us. We either stop
.5	setting meters which violates PSC reg or we keep
.6	setting meters and we go right over and our psi
.7	drops below 30 and we violate another PSC reg. It
.8	is a catch 22 for us and, fortunately, we haven't
.9	got to that point and we are trying to keep from
0 :	getting to that point within reason.
21	HEARING OFFICER SHAPIRO:
22	So, it is your position at this point, at least it
23	is our understanding of your requirement thatof
24	the regulations that if you get 40 requests for

1	meters along Blevins Valley Road, because you have
2	a main there, you have no choice except to provide
3	them, even though in doing so you will not be able
4	to maintain the pressure standards that the
5	regulations require?
6	MR. ROGERS:
7	At this point in time
8	HEARING OFFICER SHAPIRO:
9	Is that your understanding, I'm not
LO	MR. ROGERS:
l 1	My understanding is that if we got to that point
L2	I'm sure the Board would look to me and say what
L3	lawyer, what are we going to do? And I'll tell
L 4	you what I would tell them.
15	HEARING OFFICER SHAPIRO:
L6	What are you going to tell them?
L7	MR. ROGERS:
L 8	Yes, I would tell themmy advice to the Board
L9	would be no more meters at that point in time.
20	Right or wrong that'sI'm telling you that is
21	what I would tell them to do whether they would do
22	it or not, because I believe the first obligation
23	is to existing customers.

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1	HEARING OFFICER SHAPIRO:
2	Do you think that is a course that you can give
3	them as a valid course or is that something that
4	you are just offering that as a matter of
5	practicality?
6	MR. ROGERS:
7	Your Honor, I'm not sure I understand your
8	question.
9	HEARING OFFICER SHAPIRO:
10	Okay. Are you saying that the Board has the
11	authority to do that or do youor are you saying
12	that the Board has no choice but to do that and
13	violate the law?
14	MR. ROGERS:
15	I would say, in my opinion, they would have no
16	choice because they would be violating the law
17	either way they go. And it would appear to me to
18	beit would appear to me to be, I mean, as a
19	practical matter, if it is a violation of the law
20	either way you go your first option is to protect
21	your existing customers. I may be wrong Your
22	Honor. I needI find no authority as to which
23	one has priority. But, fortunately, we haven't
24	gotten to that point but that very well may be

1	something that is coming up. I mean, from what I
2	understand there is a possibility somebody else is
3	wanting to build another subdivision in that area.
4	So, you know, this District is trying to get their
5	facilities upgraded to where we can serve that
6	area, but until that happens we are going to be in
7	a tight situation. And I'm not sure howI'm
8	telling you how I would advise them. From your
9	tone I think you
10	HEARING OFFICER SHAPIRO:
11	No, I'm asking you.
12	MR. ROGERS:
13	I think you disagree, but
14	HEARING OFFICER SHAPIRO:
15	No, I'm not sure I do, I'm just trying toI'm
16	asking you what your position would be, what the
17	position of the Water District would be. I'm not
18	sure what the law is in this area either, I mean,
19	this is a new issue for me too. I don't know what
20	you are required to do at this point under those
21	circumstances. But I'm trying to figure out from
22	you what your position would be under those
23	circumstances and you don't know either?
24	

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1	MR. ROGERS:
2	I don't know either, I've told you what I would
3	advise the Board to do.
4	HEARING OFFICER SHAPIRO:
5	At this point?
6	MR. ROGERS:
7	At this point, assuming
8	HEARING OFFICER SHAPIRO:
9	You don't know whether you will ever get to that?
LO	MR. ROGERS:
11	I hope we never get to that.
L2	HEARING OFFICER SHAPIRO:
13	Go ahead, finish your argument then.
L4	MR. ROGERS:
l.5	Well, if you couldn't tell already I was sort of
16	speaking what I thought and I guess my point is
17	this, you know, I'm not unsympathetic to the
18	Hatfield's problem, but it is a situation where we
19	have to look out for existing customers.
20	Hopefully, this situation can be corrected but
21	until it is we haveI think it is in the best
22	interest of the District and their existing
23	customer base to not accept this three inch
2./	extension, you know, unless there is some way that

1	this can be restricted. And I'm not sure what the
2	answer is here. But this Board has taken the only
3	course they know to do to protect themselves and
4	their existing customer base at this point. Thank
5	you Judge.
6	HEARING OFFICER SHAPIRO:
7	Thank you. Mr. Fox.
8	MR. FOX:
9	I guess I disagree in part with Mr. Rogers in that
.0	not only do they have an obligation to their
.1	existing customers, they have got an obligation to
.2	provide service to qualified applicants when they
.3	can provide the water service. They can provide
.4	this service. There is not any evidence to the
.5	contrary. They can do it. And they have known
.6	since November of 1999 that there is adequate
.7	pressure to provide service in this subdivision.
18	They have known that for six months.
.9	HEARING OFFICER SHAPIRO:
20	Yes, but he is saying that if he provides service
21	to more than 30 customers then they cannot
22	maintain the standards that are set by state
23	regulations.

- 215 -

24

MR. FOX: 1 2 Okay, if that is true--HEARING OFFICER SHAPIRO: 3 So, what happens when you get to number 31? 4 MR. FOX: 5 A lot of things happens before you get to number 6 7 Number one, people get their water service. This is an assumption that has been made that 8 customer number 31 causes the problem. 9 dealing with prospective complaints. They are 10 denying service to these people because they think 11 that it is going to be a problem when they get to 12 They may be right. But until you get 13 number 31. to number 31 they are violating their duty and the 14 reason for existence by not giving them water. 15 These are actual people that need water. 16 when you come to 31, if I was in Mr. Roger's 17 position, I'd probably say the same thing to the 18 Bath County Water District. You have got a duty 19 to all of the people that we have said we are 20 going to provide you water, people are living in 21 And if we allow 31, 32, 33 to come 22 these houses.

to go down and we are not doing a good job for

on to this system, everybody's pressure is going

1	anybody. I need to read, I guess, that regulation
2	that says they have to give it to anybody that
3	asks that is on a main. But, you know, that is
4	the second point. That problem exists today, not
5	when 31 customers are on that Meadowbrook
6	Subdivision.
7	HEARING OFFICER SHAPIRO:
8	It does along Blevins Valley Road and Old State
9	Road.
10	MR. FOX:
11	That's right.
12	HEARING OFFICER SHAPIRO:
13	And they say it is their policy to provide water
14	service to customers who request that service on a
15	first come first serve basis. But they are also
16	saying that they don't want to extend the system
17	in that area at this point because they don't
18	believe it couldthey feel theythey believe
19	they only have about 30 more spots available at
20	this time. If they goif they extend it further
21	well, wait a minute. If they extend it further
22	they are going to makethey are going to open the
23	marketthey are going to open themselves up to
24	potentially more customers than are out there

1	right now. So, they are concerned about that,
2	because they say they don't have the capacity or
3	the ability to provide that service to more than
4	30 customers. Soand they are saying that this,
5	in effect, is an extension because what they are
6	going to do is, it is not simply putting a tap in
7	there for somebody along Old Blevins Road or Old
8	State Road. They are actually going to put a new
9	line that will have taps off of it as well. So,
10	what happens so does their obligation, their
11	current obligation, require them to put in an
12	extension of service off of those existing mains
13	in order to serve this subdivision and when, in
14	fact, it may put them beyond their capacity.
15	MR. FOX:
16	But it won't. I mean, their people are telling
17	them that it won't. I mean, this couple has
18	HEARING OFFICER SHAPIRO:
19	They are telling them that it won't serveit
20	won't put them beyond their capacity with the 30
21	taps.
22	MR. FOX:
23	Right.

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∥ ⁺	HEARING OFFICER SHAPIRO:
2	But they are also saying it is 30 taps for the
3	entire area.
4	MR. FOX:
5	Okay. Well, it may be so. But what are they in
6	essence saying? They are saying all right, we
7	think that in the future Mr. and Mrs. Jane Doe may
8	buy a house down on the lower end of Old State
9	Road. So, because we think that might happen four
10	or five years from now, we are not going to sell
11	we are not going to let this customer install the
12	meters on property that they are selling to Mr. and
13	Mrs. John Smith that want to live in Meadowbrook
14	Subdivision. And those people want to live there
15	now, they have lost some sales because of this.
16	HEARING OFFICER SHAPIRO:
17	Well, what I'm saying is I'm seeing the distinction
18	here, though, between the customers who put their
19	taps on Old State Road and Blevins Valley Road and
20	the customers who want to tap on to a new linea
21	new main that would be running off of those two
22	roads.
23	MR. FOX:
24	They are not making a distinction. They are

1	requiring this couple to run thousand foot service
2	lines off of Old State Road and Blevins Road to
3	houses that are located in the interior of that
4	subdivision.
5	HEARING OFFICER SHAPIRO:
6	Right, because they saying they don't want it to
7	attach to a new extension.
8	MR. FOX:
9	Right. But this if they are so concerned about
10	that three inch line being considered a main line
11	extension, why are they not saying, okay, you all
12	agree to not make it main line extension and we
13	will service up to 30 people. I mean, they are not
14	going to the extent that they need to go to solve
15	the problem. I mean, we heard Mr. Fawns testify,
16	you know, we can't serve 75 meters out there so we
17	are not going to do any of them.
18	HEARING OFFICER SHAPIRO:
19	Okay. Let me ask both of you a question. Assuming
20	it can be done, and I don't know whether it can be,
21	but let's say theyou know, we are talking about
22	practical effect and we are also talking about the
23	legal effect here. And it doesn't seem to make a
24	lot of sense to run a line from the highway when

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you can run it from an existing main a lot cheaper
 1
 2
          and a lot more efficiently. I mean, everybody--I
          think we can all agree on that, from what I've
 3
                  The concern that you all have, though, is
          heard.
          if that is considered an extension, then that is
 5
          going to increase the obligation of the Water
 6
          District. But what if it wasn't considered an
 7
          extension, what if it was treated as if--well,
 8
 9
          let's--what if the water line--that line remained
          the property, for example, of the developer, but an
10
11
          exception were made to allow the meter to be placed
                           Then it would be back to the first
12
          upon that line.
13
          come first serve basis. In other words, whoever
          comes along first will get on that system.
14
          when you reach the maximum point where you no
15
          longer can meet the regulations, then you have to
16
17
          cross that bridge when you come to it. Wouldn't
          that put you in the same position you are in today?
18
19
     MR. ROGERS:
          I believe so, I'm not sure I can answer that.
20
21
     HEARING OFFICER SHAPIRO:
22
          What do you think Mr. Fox?
23
     MR. FOX:
```

Yes, I think they would be in the same position,

1	because what they are saying and arguing is that we
2	have to add 30 customers on Old State Road or
3	Blevins Valley Road if they just come and ask. The
4	difference is that the Hatfields own the
5	subdivision. They have got a nicebetter
6	situation with this three inch line, that the Water
7	District doesn't want to adopt because they are
8	afraid of what might happen in the future. And
9	that is just simply not fair. And if that three
10	inch water line is essentially the same as those
11	service lines that they have been required tothey
12	have run two systems in this development, service
13	lines and the three inch line. But if they don't
14	have a problem with a 1,000 feet of one inch lines
15	how
16	HEARING OFFICER SHAPIRO:
17	Well, they don't have a problem with it because it
18	is not their problem. Their problem is up to the
19	meter.
20	MR. FOX:
21	Well, but it is a better situation to have these
22	meters coming off a three inch line.
23	HEARING OFFICER SHAPIRO:
24	Well, I think from a practical standpoint everybody

1	agrees on that. But they are just concerned about
2	the extension.
3	MR. FOX:
4	But it has been approved by the Division of Water
5	as an extension. It has been approved, it has been
6	approved for five months.
7	HEARING OFFICER SHAPIRO:
8	But it has not been approved by the Board.
9	MR. FOX:
. 0	No, and the reason
.1	HEARING OFFICER SHAPIRO:
.2	But are they are required to approve every
.3	extension that is offered to them?
.4	MR. FOX:
.5	But what are the stated reasons? We don't have
. 6	enough pressure, we don't have enough water. But
.7	their witnesses say, yes, we've got enough
.8	pressure. And the question about whether there is
.9	not enough water, apparently there has not been a
20	question for the past five or six years.
21	HEARING OFFICER SHAPIRO:
22	Well, there is a question about them not having
23	enough. I mean, they don't have enough, if they do
24	that then they in a sense they don't have enough to

2 argument. 3 MR. FOX: But you serve the people who want the service now, 4 let's not wait ten years to see if somebody might 5 There are people who want to 6 move down the road. 7 live there now. There are people that are living 8 there now that were living there this winter that had no water because the lines were frozen and went 9 for two weeks without water. There are people who 10 wanted to buy these lots and they had to cancel the 11 closing because they had no water. Those people 12 exist today. It is not a mythical speculative 13 couple that lives down the road five years from 14 They have the ability and the capacity to 15 serve customers in that subdivision today. 16 have had that ability and capacity for the last 17 five months and they have not done it. 18 19

At least that is their

extend the whole area.

1

20

21

22

23

24

HEARING OFFICER SHAPIRO:

Well, let me make a suggestion to both of you. don't you address the issue in your briefs, these issues in your brief. Number one, what obligation will the Water District face when the number of customers that are requesting service exceed the

1	ability of the Water District to provide that
2	service in conformity with the Commission's
3	Regulations and Standards. Number two, what
4	number two, does the Water District have to accept
5	the three inch line as an extension in order to
6	allow the meter to be placed on that three inch
7	line. And address any other issues you think of.
8	Can you work that out?
9	MR. FOX:
10	For the life of me, I don't think that I'm
11	conveying my
12	HEARING OFFICER SHAPIRO:
13	I understand what you are saying, but I also
14	understand what they are saying, and I don't know
15	howat this point I would likeI think it would
16	be helpful if we had your views on how the law
17	applies.
18	MR. FOX:
19	I guess that my consternation is that I don't
20	understand the argument that, yes, we have the
21	ability to provide water to customers today and
22	provide it with adequate pressure and we don't want
23	to do that because we are afraid that sometime in
2.4	the future somebody else may come along and want

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service and we have to turn them down.
 1
 2
     HEARING OFFICER SHAPIRO:
          Well, I think you can address that as well in your
 3
          brief, is that a valid argument or what is their
          obligation under those circumstances.
 5
     MR. ROGERS:
 6
          We have 20 days in which to file our briefs and did
 7
          you say that--
 8
     HEARING OFFICER SHAPIRO:
 9
          Well, it's 20 days from the date that the
10
          transcript is filed.
11
     MR. ROGERS:
12
13
          Will we receive copies of the transcripts
     HEARING OFFICER SHAPIRO:
14
15
          You will have to make arrangements with the court
16
          reporter for that.
17
     MR. ROGERS:
18
          Okay.
19
     HEARING OFFICER SHAPIRO:
20
          She can actually tell you the day they will be
21
          filed.
22
     MR. FOX:
          If Mr. Rogers and I discuss it, obviously we
23
24
          haven't, but if we agree to do it earlier than
```

1	that, in other words, I don'tI'm sitting here
2	wondering whether we need the transcript to discuss
3	these issues.
4	MR. ROGERS:
5	That's probably true.
6	HEARING OFFICER SHAPIRO:
7	Well, I think you might want it for the rest of the
8	issues, but that's fine. You can review those
9	issues or address those issues without the
10	transcript though. That's up to you. If you
11	decide you want to file them early, yes, you can
12	file them earlier. But you will have 20 days.
13	MR. ROGERS:
14	That will be fine.
15	HEARING OFFICER SHAPIRO:
16	Anything else?
17	MR. ROGERS:
18	No, sir.
19	HEARING OFFICER SHAPIRO:
20	The hearing is adjourned.
21	(OFF THE RECORD)
22	
23	
21	

1	CERTIFICATE
2	
3	STATE OF KENTUCKY)
4	COUNTY OF FRANKLIN)
5	
6	I, VIVIAN A. LEWIS, a Notary Public in and
7	for the state and county aforesaid, do hereby certify
8	that the foregoing testimony was taken by me at the
9	time and place and for the purpose previously stated in
10	the caption; that the witnesses were duly sworn before
11	giving testimony; that said testimony was first taken
12	down in shorthand by me and later transcribed, under my
13	direction, and that the foregoing is, to the best of my
14	ability, a true, correct and complete record of all
15	testimony in the above styled cause of action.
16	WITNESS my hand and seal of office at
17	Frankfort, Kentucky, on this the 25th day of April,
18	2000.
19	
20 21 22 23 24 25 26 27	VIVIAN A. LEWIS Notary Public Kentucky State-at-Large
28	My commission expires: 7-23-01

Wivian A. Lεwis COURT REPORTER - PUBLIC STENOGRAPHER

FRANKFORT, KENTUCKY 40601

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FILED

APR 27 2000

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISION CASE NO. 99-436



In the Matter of:

ROBERT HATFEILD

PLAINTIFF

V.

BATH COUNTY WATER DISTRICT

DEFENDANT

Comes now Robert Harfield, affiant, after being first being duly sworn and cautioned, states as follows:

- 1. In the fall 1998, I became interested in a property owned by Rexall Short and made an offer to him contingent upon the property being able to be serviced by utilities on the 120 acre tract. Mr. Short said he knew the Bath County Water Board Manager, Darrell Grimes, and that he had his phone number. I called Mr. Grimes from Mr. Short's and asked him about the water in the Blevins Valley area. Mr. Grimes stated to me that there was a main line extension ban in place at the time, however, money had been allocated for an up-grade in the system which included a new service line from the water plant to the system and some storage tank clean-up. He stated that the deadline for the project was May and at that time he said the ban would be lifted. He also stated that he did not feel there would be a problem for main line extensions in the development. Feeling comfortable with the situation, Tina and I purchased the tract.
- 2. In May, Tina and I attended the Bath County Water Board Meeting and requested main line extension for the subdivision. The Board seemed optimistic and said if it was possible they would like to help. Their problem was that the ban had not been lifted because the project was not completed. The Board said the project was due to be completed before the end of May and when it was completed they felt like the extension ban would be lifted.
- 3. Tina and I attended the June board meeting and, as test as I can recall, the project had been completed and the ban lifted. The board went on to inform me that they were using more water than they had contracts for with the Morehead Utility Plant Board and were afraid if they did more extensions Morehead may cut them back to their contract. I went to Mr. Nickell, manager of the Morehead Utility Plant Board. Mr. Nickell did some quick calculations of the amount of water the subdivision would use at full capacity and said it was a "drop in the bucket" compared to the amount that the Bath County Water Board was using in excess of their contract. He said that as long as Moreaead had water, Bath County would have water. I took this information back to the Bath Bounty board. The Board said that Mr. Nickell would have to sign a contract allowing them additional water plus their overage. Of course Mr. Nickell would not commit the Morehead Utilities Plant Board to any such type contract.

- 4. In July, I contacted the Public Service Commission and talked to a representative about my situation. He said it was not possible for a plant board to deny main water extensions if there were no main line extension bans. He informed me that I could file a complaint. Hoping to resolve this matter without filing a complaint against the Board, I took this information to their next meeting. The Board said they could not help because of a water shortage. I asked them if they were self-imposing a ban and they said no, but they were filling extensions on a first-come first-serve basis. The Board said that funds had been allocated for some extensions but others had not been funded. Upon reminding the Board that I had planned on funding the extension myself, they told me they felt this was unfair. With the Board still denying my extension, I suggested I would enter a contract with them only using specified number of meters per year until a new treatment plant could be completed. They still were not willing to negotiate. At this point, I felt like I had no other choice than to file a complaint.
- 5. Tina and I attended a meeting in early winter, possibly November, with a set of plans, hoping to submit them to the Division of Water. However, the Water Board would not write a letter to adopt the plans into the system and stated they would like to have changes made in the plans to make the water line easier to maintain. The plans were changed and submitted without the letter, to the Division of Water. The plans were approved by the Division of Water.
- 6. In December, we went back to the Bath County Water Board with the approved plans and several customers, (residents of the subdivision). The Board agreed to move meters onto our main line extension but would not allow any new taps onto the new extension. I purchased 18 meters in February from the Bath County Water Board and haven't had any set up to this point
- 7. In reference to Bath Bounty Water Board's engineer, Scott Taylor, the water board ordered him to run a test to see how many meters were available in this area with their current lines. Mr. Taylor's figures were based on 52 lbs. of pressure at a high point just entering our subdivision off a 4" main line. The same location had been tested previously by the water board through a three day cycle, revealing that there was actually 82 lbs. of pressure on average sometimes up to 100 lbs., on that particular line. My engineer does not feel like as much strain to the system would be caused as Mr. Taylor does. Mr. Taylor had also mentioned that another 4" main coming from Preston approximately 1 mile from the subdivision would eliminate most of the problems. I offered to use my construction company to install the additional 4" main with no positive response from the Bath Bounty Water Board.
- 8. I have been discriminated against by a water board that does not have the education or training to properly evaluate these problems. I feel that decisions have been compromised by small town politics and the possibility of causing strain on influential customers who have homes on higher elevation. It is my understanding that 30 lbs., is required at the meter. I think the board is motivated to put 30 lbs. of pressure at the house, which would be equal to greater than 30 lbs. at the meter.

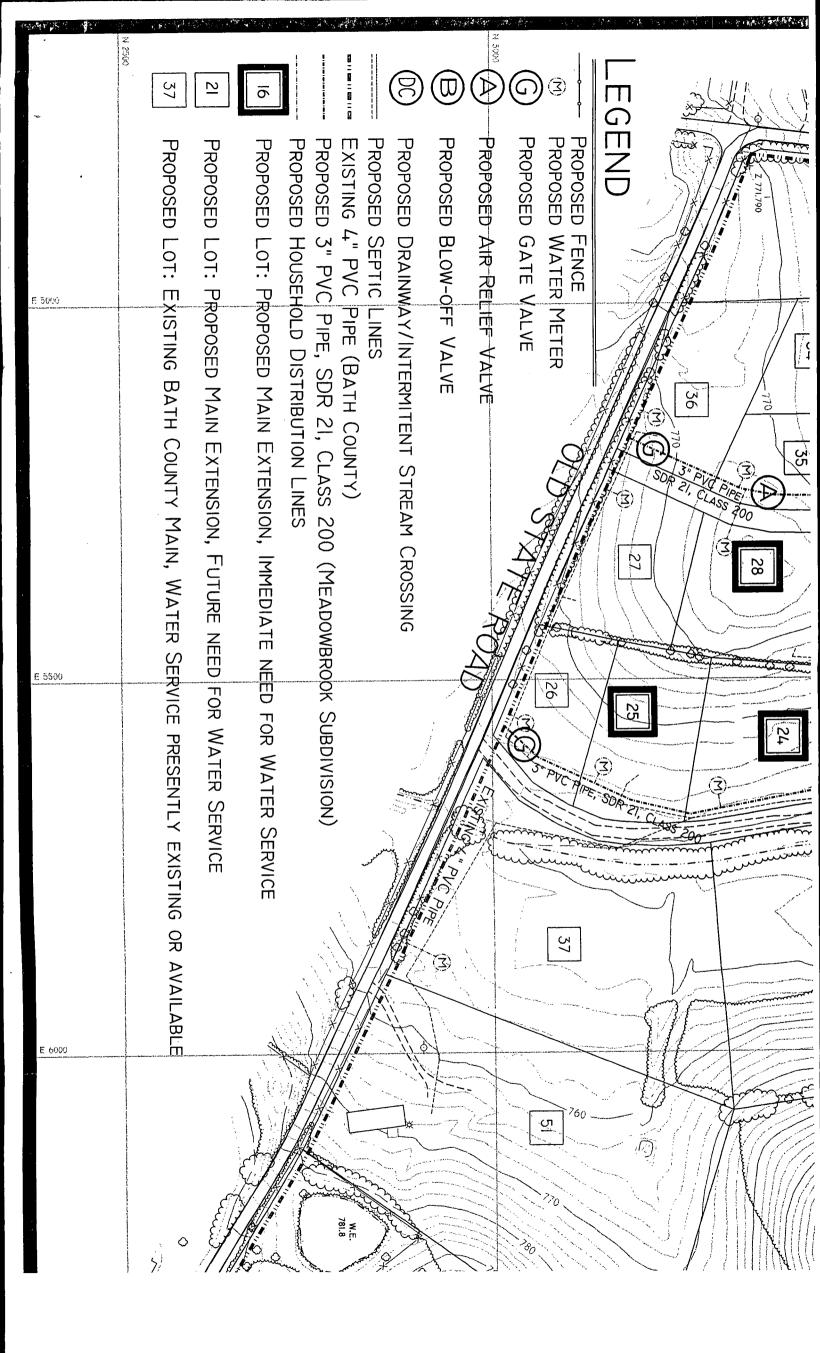
ROBERT HATFIELD

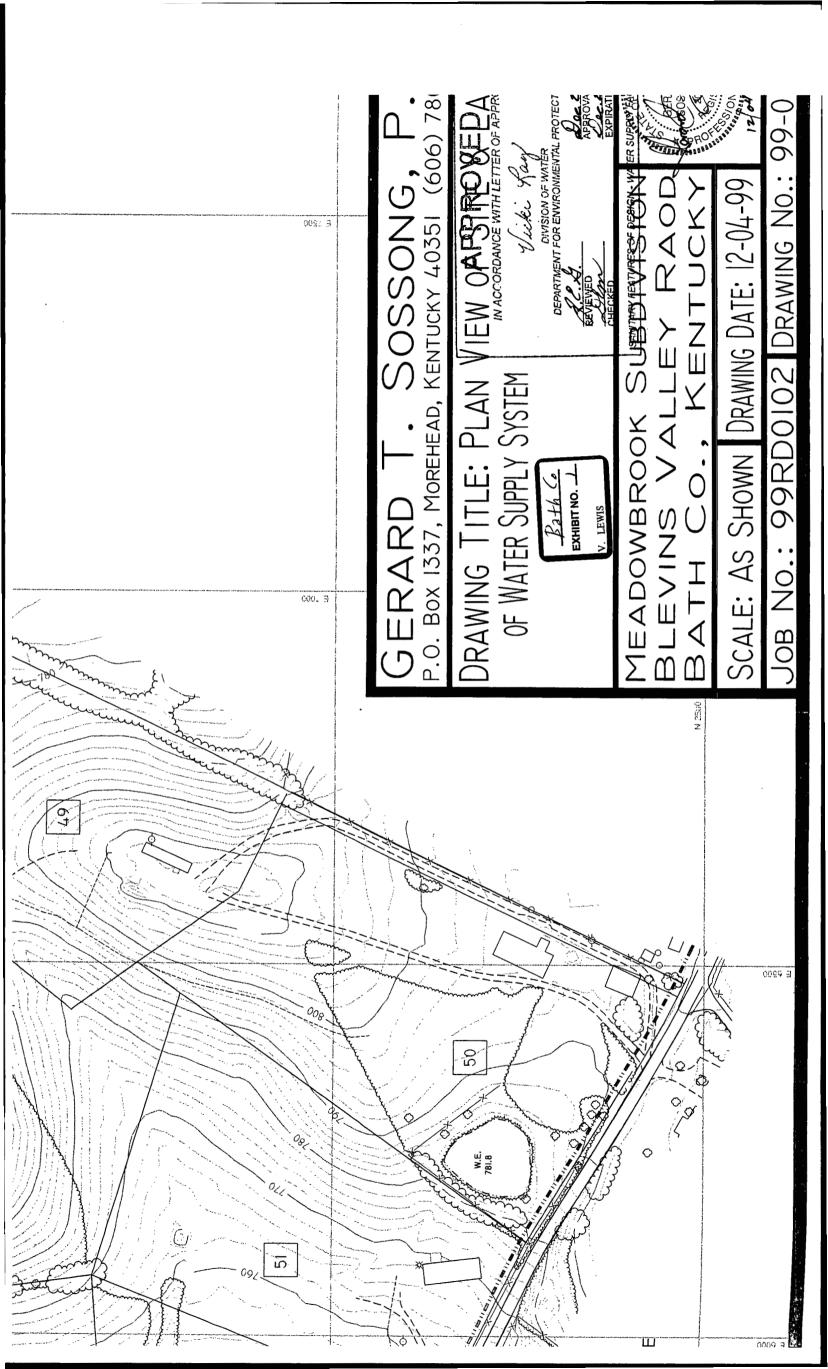
STATE OF KENTUCKY COUNTY OF Lacton

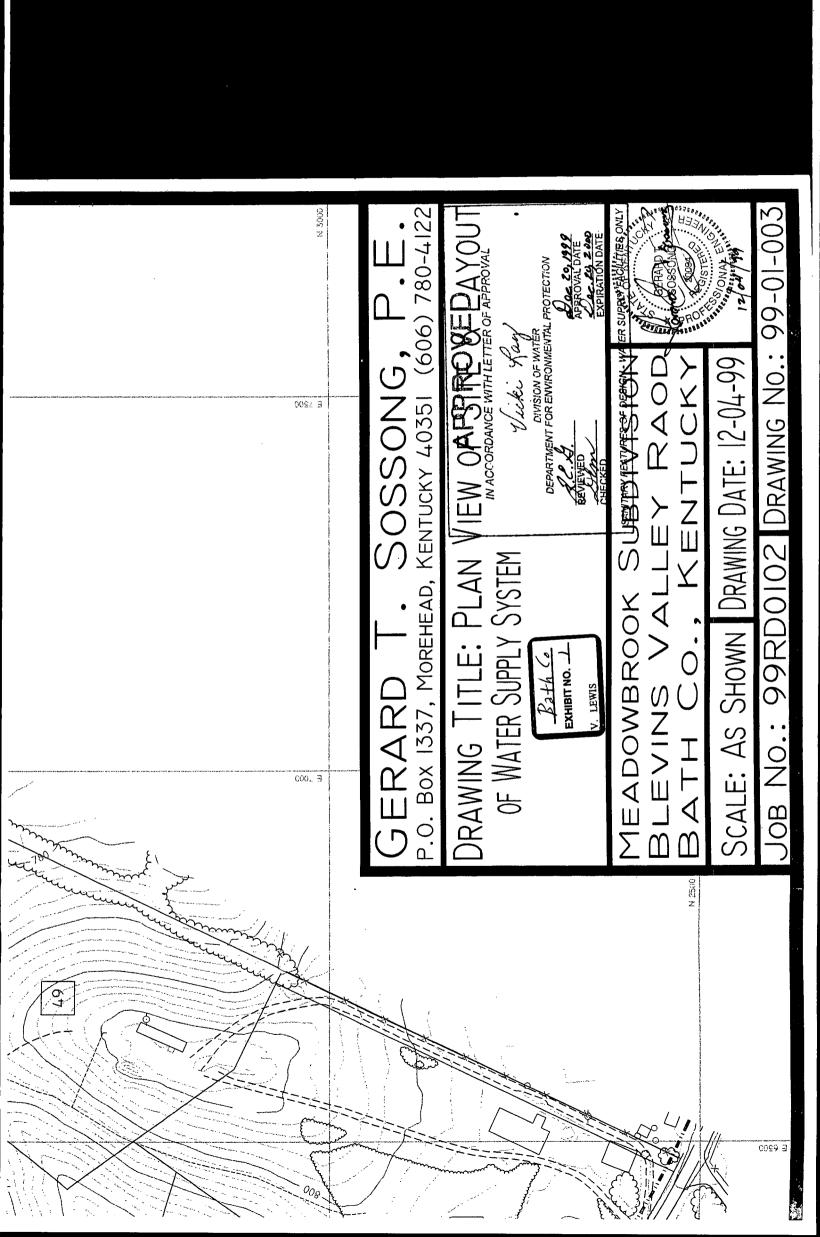
Subscribed and swom before me this O day of March, 2000, by ROBERT HATFIELD, affiant, who acknowledged that he executed the foregoing as his free act and deed.

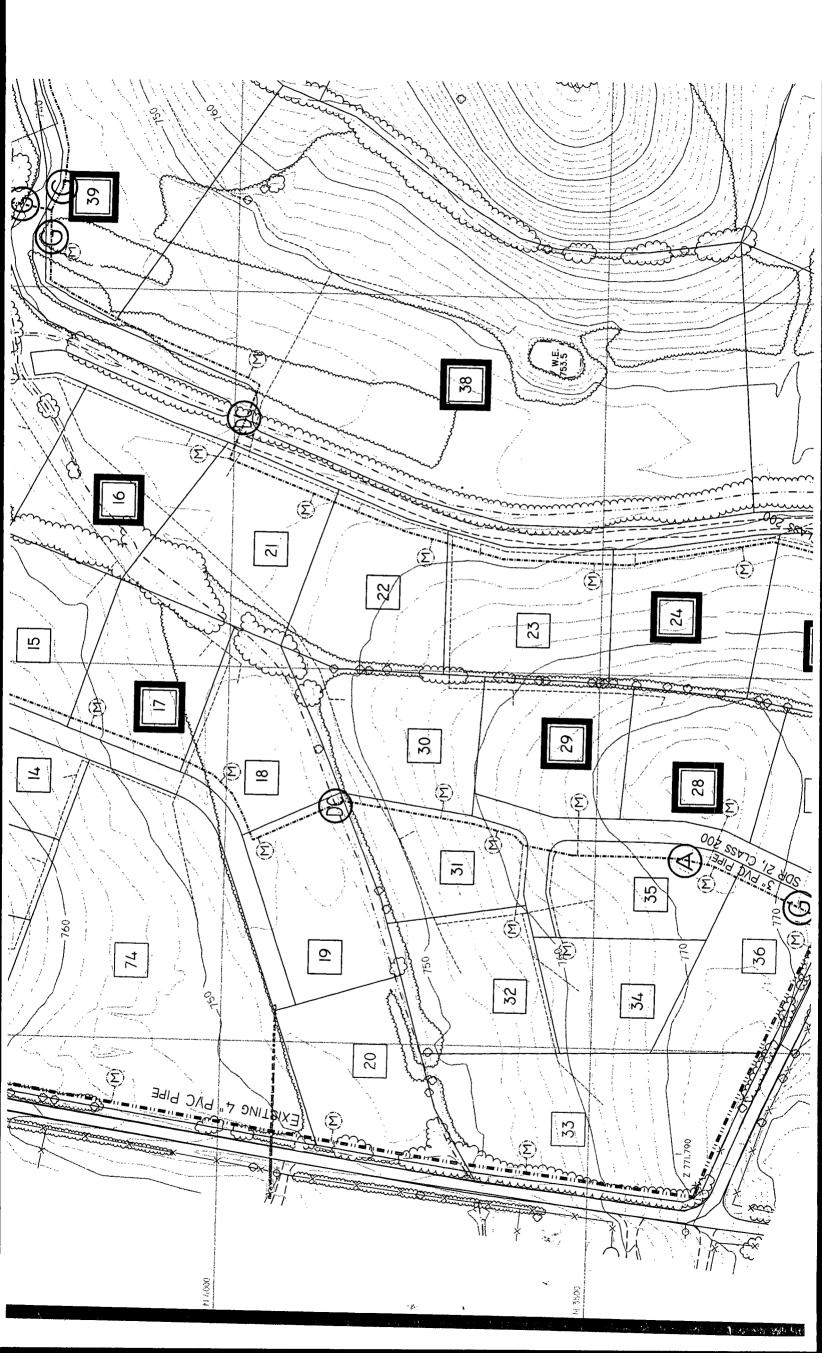
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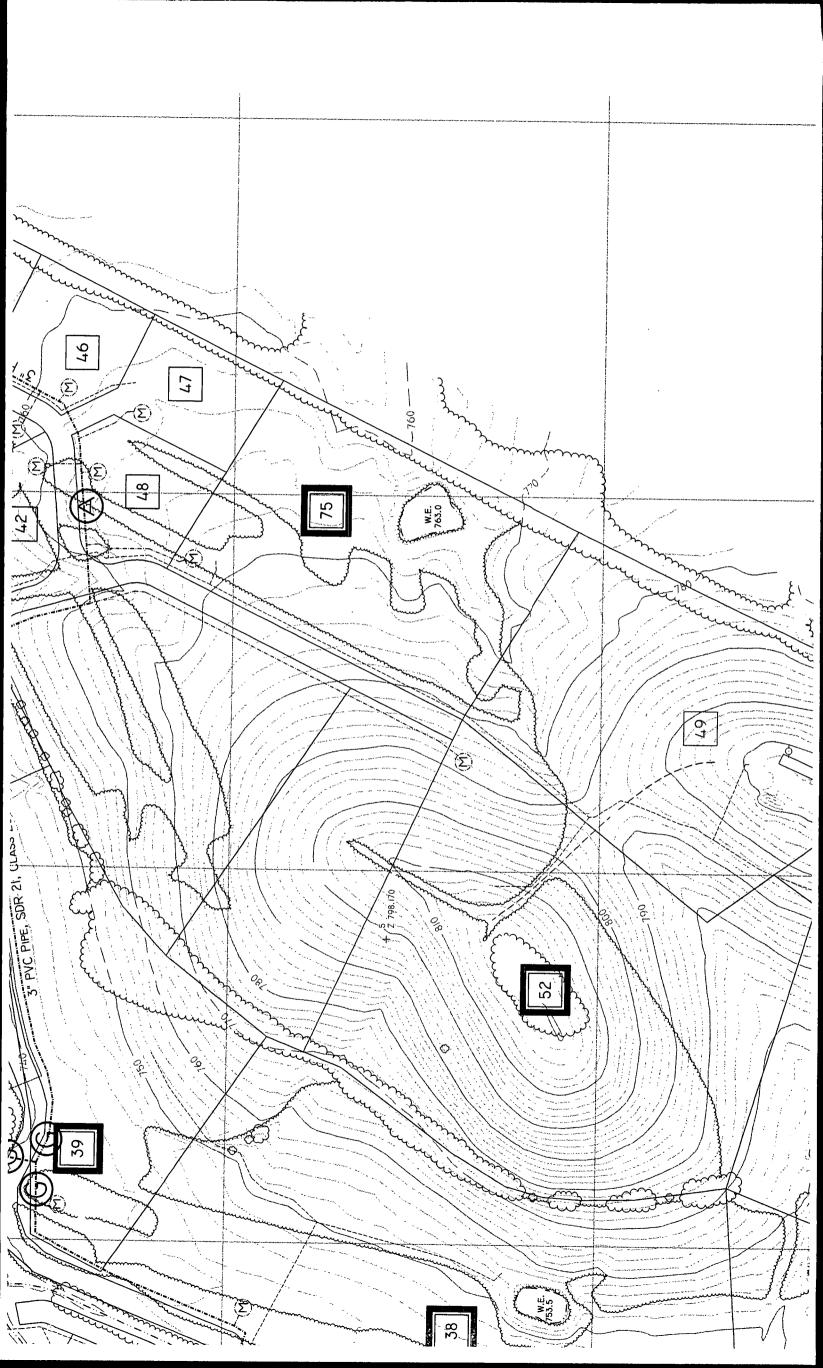
My Commission Expires: 10-14-2000

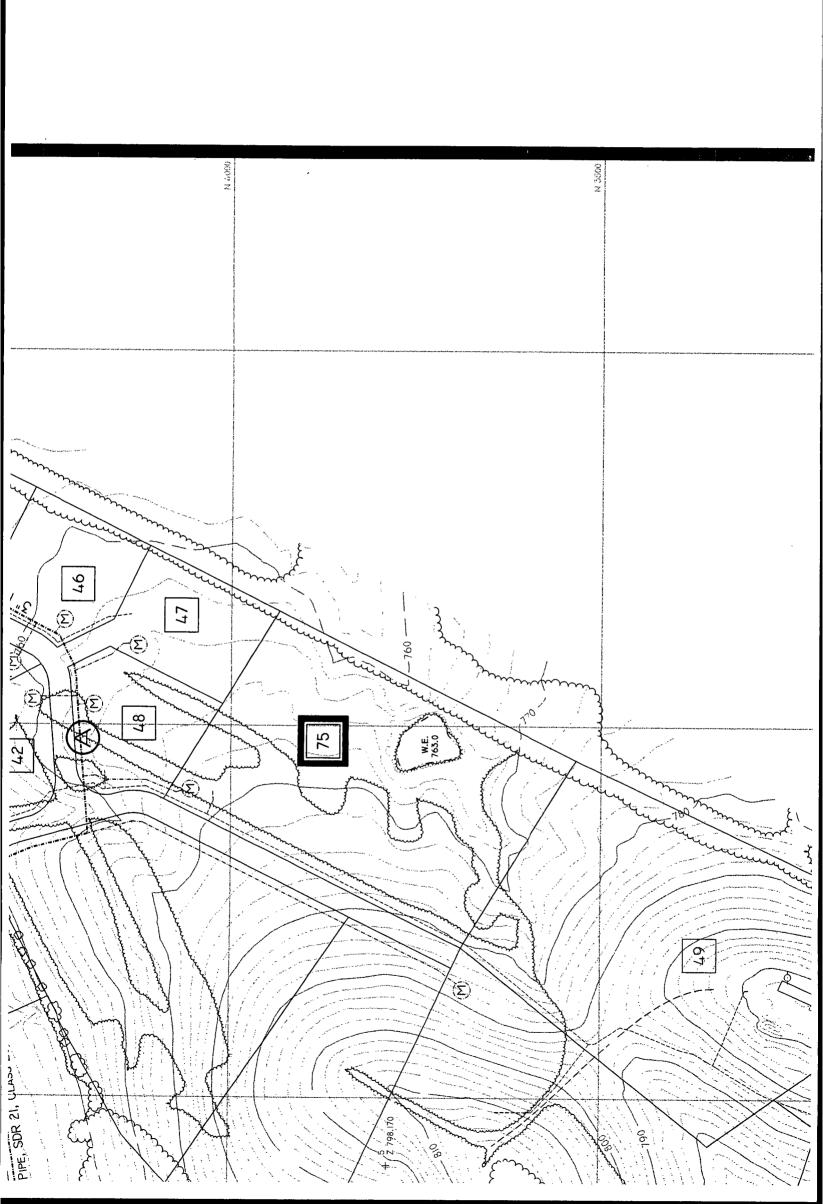


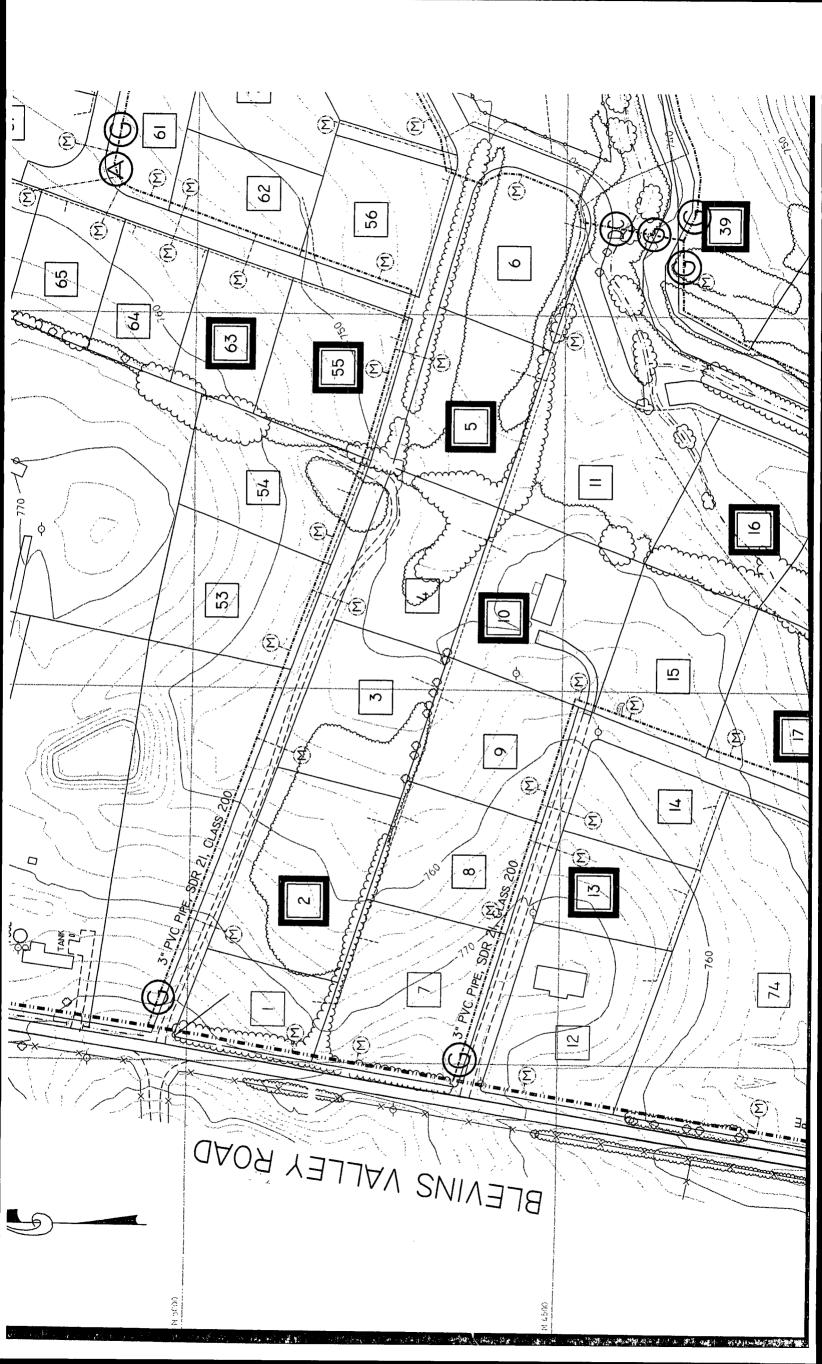


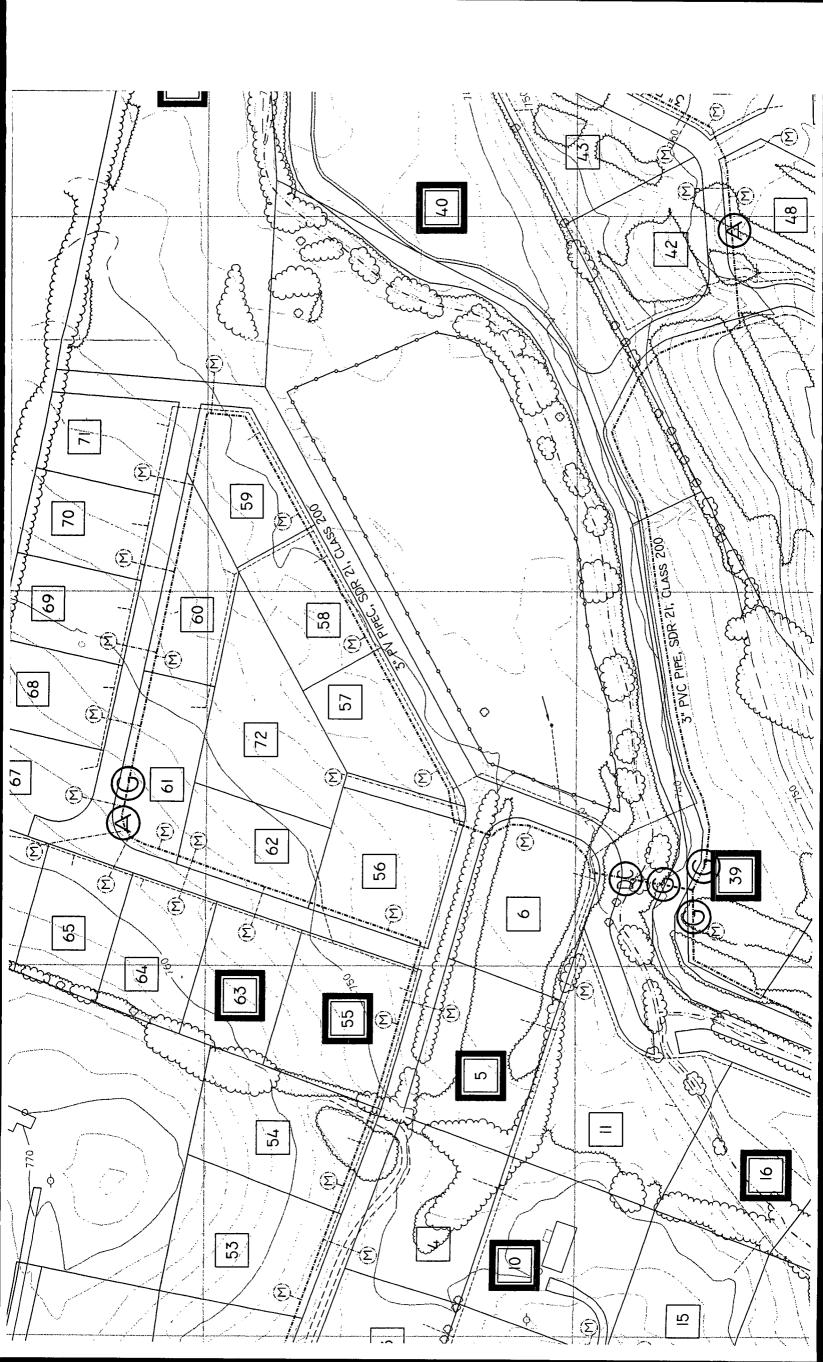


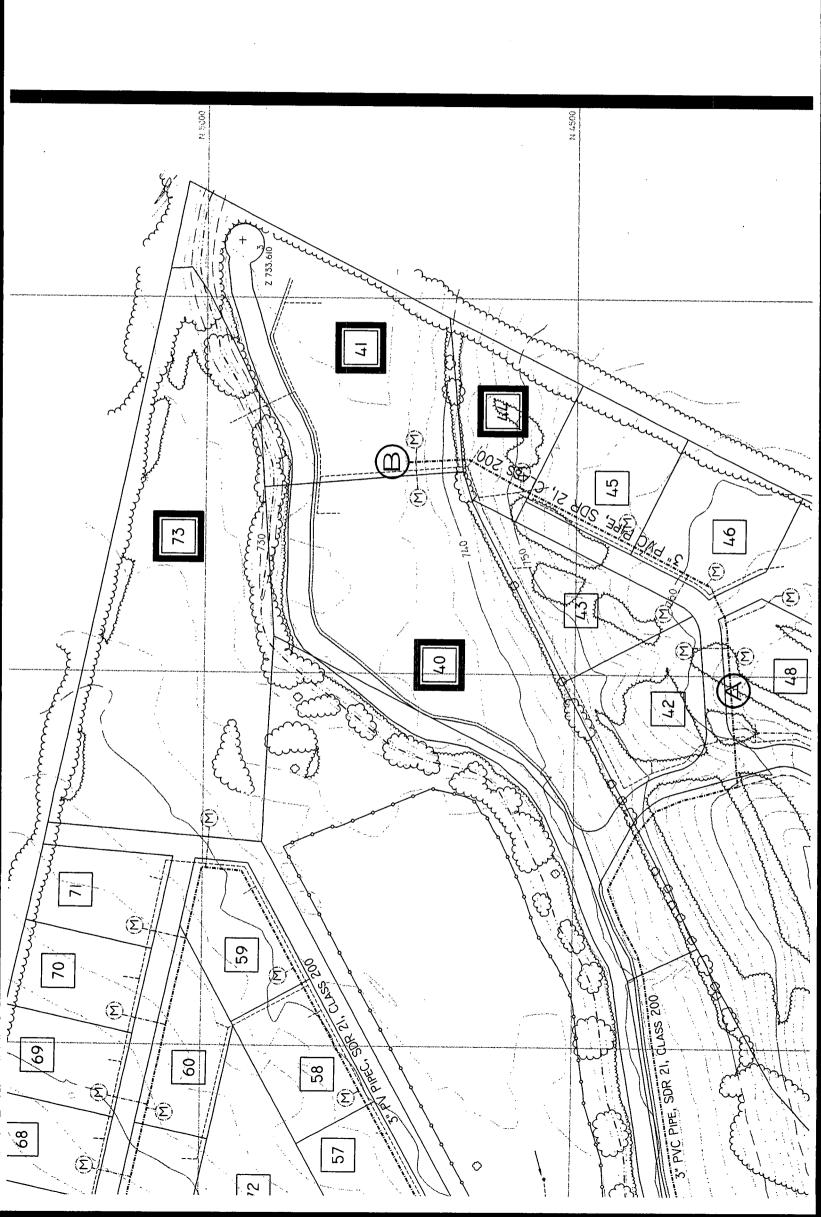


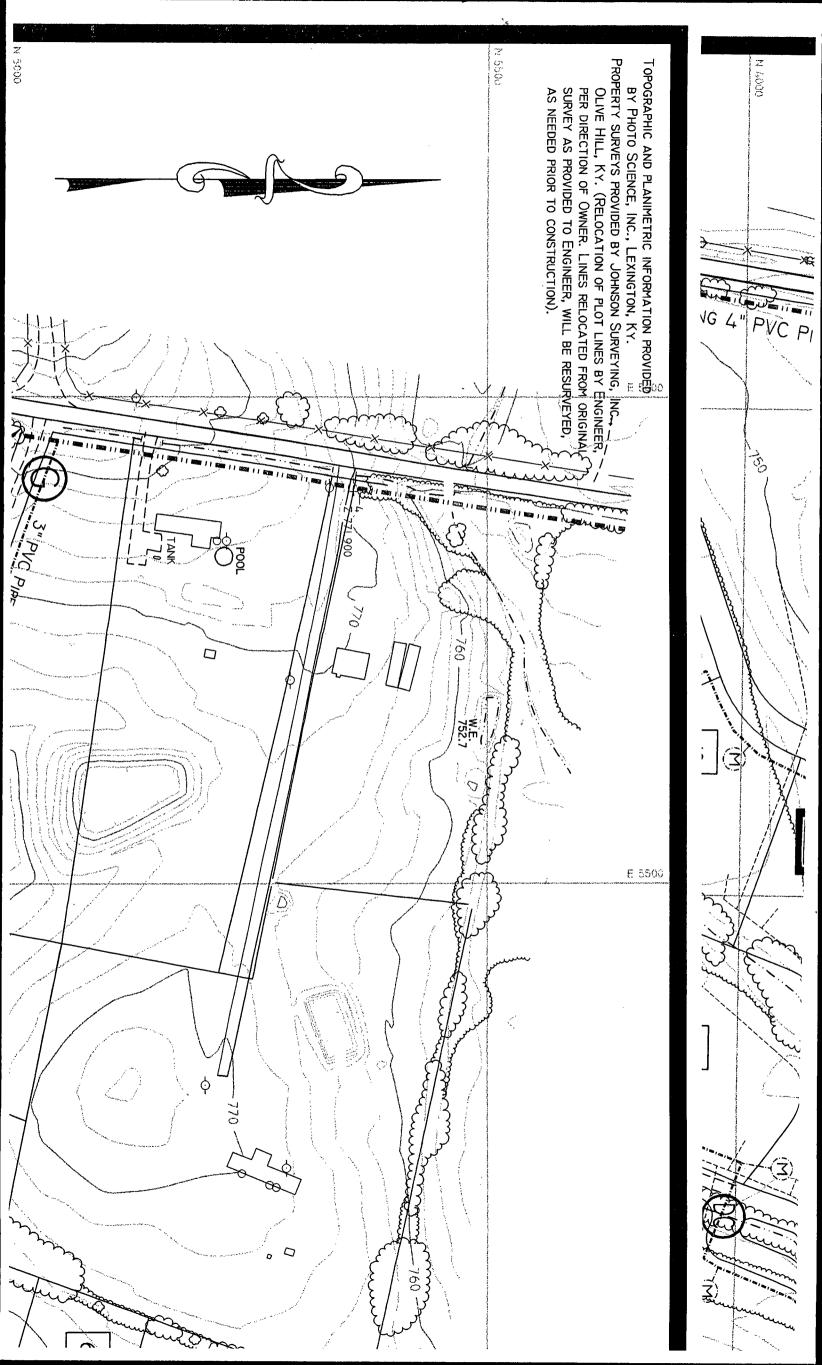


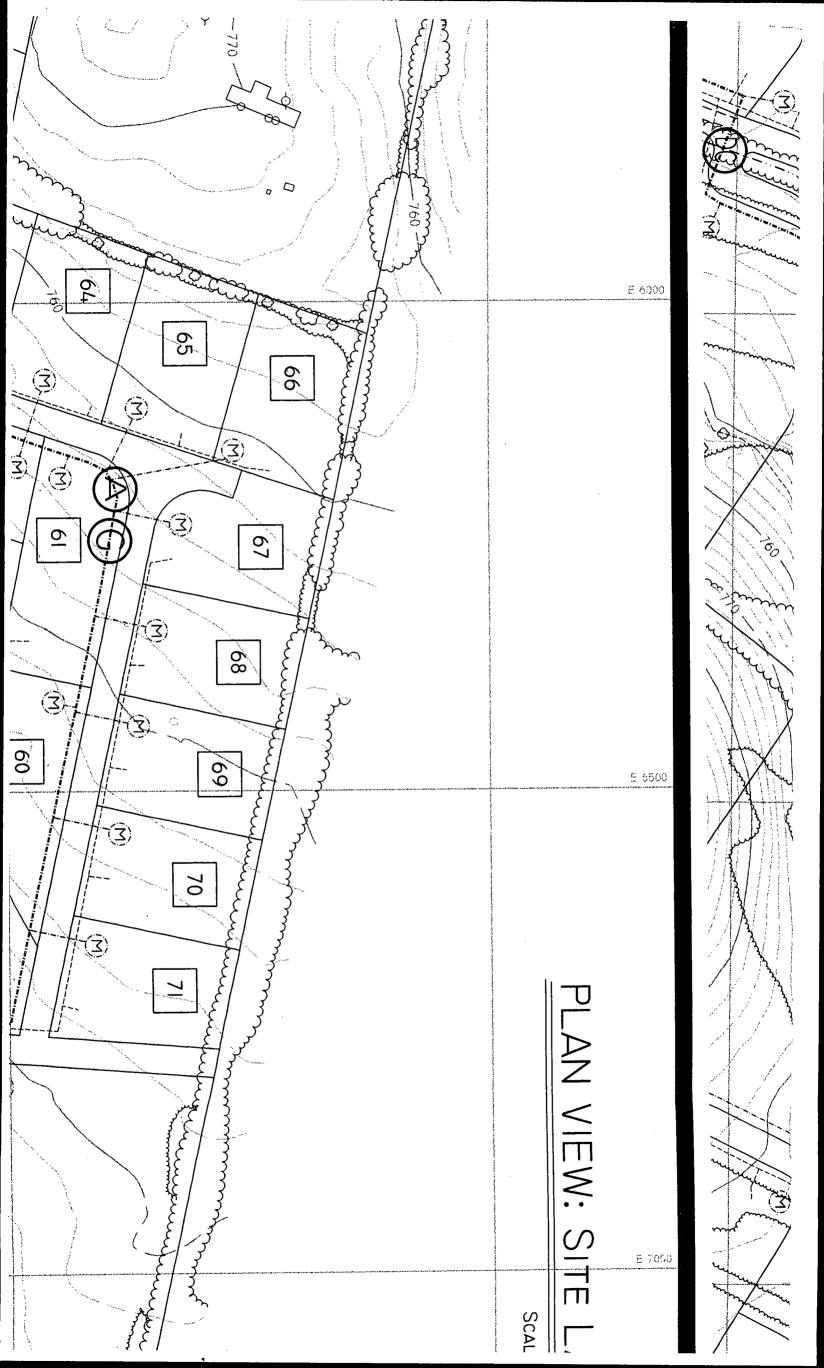


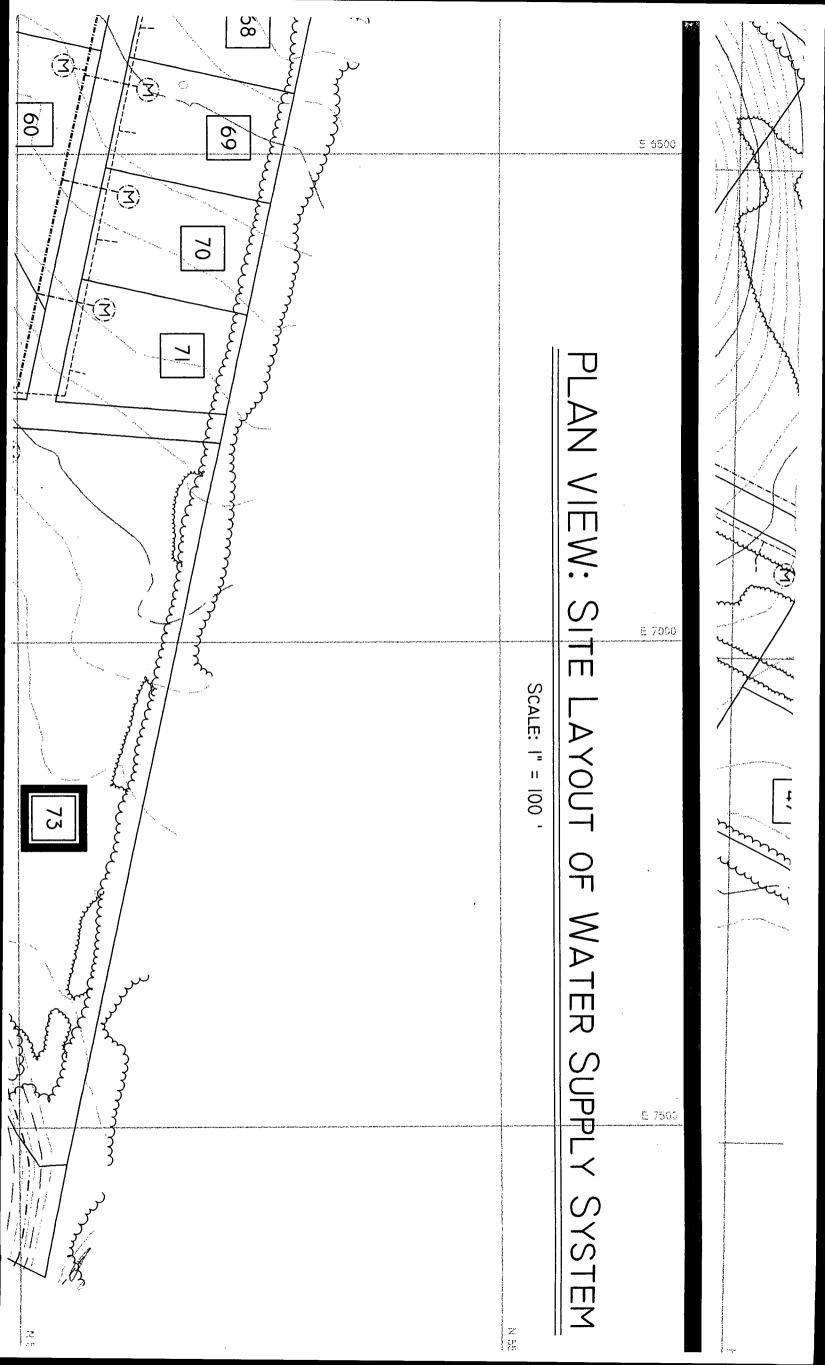












COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISION CASE NO. 99-436



In the Matter of:

ROBERT HATFEILD

PLAINTIFF

V.

BATH COUNTY WATER DISTRICT

DEFENDANT

Comes now Tina Hatfield, affiant, after being first being duly sworn and cautioned,

states as follows:

- 1. On December 22, 1998 my husband and I purchased a 120 acre farm in Bath for development. Prior to the purchase my husband spoke with Darrell Grimes, water board manager at time. Mr. Grimes assured me that bounty water line extensions into the future subdivisions "would not be a problem." We purchased the property primarily because of his reassurance.
- 2. In May of this year, we attended the monthly meeting of the water board. We were reminded that there was a main line ban in place and, for that reason, they could not grant our request.
- 3. In June, the line extension ban for Bath bounty was lifted. We were sure that our development was on its way. We attended the monthly water board meeting in June. To our dismay, the board denied our request to extend the water line into our property at our cost. We contacted the Public Service Commission concerning this disservice. We were informed that the water district could not refuse to give us water.
- 4. In July, we attended the monthly meeting and offered to give the board control over the number of lots we would sell annually. They refused and told us that we could run one-inch lines to each house from the main road. This means that we would have at least 30 lines in two different ditches instead of one main line. If there is a leak, every line must be checked to find the leak. This also means that we would be spending at least 15 times as much money on the individual water lines, over and above our cost for the main line. At this meeting, we informed Mr. Grimes of our conversation with the PSE. He restated that it was out of his control. He told us that the Division of Water would not permit our extension.
- 5. In August, we continued to request line extensions. Each time we were declined. The water board told us that they could not grant any extensions. However, they extended the main water line from our property to accommodate other customers on Blevins Valley Road at the cost of the water district. Three extensions were made within walking distance from our property, yet we were again refused service. At that time we contacted the Public

Service Commission who told who told us that the water board could not deny us water if there were no extension ban. There is no ban. The water board continues to set meters at the road for our customers. They tell our customers that we will not have water and that they can put their stake anywhere they want, but the meter will go at the road".

- 6. In September I met with the new water board manager, Alfred Fawns. He was every sympathetic to my dilemma. He said that he was aware that the board had been denying our request and they were wrong in do so. He said "they did not know what they were doing." He told us that in order to extend the line we would have to submit our plans to the Division of Water, in Frankfort, for approval. Mr. Fawns stated that the board did not have the authority to approve extensions. At that time I believed that I had finally accomplished something. I felt I was on my way to getting water. My engineer, Gerard Sassong, spent approximately one month designing our water plans. Upon completion, I immediately submitted the plans to the Division of Water. After about a week, Dennis Minks at the DOW told me that we had to have a letter from the water board stating that they would service our extensions. I was stunned that I had been lied to by Mr. Fawns. I then filed a formal complaint with the PSE.
- 7. I went to see Mr. Fawns to ask him for the simple letter that I needed to have my plans approved. He told me that the board would have to agree to it. Robert Gerard and I attended the board meeting in September to ask for the letter. At that time the board told us that they needed their engineer to review our plans before they would give us a letter. They said that they would give us the letter if their engineer approved our plans. We then asked for a letter contingent on their engineer's approval so that we would not have to wait another month to submit our plans. They still said "no."
- 8. We attended the October 26 meeting at which Scott Taylor, the board's engineer was present. Scott said that at peak demand it would be possible for our 60 additional customers and our 12 existing customers to drop the pressure of a few customers at higher elevations to below 30 PSI. We were in disbelief. I then suggested that Scott come up with a number of customers to keep the pressure above 30 PSI. The board again refused to give us a letter contingent on Scott's approval.
- 9. Another month went by This month, however, our customers were without water (due to frozen water lines) for the majority of the month. The health inspector, Ray Villiams, red flagged all of our lines and refused to let us cover them up. Our subdivision was frozen for most of the month and we could do nothing to prevent it. Needless to say, we were the enemies of everyone out there. I received countless harassing and threatening calls daily. I dreaded answering my phone.
- 10. We attended the November meeting. We sat through one customer's request for line extension for which the board tried to allocate funds to pay for in front of us. He had been waiting for water for 15 years. When our turn came we relayed our problem. No one cared. They named the person before us and said it would not be fair to give us water and not that gentleman. We reminded them that we were offering to pay for our extension whereas that

person needed thousands from the board to make it happen. He also did not have plans This was irrelevant to them. They almost enjoyed our crisis. Someone made the comment that we should have "had our ducks in a row before we got in over our heads." We told them that we had not anticipated this type of treatment. It is hard to play by the rules when the other side keeps changing them.

- 11. We were made aware before the meeting that Scott determined 30 customers would not endanger the pressure. The board voted against giving us the letter for 30 customers. They said that they needed to review the report further because it did not seem right to them. All of them having most likely middle school and/or high school education's believed that their engineering expertise was greater than Scott Taylor's. I asked the board, "regardless of our affect on the system, will you reject our extension?" Mr. Mitchell Crooks, a blatant antagonist of ours and a board member, said no, that he would not agree to any extension regardless of the engineer's report. I realized at that point that we would never have the approval of the board. We left mad.
- 12. I contacted the DOW repeatedly after that night. Dennis Minks informed me that our one inch line situation was a problem for them. They would have never approved this mess to-begin with. It became their "clean-up problem" at that time. They asked for plans for the existing customers so they might be able to at least clean-up the existing problem.
- 13. On December 17th, the DOW approved our plans for installing a main line for existing without the approval of the board. One approval was for 13 and one was for 20. Coincidentally, Bath County was placed under a line extension ban two days before.
- 14. We attended the board meeting December 27th with several of our subdivision members, Noah and April Rose, Juan Cruz, Jeannie Lawhorn, and Curtis Conley. A few neighbors of ours from Old State Rd. were in attendance. They were requesting a line extension. Again the board tried to accommodate their request. They discussed where the funds would be available, even though they were under a ban. When it was our turn, we presented our letter from the DOW. Mr. Crooks actually tried to find a loop hole for it not to be an approval. We then requested that they move the existing customer meter to the line extensions. They tried to deny us, even with our customers complaining of no service due to frozen water. The board said, "How can we hold them back if they have an extension". They said this to us after trying to pay for the extensions up the road from us. Mr. Crooks even bragged that they would have around 15 additional customers with the other line. Our customers, however, were not wanted. The board finally voted by majority to move our meters.
- 15. Due to negligence of the water board, I am still purchasing one inch water lines at my expense when I could be putting meters on the main line I have installed. Most recently we purchased 18 water meters that they have not set in over one month. They have undoubtedly been setting meters, purchased after ours ahead of us.

TINA HATFIELD

STATE OF KENTUCKY
COUNTY OF LOW COW

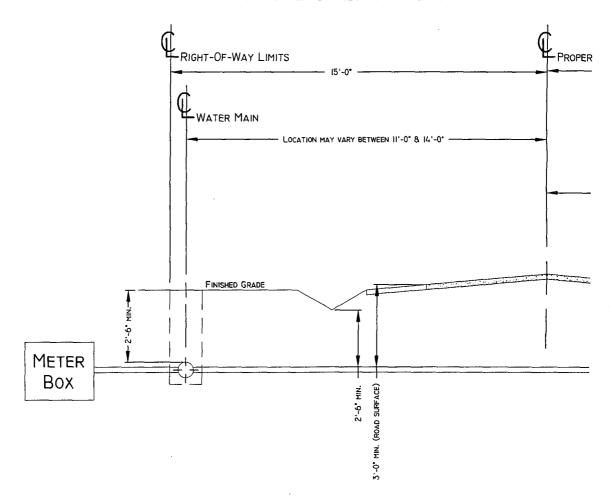
Subscribed and sworn before me this 30 day of March, 2000, by TINA HATFIELD, affiant, who acknowledged that he executed the foregoing as his free act and deed.

NOTARY PUBLIC

My Commission Expires: 10-14-00

NOTES:

- 1.) WATER & SEWER CROSSINGS, TYPICAL SPECIFICATIONS
 - 1'-6" CLEARANCE BETWEEN BOTTOM OF WATER LINE & TOP OF SEWER LINE, REQUIRED FOR AL - SEWER MAIN WILL BE ENCASED IN CONCRETE FOR 5 FT. FROM CENTERLINE OF WATER MAIN, I
 - REQUIRED FOR WATER & SEWER MAIN CROSSINGS ONLY
 - SEWER PIPE TO BE CENTERED IN A 1'-6" WIDE DITCH AND IN A 1'-6" DEEP BED OF CONCE
 - CONCRETE: 3000 PSI, WITH NO. 57 CRUSHED STONE AGGREGATE.
- 2.) SERVICE LINES SHALL BE CONSTRUCTED WITH PIPE OF THE SAME CLASS AS THE MAINLINE, FROM THE MAINLINE TO THE PRESSURE REGULATOR.



CROSS SECTION VIEW: MAINLINE LAYOUT - WAT

- 1.) WATER & SEWER CROSSINGS, TYPICAL SPECIFICATIONS
 - 1'-6" CLEARANCE BETWEEN BOTTOM OF WATER LINE & TOP OF SEWER LINE, REQUIRED FOR
 - SEWER MAIN WILL BE ENCASED IN CONCRETE FOR 5 FT. FROM CENTERLINE OF WATER MAIN - REQUIRED FOR WATER & SEWER MAIN CROSSINGS ONLY
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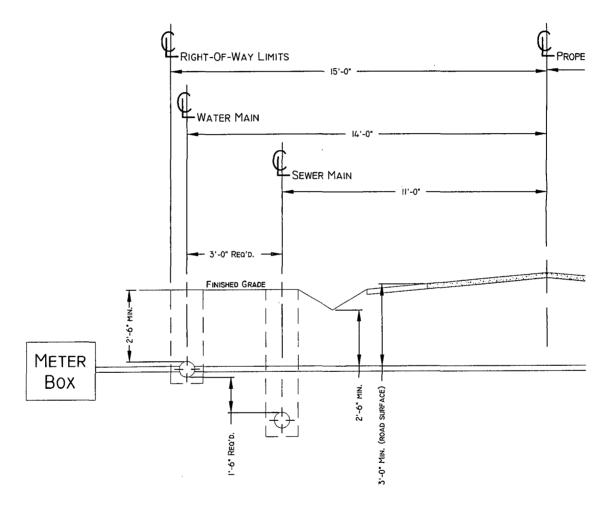
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 CONCRETE: 3000 PSI, WITH NO. 57 CRUSHED STONE AGGREGATE.

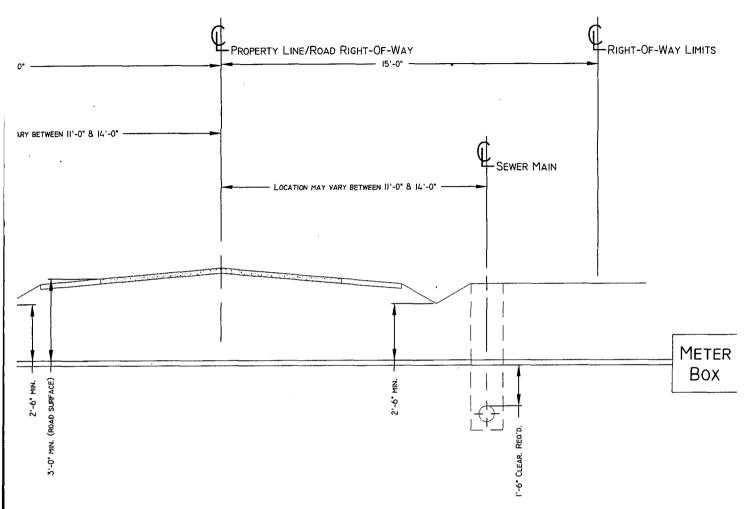
 2.) SERVICE LINES SHALL BE CONSTRUCTED WITH PIPE OF THE SAME CLASS AS THE MAINLINE,
- FROM THE MAINLINE TO THE PRESSURE REGULATOR.
- RIGHT-OF-WAY LIMITS 15'-0" --WATER MAIN

NOTES:

- I.) WATER & SEWER CROSSINGS, TYPICAL SPECIFICATIONS
 - 1'-6" CLEARANCE BETWEEN BOTTOM OF WATER LINE & TOP OF SEWER LINE, REQUIRED FOR
 - SEWER MAIN WILL BE ENCASED IN CONCRETE FOR 5 FT. FROM CENTERLINE OF WATER MAIN,
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CROSS SECTION VIEW: MAINLINE LAYOUT - W



NLINE LAYOUT - WATER & SEWER ON OPPOSITE SIDES OF RC

NOT TO SCALE

TYPICAL SPECIFICATIONS

N BOTTOM OF WATER LINE & TOP OF SEWER LINE, REQUIRED FOR ALL CROSSINGS.

ASED IN CONCRETE FOR 5 FT. FROM CENTERLINE OF WATER MAIN, IN BOTH DIRECTIONS.

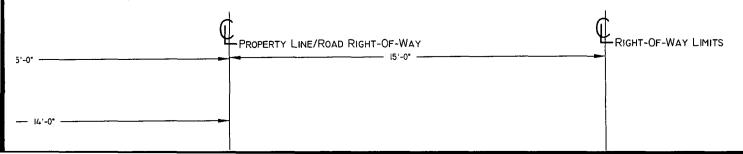
R SEWER MAIN CROSSINGS ONLY

INTERED IN A 1'-6" WIDE DITCH AND IN A 1'-6" DEEP BED OF CONCRETE.

NITH NO. 57 CRUSHED STONE AGGREGATE.

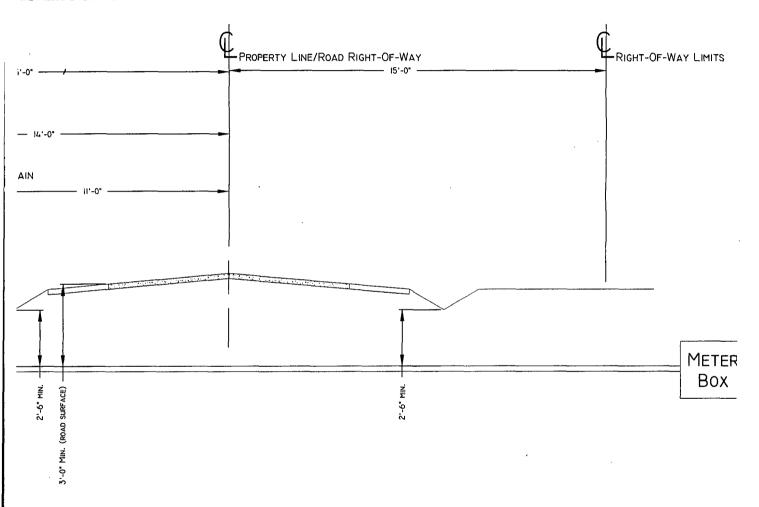
STRUCTED WITH PIPE OF THE SAME CLASS AS THE MAINLINE,

THE PRESSURE REGULATOR.



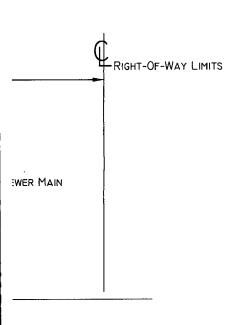
NLINE LAYOUT - WATER & SEWER ON OPPOSITE SIDES OF RO

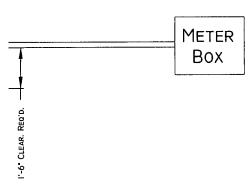
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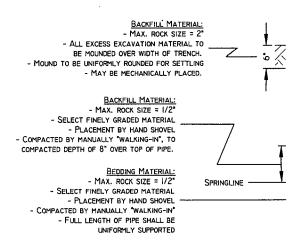
AINLINE LAYOUT - WATER & SEWER ON SAME SIDE OF ROAD

NOT TO SCALE



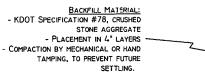


POSITE SIDES OF ROAD



MIN. SIDE CLEAR. = 6 IN. TYPICAL BOTH S TRENCH WIDTH: MIN.= 1'-6", MAX.= 2

CROSS SECTION VIEW: EXI



BACKFILL MATERIAL:

- MAX. ROCK SIZE = 1/2*

- SELECT FINELY GRADED MATERIAL

- PLACEMENT BY HAND SHOVEL

- COMPACTED BY MANUALLY "WALKING-IN";

& HAND OR MECHANICALLY TAMPING
IN 4* MAX DEPTH LAYERS, TO TOTAL

COMPACTED DEPTH OF 8" OVER TOP

OF PIPE.

8 HAND OR MECHANICALLY TAMPING
IN 4" MAX DEPTH LAYERS, TO TOTAL
COMPACTED DEPTH OF 8" OVER TOP
OF PIPE.

BEDDING MATERIAL:
- MAX. ROCK SIZE = 1/2"
- SELECT FINELY GRODE MATERIAL
- PLACEMENT BY HAND SHOVEL
- COMPACTED BY MANUALLY "WALKING-IN"
- FULL LENGTH OF PIPE SHALL BE
INVISIONALLY SHOULD BE SHOULD BE

MIN. SIDE CLEAR. = 6 IN. TYPICAL :
TRENCH WIDTH: MIN. = 1'-6", N

CROSS SECTION VIEW: EXCAN

RIGHT-OF-WAY LIMITS

POSITE SIDES OF ROAD

- PLACEMENT IN 4" LAYERS - COMPACTION BY MECHANICAL OR HAND TAMPING, TO PREVENT FUTURE SETTLING.

BACKFILL MATERIAL:
- MAX. ROCK SIZE = 1/2" - SELECT FINELY GRADED MATERIAL - PLACEMENT BY HAND SHOVEL - COMPACTED BY MANUALLY "WALKING-IN"; & HAND OR MECHANICALLY TAMPING IN 4" MAX DEPTH LAYERS, TO TOTAL COMPACTED DEPTH OF 8" OVER TOP OF PIPE.

BEDDING MATERIAL:
- MAX. ROCK SIZE = 1/2"

- SELECT FINELY GRADED MATERIAL - PLACEMENT BY HAND SHOVEL - COMPACTED BY MANUALLY "WALKING-IN"

- FULL LENGTH OF PIPE SHALL BE UNIFORMLY SUPPORTED

MIN. SIDE CLEAR. = 6 IN. TYPICAL

TRENCH WIDTH: MIN. = 1'-6", 1

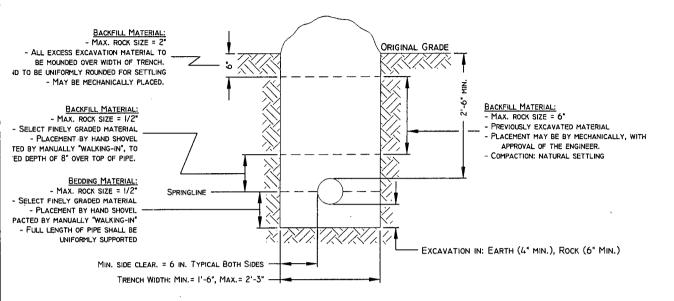
CROSS SECTION VIEW: EXCAN

DRAW

RIGHT-OF-WAY LIMITS

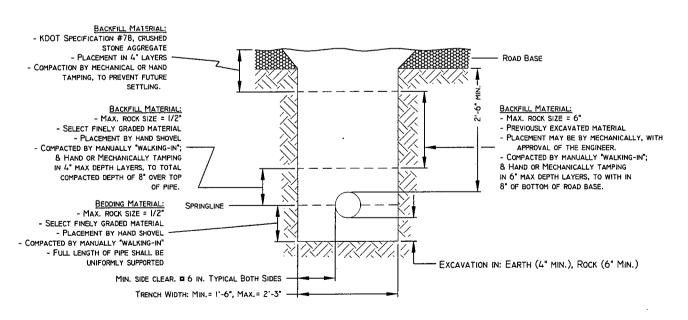
METER Box

SAME SIDE OF ROAD

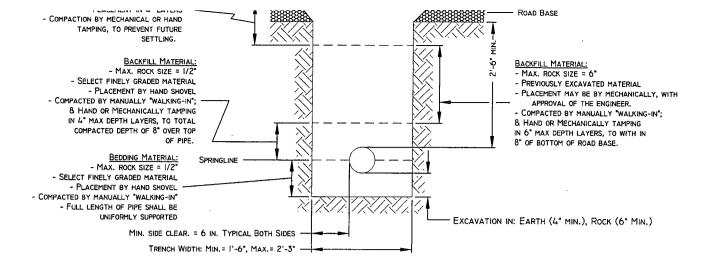


CROSS SECTION VIEW: EXCAVATION TRENCH LAYOUT - TYPICAL

NOT TO SCALE



CROSS SECTION VIEW: EXCAVATION TRENCH LAYOUT - GRAVEL ROAD CROSSING



CROSS SECTION VIEW: EXCAVATION TRENCH LAYOUT - GRAVEL ROAD CROSSING

NOT TO SCALE

GERARD T. SOSSONG, P.

P.O. BOX 1337, MOREHEAD, KENTUCKY 40351 (606) 780

DRAWING TITLE: MISCELLANEOUS CONSTRUCT DETAILS AND SPECIFICATIONS



MEADOWBROOK SUBDIVISION BLEVINS VALLEY RAOD BATH CO., KENTUCKY

SCALE: AS SHOWN DRAWING DATE: 12-04-99



JOB NO.: 99RD0102 DRAWING NO.: 99-01

ACKFILL MATERIAL:
MAX. ROCK SIZE = 6° PREVIOUSLY EXCAVATED MATERIAL PLACEMENT MAY BE BY MECHANICALLY, WITH APPROVAL OF THE ENGINEER. COMPACTION: NATURAL SETTLING

EARTH (4" MIN.), ROCK (6" MIN.)

TYPICAL

- ROAD BASE

- BACKFILL MATERIAL:
 MAX. ROCK SIZE = 6"
- PREVIOUSLY EXCAVATED MATERIAL
- PLACEMENT MAY BE BY MECHANICALLY, WITH APPROVAL OF THE ENGINEER.
 - COMPACTED BY MANUALLY "WALKING-IN";
 - & HAND OR MECHANICALLY TAMPING
- IN 6" MAX DEPTH LAYERS, TO WITH IN 8" OF BOTTOM OF ROAD BASE.

I IN: EARTH (4" MIN.), ROCK (6" MIN.)

- Cı

BACKFILL MATERIAL:

- MAX. ROCK SIZE = 6"
- PREVIOUSLY EXCAVATED MATERIAL
- PLACEMENT MAY BE BY MECHANICALLY, WITH APPROVAL OF THE ENGINEER.
- COMPACTED BY MANUALLY "WALKING-IN";
- & HAND OR MECHANICALLY TAMPING
- IN 6" MAX DEPTH LAYERS, TO WITH IN
- 8" OF BOTTOM OF ROAD BASE.

I IN: EARTH (4" MIN.), ROCK (6" MIN.)

ROAD CROSSING

OSSONG, P.E. TUCKY 40351 (606) 780-4122

ANEOUS CONSTRUCTION IFICATIONS



3DIVISION Y RAOD 1TUCKY

DATE: 12-04-99



DRAWING No.: 99-01-004

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISION CASE NO. 99-436



In the Matter of:

ROBERT HATFEILD

PLAINTIFF

V.

BATH COUNTY WATER DISTRICT

DEFENDANT

Comes now Gerard Sossong, affiant, after being first being duly sworn and cautioned,

states as follows:

- 1. I am a licensed, practicing engineer, #20094, and receive mail at Post Office Box 1337, Morehead, Kentucky 40351.
- 2. That I have been retained by Robert and Tina Hatfield to assist them in engineering issues related to the development in Bath County, Kentucky known as the Meadowbrook Subdivision.
- 3. That my review of the circumstances surrounding the issue of whether the Bath Water Board has the capacity to serve residents of Meadowbrook Subdivision with water service without negatively impacting existing customers has lead me to the following opinions:
 - a. The Bath Water Board's original assumptions on the impact to water pressure of existing customers were based on estimates, not "true" pressure readings. When the board did place a meter to measure water pressure (for one week) the initial estimates were proven to be inaccurate.
 - b. While I do not know where the water pressure meter referred to above was placed the readings taken from that pressure meter indicates there is and will be ample pressure for Meadowbrook Subdivision customers and their neighbors, if an assumed location of Blevins Valley Road where the main extension taps the existing main is considered.
 - c. During a previous telephone conversation with the board's engineer, I was told that according the Bath County records the average household uses approximately 5,000-6,000 gallons of water per month. I was further told that this equates to approximately 0.12 gallons per minute. I believe these assertions are accurate.
 - d. The elevation of the recording device placed by the water board (in reference to the plans submitted by the Hatfield's for the extension of the water main onto

their property) is extremely important in determining the validity and applicability of the information determined by the device.

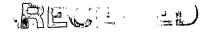
- e. The period of operation of the device was adequate to make reasonable calculations regarding projected water pressure.
- f. During a previous telephone conversation with the Bath Water Board engineer it was indicated that the pressure chart average reading was 80 PSI. It is my opinion this is inconsistent with the Bath Water Board's position in this matter.
- g. The Bath Water Board has used estimates instead of actual numbers even though actual numbers are readily available (e.g. numbers of households, tap quantities, length of pipe runs, elevations, water pressure readings, etc.).
- h. The estimate of pressure made by the Bath Water Board inaccurate given that the measured pressure at the subdivision was approximately 80 psi with several of the residents already tapped into the system, while it estimated that the pressure with no taps into the system would be a maximum of 58 PSI. This is in excess of a 25% error. Such error is beyond the standard of deviation in the engineering profession.
- i. It does not appear that the Bath Water Board considered the number of households in the Meadowbrook Subdivision that are presently using water off of the water main of Blevins Valley road and Old State road or how many would ultimately be tapped on to the system at the Hatfield Property. If these considerations had been made the Bath Water Board would have had information which allowed it to provide water service as requested by the Hatfield's.
- 4. That the opinions described above are not complete in that I have not had an opportunity to review the Answers to Interrogatories propounded by the Hatfield's in this matter before completing this Affidavit. I expect my review of those answers will allow me to expand upon the opinions above, as well as generate additional opinions which are consistent with those stated above.

GERARD SOSSONG

STATE OF KENTUCKY COUNTY OF TOWARD

Subscribed and sworn before me this 20 day of March, 2000, by GERARD SOSSONG, affiant, who acknowledged that he executed the foregoing as his free act and deed.

My Commission Expires: Ward 20, 2001



MAD 3 1 2000

GENERAL COUNCEL

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 3 0 2000

PUBLIC SERVICE COMMISSION

In the Matter of:

ROBERT HATFIELD

COMPLAINANT

٧.

BATH COUNTY WATER DISTRICT

DEFENDANT

EXHIBIT NO. 3

CASE NO. 99-436

RECEIVED

MAR 3 1 2000

GENERAL COUNSEL

- Comes now the Affiant, ALFRED FAWNS, JR., after first being duly sworn, states under oath as follows:
- 1. I, ALFRED FAWNS, JR., am presently the manager of the Bath County Water District. I have been so employed since August of 1999.
- 2. As the manager of Bath County Water District I am charged with overseeing the day-to-day activities of the Water District, as well as carrying out the wishes of the Bath County Water District Board of Directors.
- 3. Also, as part of my responsibility is managing the central office of the Bath County Water District. As part of my managerial duties I am charged with being custodian of the records of the District.
- 4. Attached hereto are certain documents that are within my custody and control as manager of the Bath County Water District and are kept as a part of our regular business activity. Further, these records are public records of the Bath County Water

District. I hereby affirm that the exhibits attached hereto, Exhibit A through S, are true and accurate copies of documents maintained by the Bath County Water District:

Exhibit A - Bath County Water District Charter, dated 03 March 1998, filed with the Public Service Commission:

Exhibit B - Minutes of the 25 May 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit C - Minutes of the 22 June 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit D - Minutes of the 27 July 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit E - Minutes of the 24 August 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit F - Minutes of the 26 October 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit G - Minutes of the 23 November 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit H - Minutes of the 28 December 1999 Bath County Water District Board of Commissioners' meeting;

Exhibit I - Minutes of the 25 January 2000 Bath County Water District Board of Commissioners' meeting;

Exhibit J - A copy of correspondence dated 01 October 1997 from the Natural Resources and Environmental Protection Cabinet, Department for Environmental

Protection, Division of Water, (hereinafter referred to as Division of Water) to the Bath County Water District;

Exhibit K - A copy of correspondence dated 27 May 1998 from the Division of Water to the Bath County Water District. However, the date of that correspondence is incorrect and the correct date at the top of that correspondence should be 27 May 1999 as the correspondence was not received by our office until May of 1999;

Exhibit L - A copy of correspondence dated 15 December 1999 from the Division of Water to the Bath County Water District;

Exhibit M - A copy of correspondence dated 17 December 1999 from the Division of Water to the Bath County Water District;

Exhibit N - A copy of correspondence dated 25 January 2000 from the Division of Water to the Bath County Water District;

Exhibit O - A copy of a Water Purchase Contract dated 11 June 1979 by and between The City of Morehead, Morehead Utility Plant Board, Rowan Water, Inc., and the Bath County Water District;

Exhibit P - A copy of an extension of Water Purchase Contract dated 08 February 1993, by and between Morehead Utility Plant Board and the Bath County Water District and accompanying Minutes and Resolutions showing the adoption of that contract;

Exhibit Q - Seventeen water user agreements entered into with the Bath County Water District for properties contained in the Hatfield-owned subdivision, Meadowbrook Subdivision;

Exhibit R - A User Agreement with the Bath County Water District for a lot contained in the Hatfield subdivision, Meadowbrook Subdivision, for which the water meter has yet to be set; and

Exhibit S - A User Agreement with the Bath County Water District that is yet to be signed and further no meter is yet to be set, but has been paid for, for a lot located in the Hatfield subdivision, Meadowbrook Subdivision.

5. The Bath County Water District has severe concerns over accepting the proposed three-inch water line extension for Meadowbrook Subdivision, the subdivision owned by the Hatfields, due to concerns over its effect on water pressures in that area not only for the proposed future customers located at Meadowbrook Subdivision but also existing customers and possible future customers in the immediate vicinity of that subdivision. A foremost concern is that by accepting a three-inch extension into Meadowbrook Subdivision, Bath County Water District would be obligated pursuant to Public Service Commission regulations to set a meter and supply water to each lot contained in the subdivision which would be within fifty feet of this three-inch extension. Should the District be obligated to provide water to every lot contained in the subdivision, it is the District's belief based upon its engineering reports, that water pressures for the subdivision and the surrounding area would be in serious jeopardy of falling below the Public Service Commission mandated 30 psi.

Even if an agreement could be fashioned that would binding upon the Hatfields to limit the number of lots that would be provided water within Meadowbrook Subdivision, it is the position of the Bath County Water District Board that such an agreement would be unfair to other prospective customers in that same area in that such

an agreement would allot all of our available water capacity to one subdivision regardless of whether or not the lots are prepared and ready to hook on. Therefore, should another prospective customer desire to hook on in that area, we would have to deny service to that customer due to the fact that all of our capacity would be set aside for the Hatfield subdivision.

Even though the water line extension ban imposed upon the Bath County Water District by the Division of Water was lifted on 27 May 1999, the Division of Water cautioned Bath County Water District that "Future expansion of Bath County Water District's service area should be pro-actively planned to ensure growth and demand does not outstrip the pace of upgrades in the system." *See Exhibit K attached hereto*. Bath County Water District is attempting to comply with this warning by the Division of Water. Furthermore, the water line extension ban was re-instated on 15 December 1999. *See Exhibit L attached hereto*.

Another reason the Bath County Water District declined to accept the proposed three-inch water line extension into Meadowbrook Subdivision is that at no time was an acceptable and final set of plans presented to the Bath County Water District for acceptance.

Further, the Bath County Water District purchases its water from the City of Morehead, Morehead Utility Plant Board by virtue of a Water Purchase Contract. See Exhibits O and P. Pursuant tot he terms of that Contract, Bath County Water District is allowed to purchase 20% of the total capacity of the Morehead Water Treatment Plant, amounting to 880,000 gallons per day. In 1999 the Bath County Water District exceeded

its allotted capacity and averaged 962,000 gallons per day, with five months of the year exceeding 1,000,000 gallons per day. Thus, in addition to pressure concerns arising as a result of our facilities, we also have severe concerns over our water supply.

THIS 28 day of March, 2000.

ALFRED FAWNS, JR., Affiant

Subscribed, sworn to, and acknowledged before me by the Affiant, **ALFRED FAWNS, JR.**, this the <u>28th</u> day of <u>Mirch</u>, 2000.

NOTARY PUBLIC, STATE AT LARGE

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION



MAR 3 0 2000

ROBERT HATFIELD PUBLIC SERVICE COMMISSION

COMPLAINANT)
) CASE NO. 99-436

BATH COUNTY WATER DISTRICT)

In the Matter of:

V.

DEFENDANT

Comes now the Affiant, D. SCOTT TAYLOR, after first being duly sworn, states under oath as follows:

- 1. I, D. Scott Taylor, am a duly licensed engineer within the Commonwealth of Kentucky. I am employed by Mayes, Sudderth & Etheredge, Inc., at 624 Wellington Way, Lexington, KY 40503.
- 2. For a number of years I have been the engineer for the Bath County.

 Water District.
- 3. On or about October, 1999 I was contacted by Bath County Water District to review proposed plans for a subdivision development in the Blevins Valley area. The plans were prepared by Mr. Gerard Sossong on behalf of Robert Hatfield. The plans were inefficient in that they had several dead-end lines and an odd layout. Further, the plans did not provide for septic lines. The plans were insufficient for my approval and for submission to the Division of Water for their approval.
- 4. On 18 November 1999 I received an e-mail file containing the basic layout of the proposed subdivision, Meadowbrook Subdivision, from Gerard Sossong on behalf

of Robert Hatfield. Again, the plans were in draft form with only the proposed water lines, gate valves, air release valves, and blow-offs shown. The new layout was improved over the previous plans and appeared reasonable. However, the new layout showed "proposed septic lines" that were parallel and crossing waterlines, which could be contrary to state law concerning the proximity of water and sewer lines. There were no notes providing details for line separation, casings, etc. Further, the plans were not accompanied by any hydraulic calculation and did not contain required specifications for water line class, burial depth, barrel protection, casing size and end treatments, installation procedures, pressure testing or disinfection, creek crossing plans, or details of the valve types, valve boxes, bedding, and surface restoration. These plans were insufficient for my approval and were insufficient to be submitted to the Division of Water for their approval.

- 5. Based upon the information that I had, I created a model of our existing water supply system to determine the impact of sixty additional customers for the Meadowbrook Subdivision. Based upon the model that I created for sixty customers in the subdivision, water pressures for existing customers as well as customers of the proposed subdivision would fall below the state required 30 psi residual. A copy of my report to the Bath County Water District, Alfred Fawns, Jr., manager, dated 22 November 1999 is attached hereto and incorporated by reference.
- 6. It should be noted that the area in which Meadowbrook Subdivision is located is presently served by a pump station located at Fearing Road. However, in 1999 that pump station was in operation twenty-four hours a day just to meet its existing load. Further, even though that pump station was in operation twenty-four hours a day, water supply had to be supplemented with water purchased from Mt. Sterling.

- 7. The Bath County Water District in their November meeting asked that I re-examine my model to determine the resulting water pressures for the area in which the Meadowbrook Subdivision is located and to re-calculate those pressures based upon thirty additional users as opposed to sixty. As noted in my correspondence attached hereto, dated 03 December 1999, which is incorporated by reference, is my opinion that thirty additional users in the Meadowbrook Subdivision would not reduce water pressures for our existing customers or any new customers for Meadowbrook Subdivision below the statemandated 30 psi residual. However, these calculations are based upon the assumption that these additional users and all current users will remain and be as typical users and not use gross amounts of water. Further, additional customers over and above the thirty that I calculated, whether they be located in Meadowbrook Subdivision, or in any other part of that area, could adversely affect the system causing water pressure to reduce below the mandated 30 psi.
- 8. Further, Bath County Water District purchases its water from the City of Morehead, Kentucky. This purchase occurs by virtue of a Water Purchase Contract entered into with the City of Morehead and the Rowan County Water District wherein the Bath County Water District is allotted 20 percent of the total plant capacity of the Morehead water treatment plant. As a result, Bath County Water District is allotted only 880,000 gallons per day to be purchased from the City of Morehead. In 1999 Bath County Water District far exceeded its allotted capacity and averaged 962,000 gallons per day with 5 months of the year exceeding 1,000,000 GPD.

- 9. Currently the City of Morehead has begun the process to rebuild and expand its water treatment plant. However, it will be several years before this plan is operational.
- 10. The City of Morehead, Kentucky, has been cooperative with Bath County Water District by allowing it to exceed its allotted plant capacity. However, the City of Morehead has done so only because the extra plant capacity is available. Should that plant capacity become unavailable and needed by the party to whom it is allotted, the City of Morehead would be well within its legal rights to cut off or restrict our water supply to our contractually allotted amount.
- 11. Lastly, to date I have yet to have been provided any completed plans for the proposed Meadowbrook Subdivision that I would feel comfortable approving irrespective of the water supply and pressure issues.

THIS 28th day of March, 2000.

Subscribed, sworn to, and acknowledged before me by the Affiant, **D. SCOTT TAYLOR**, this the <u>28</u> day of <u>march</u>, 2000.

My Commission expires <u>Jehrnary 19, 2002</u>

<u>Reverly Buford</u>

NOTARY PUBLIC, STATE AT LARGE



Engineers Architects Planners

824 Wellington Way Lexington Kentucky, 40503 806-223-5894 FAX 606-223-2607 E-Mail: MSEINC@aol.com

December 3, 1999

Alfred Fawns, Jr., Manager Bath County Water District P.O. Box 369 Salt Lick, Ky 40371

RE: Bath County Water District - Meadowbrook Subdivision Revised Hydraulic Calculations for 30 Lot Proposal MSE Project No. 9520-16

In your November meeting we discussed the hydraulics of your system and the effect of the proposed subdivision's water drafts. I was asked to consider the effect of 30 customers instead of the 60 as originally proposed. Enclosed is the calculation with only the number of proposed users changed to 30. It shows pressures above 30# for all the users instead of 29# and 23# as previously predicted with the larger number of lots.

All other comments regarding the subdivision water system plan deficiencies and total available water from Morehead as stated in our November 22, 1999 letter are still applicable. We have not received any revised plans, water facility details or hydraulic calculations from the Hatfields or their engineer, Mr. Sossong.

If you have any questions please contact us.

Sincerely,

Mayes, Sudderth & Etheredge, Inc.

D. Scott Taylor, P.E

Project Engineer



November 22, 1999

RE:

Engineers Architects Planners

624 Wellington Way Lexington Kentucky, 40503 608-223-5694 FAX 606-223-2607 E-Mail: MSEINC@aol.com

Alfred Fawns, Jr., Manager Bath County Water District P.O. Box 369 Salt Lick, Ky 40371

Bath County Water District - Meadowbrook Subdivision Plan Review and Recommendation

MSE Project No. 9520-16

We received an e-mailed file of the basic layout of the Meadowbrook subdivision on 11/18/99 from Gerard Sassong, engineer for the Hatfield's. The plans are draft with only the proposed water lines, gate valvess, air release valves and blow off shown. He is completing the plans including details and specification for submittal to the state for the DOW review. Here are our review comments to date:

The new layout of the waterlines looks good with only one dead end and blow off valve required. The previous plan had several dead end lines and odd layout. The lines follow the roads well and should make for reasonable maintenance. Easements need to be provided.

The subdivision plans show a lot of "proposed septic lines" that are parallel and crossing the waterlines. The state's rule for water and sewer separation or construction techniques for encroachments will be a problem. Much of the pipe will have to be encased or planed differently to meet the regulations. No notes are present for line separation, casings, etc.

Without the details or specifications, we could not review the following:

Water Line Class, burial depth, barrel protection, casing size and end treatments.

Installation procedures, pressure testing or disinfection

Creek crossing plans

Details of all valve types, valve boxes, bedding, surface restoration

Our initial review of the hydraulics of your system feeding the Blevins Valley area shows that the addition of 60 users in the subdivision may cause the pressure to existing customers and some of the proposed new users to fall below the state required 30 psi residual. See the attached profiles showing before and after the new users.

The area can be served off of the discharge side of the Preston PS by re-valving the area. The draw back there is the pump capacity of the station. Last year the station ran 24 hours per day and you still had to supplement the area's usage with water from Mt. Sterling.

Also, you are aware of the Morehead supply contract and capacity problems until their new

WTP is constructed. The Fearing Road Station which feeds the proposed extension is scheduled to be upgraded to eliminate having to use both pumps all of the time. No funds are available for the system upgrade yet. The HELP2 project will address these problems along with the service to Owingsville but completed facilities are a few years away.

Please advise if you have any questions regarding the award for this project.

Sincerely,

Mayes, Sudderth & Etheredge, Inc.

D. Scott Taylor, P.E

Project Engineer

Project Title:

Parallel Pipe Equivalent Diameter Calculation Table

HL(ft) = 132.8544

C-Value 140 140 140

Profile Data Input Range
After Meadowbrook Subdivision
Bath County Water District
Preston Tank to Meadowbrook
B4Meadow .PRO Length 29000 Dia 6 6 7.81

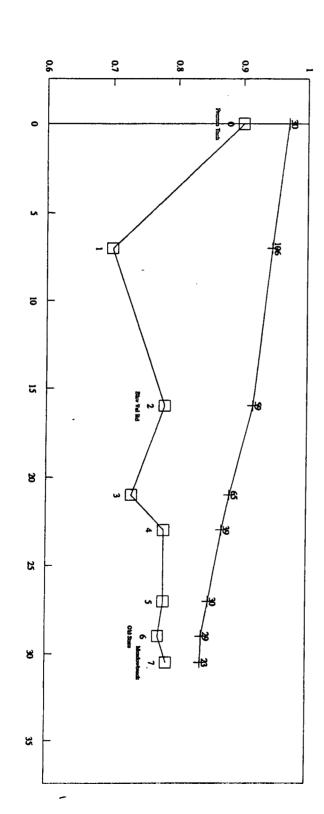
DESC	*	Pro Ave
DESCRIPTION	**************************************	Profiled Route Name : File Name : Average Usage/Customer :
NUMBER	***NODE D	& A
NUMBER ELEVATION	ATA******	Preston Tank to Meadowbrook B4Meadow .PRO 0.1141552 gpm or
CUST/NODE	********	eadowbrook O n or
SPECIAL DEMANDS PEAK AVERAGE	*****	5000 gal/mo
AVERAGE	******	mo
**************************************		First Pipe Second Pipe Equivalent Pipe
HTCM81		78
NUMBER LENGTH DIAMETER C.V.		29000 29000 29000 29000

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Old State	6	772	8			7	1500	3	140	016		
Meadowbrook	7	785	6					1.00	ž	6. [
Pigeon Forgo	o c	820	4									

After Meadowbrook Subdivision

Bath County Water District

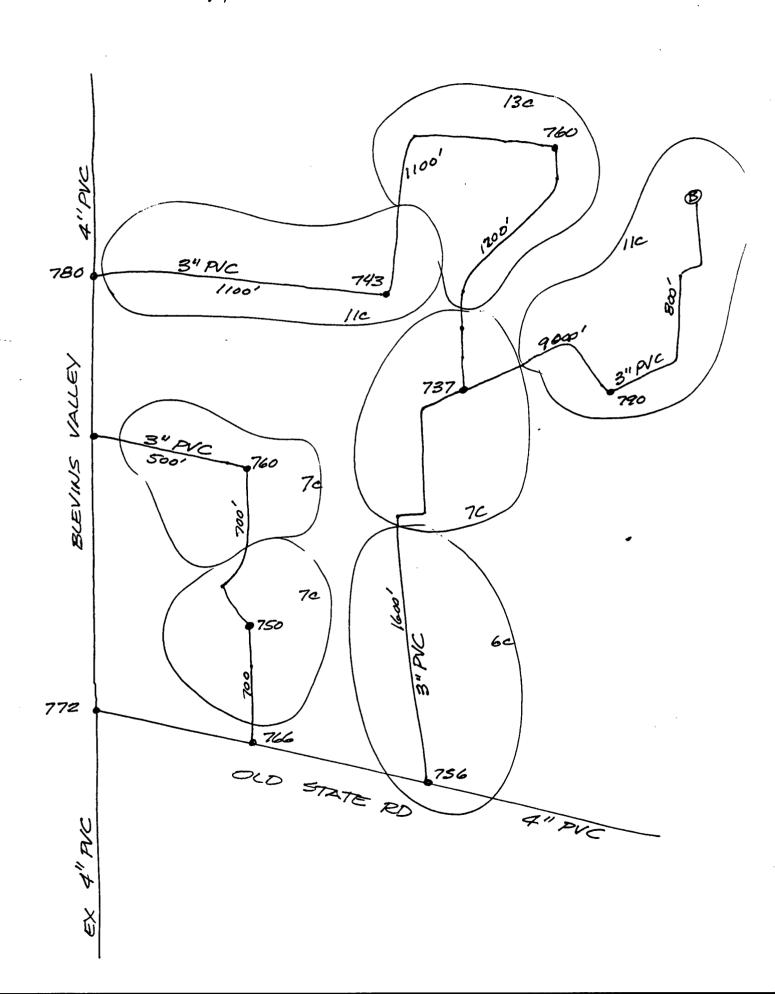


(Thousands)

Preston Tank to Meadowbrook

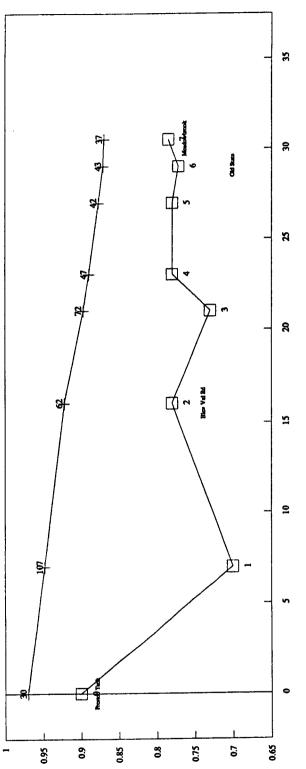
Ground Line + HGL for Peak Flow

B. O. WATER DISTRIK O



BCWD - Preston Tank to Meadow brook 700 PRESTON TANK OF = 990'MSL 104 /A000 RECOPCER DATA 75# - 95# EST ELEV @ 780' to 770 Assume Old State Corner 780 400 PRESTON 750 P.S. Q= 100 gpm 780 100 700 4ºPVC 6"PVC 820 34 PM

Project Filte :	Profile Data Input Range	Input Range					Parallel Pipe Equivalent Diameter Calculation Table	equivalent D	iameter Calcu	lation Table		III.(ft)=	100.0825
### Preston Tank to Meadowbrook Meadow2	Project Title:	After M Bath Co	eadowbrook :	Subdivision w/ Jistrict	30 Custome	STS			Length	Dia	C-Value		
### Meadow 2 . PRO 0.1141552 gpm or 5000 gal/mo ************************************	Profiled Route Name:	Preston	Tank to Mead	dowbrook			First Pipe		29000	9	140		•
### State	File Name:	Meadov	,2 PRO				Second Pipe		29000	9	140		•
**************************************	Average Usage/Customer:	0.11	41552 gpm	ot	5000 gal	om/	Equivalent Pi	8	29000	7.81	140		
**************************************			i)		•			Begi	nning Grade	(ft MSL) =	970
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(spresnorT)

ELEVATION IN FT (MSL.)

+ HGL for Peak Flow

Ground Line

(Thousands)
Preston Tank to Meadowbrook

Profile Data Input Range Before Meadowbrook Subdivision
Bath County Water District

Project Title:

B4Meadow .PRO 0.1141552 gpm or

Average Usage/Customer: Profiled Route Name: File Name:

Preston Tank to Meadowbrook

First Pipe Second Pipe Equivalent Pipe

29000

7.81

HL(ft)=

65.55098

Parallel Pipe Equivalent Diameter Calculation Table

(Thousands)

0.7

0.6

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ELEVATION IN FT (MSL)

8

9.0

Blev Val Rd

Proston Tank DESCRIPTION

NUMBER

CUST/NODE

PEAK

AVERAGE

NUMBER

DIAMETER 6.00

ELEVATION 900 700 780 730 730 778 778 778 775 785

2485

75

7000 9000 9000 5000 2000 4000 2000 1500

4.00 4.00 4.00

C-VALUE 140 140 140 140 140 140 140

SPECIAL DEMANDS

5000 gal/mo

Length 29000 29000

C-Value 140 140 140

Blev Vel 3d

s [

7.7

0.90 0.90 0.50 0.20 0.40 0.20 0.15

Before Meadowbrook Subdivision

Bath County Water District

HOT TON Pressure =

PRV HGL

Beginning Grade (ft MSL) =

Ground Line

+ HOL for Peak Flow

Preston Tank to Meadowbrook

(Thousands)

P.S.C. Ky. No	
Cancels P.S.C. Ky. No	
BATH COUNTY WATER DISTRICT	
OF	
CALE LICK VENEZOVA	
SALT LICK, KENTUCKY	
Rates, Rules and Regulations for Furnishing	
WATER SERVICE	
WATER SERVICE	
AT	
SOUTHERN PORTION OF BATH COUNTY, KENTUCKY	
Filed with PUBLIC SERVICE COMMISSION OF KENTUCKY	
ISSUED. MARCH 3, 19 88 EFFECTIVE FEBRUARY 10, 19	. 88
GUSUIG ACHARIS COMMISSION OF KSHTUCKY	
ISSUED BY BATH COUNTY WATER DISTRI	ICT
FEB 1076 (Name of Willity)	,
By Omil Offor	
CHAIRMAN	
	IIBIT
	\

Form for filing Rate Schedules		FOR <u>All to</u> Comm	territories served munity, Town, or City		
BATH C	COUNTY WATER DISTRIC				
	ssuing Corporation		SHEET NO.		
		CANCELLIN	NG P.S.C. NO		
		s	SHEET NO		
	C	LASSIFICATION OF SERVICE			
			RATE PER UNIT		
		MONTHLY WATER RATES			
5/8 Inch X	¾ Inch Meter:		- 0 0 - 2 5 1		
	st 2,000 Gallons	•	\$ 8.85 Minimum Bill		
	xt 3,000 Gallons		3.50 Per 1,000 Gallons		
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Ne: Ov	xt 30,000 Gallons er 50,000 Gallons		1.30 Per 1,000 Gallons		
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Fir	st 10,000 Gallons		\$30.35 Minimum Bill		
Ne	•		1.60 Per 1,000 Gallons		
Ne	•	PUBLIC SERVICE COMMISSION	1.40 Per 1,000 Gallons		
Ov	er 50,000 Gallons	OF KENTUCKY EFFECTIVE	1.30 Per 1,000 Gallons		
2 Inch Met	er:	FILEGUA			
Fir		AUG 28 1998	\$88.35 Minimum Bill		
Ov	· · · · · · · · · · · · · · · · · · ·	A00 20 1030	1.30 Per 1,000 Gallons		
		PURSUANT TO 807 KAR 5:011.			
	Water Service:	SECTION 9 (1)	\$ 1.56 Per 1,000 Gallons		
	arpsburg Water District	BY: Stephan Buy	1.37 Per 1,000 Gallons		
	y of Frenchburg OK	SECRETARY OF THE COMMISSION	5.75 Per 1,000 Gallons		
	TR Sales C				
DATE OF	FISSUE August 28, 1	998 DATE EFFECTIVE	August 28, 1998		
ISSUED I	W Albert Cal	TITLE Cheun	nan		
IOO OED I	Name of Officer				
	2				

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 98-413 dated August 28, 1998.

Form for filing Rate Schedules	FOR All territories served Community, Town, or City
•	P.S.C. No
BATH COUNTY WATER DISTRICT Name of Issuing Corporation	SHEET NO
	CANCELLING P.S.C. NO.
	SHEET NO
CLASSIFICA	TION OF SERVICE
	RATE PER UNIT
CONNECTION FEES - A	ALL RETAIL CUSTOMERS
Tap Fees: • 5/8 Inch X 3/4 Inch Meter 1 Inch Meter 2 Inch Meter	\$ 400.00 800.00 1,500.00
Meter Reconnection Meter Reconnection (after hours) Meter Reading Verification (no error) Customer Side Leak Check Payment Collection at Residence	\$ 20.00 30.00 20.00 20.00 20.00 PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE
	AUG 28 1998 PURSUANT TO SOT KAR 5:011. SECTION 9 (1) BY: SECRETARY OF THE COMMISSION
DATE OF ISSUE August 28, 1998	DATE EFFECTIVE August 28, 1998
ISSUED BY When of Officer	TITLE Chelinger

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 98-413 dated August 28, 1998.

	FOR All Territory Served
	P.S.C. Ky. No
	Sheet No
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No
	Sheet No
RULES AND REGU	LATIONS
PURCHASE WATER ADJUSTMENT CLAUSE:	
Upon increase or decrease in the whole by its supplier, the utility may apply rates in accordance with 807 KAR 5:06 application of the purchased water adjusted	for an adjustment to its water 58. The base rate for furture
Supplier	Rate
City of Morehead	\$3,514.25 Capital Costs 10.00 Meter & Billing .401 Per 1,000 Gallons
	PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE
	AUG 17 1994
	JRSUANT TO 807 KAR 5:011, SECTION 9 (1) Condan C. Fred THE PUBLIC TO ANISTREE
DATE OF ISSUE August 12 1994 DATE Morth Day Year	EFFECTIVE August 17 1994 Month Day Year

P.O. Box 369, Salt Lick, KY 4
Address

ISSUED BY

	•	FOR Sou ern section of Bath County
·		P.S.C. Ky. No. 1
		Amended Sheet No. 4
BATH COUNTY WATER DISTRICT		Cancelling P.S.C. Ky. No. 1
		Original Sheet No. 4
	RULES AND REGULA	ATIONS
		· · · · · · · · · · · · · · · · · · ·

The following rules and regulations are subject to change by the Water District at any time and these regulations are subject to approval by the Public Service Commission and include and encompass the rules and regulations of said Commission.

- 1. All meters will be read monthly between the 10th and 20th of each month.
- 2. Water bills will be dated and mailed on the first of each month. Said bills will state that they are to be paid within ten days.
- 3. If service is disconnected by the District by reason of delinquecy in the payment of any water bill, reconnection of such service shall not be made until the owner or user pays all charges and penalties owed, plus the amount of \$10.00 as a reconnect charge.
- 4. The District may require from any customer for applicant for service a minimum eash deposit or other guaranty to secure payment of bills of an amount approximately twice the average monthly water bill. The District may require an equal deposit from all applicants for the same service. If the District retains a residential deposit for more than eighteen (18) months, it shall advise the customer that the deposit will be recalculated based on actual usage upon the customers request. The notice of recalculation shall state that if the deposit on account differs by more than ten (10) dollars from the deposit calculated or actual usage, then the District shall refund any over collection and may collect any underpayment. Refunds may be made by check or by credit to the customer's bill.
- 5. In conformity with 807 KAR 5:006, Section 9 of Commission regulations, whenever a meter service is found upon periodic request or complaint test to be more than two percent (2%) fast or two percent (2%) slow, then the customer's bill will be recomputed for the period in which the meter error existed is unknown, then the bill will be recomputed for one-half (1/2) of the elapsed time since the last previous test, but in no case to exceed twelve (12) months. When a meter is tested and it is found necessary to make a refund or back bill a customer, the customer shall be given written notification of the date, location, and result of the test, as well as the amount to be deducted from ar added to his regular bill.
- 6. All meters will be located on District mains and in the absence of special permission on the property to be served.

	1	#1472 (0M#108)	ON MANAGER	
DATE OF ISSUE June 1985	DATE EFFECTIVE	July	15	(1985
Month Year	-	Month	Day	Year
SUED BY L RASOT	Chairman	Salt	Lick, Ke	ntucky
Name of Officer	Title	A	ddress	

			FOR Sout rn section of Bath County
			P.S.C. Ky. No2
			Amended Sheet No. 4B
BATH COUNTY WATER DISTRICT	- ·		Cancelling P.S.C. Ky. No. 1
			Original Sheet No. 4B
	RULES	AND	REGULATIONS

- 7. Complaints may be made to the operator or manager of the system and may be appealed to the District Commission.
- 8. The principal place of business of the District will be the Office of the Bath County Water District on Center Street, in Salt Lick, Bath County, Kentucky, Phone (606) 633-6363.
- 9. Water bills may be paid at the District Office on Center Street, in Salt Lick. Bath County, Kentucky, or may be mailed to the Bath County Water District, P. O. Box 369, Salt Lick, Kentucky 40371.

PUBLIC SERVICE COMMISSION FOR HENTILUMA TRATECLAST

FEB 1 0
PURSUANT TO COA NAR 5:011,
SECTION 0 x1)
THE SECTION OF MANAGER

DATE OF ISSUE June 11 1985	DATE EFFECTIVE July	15, 1985
Hont Year	Month	Day Year Box 369
SUED BY Wm Rezor	Chairman	Salt Lick, Ky.
Name of Officer	Title	Address

		Portions of Bath, Montgomer Menifee Counties FOR
		P.S.C. Ky. No. 1
		Original Sheet No. 5
BATH COUNTY WATER DISTRICT		Cancelling P.S.C. Ky, No
		Sheet No
	RULES	AND REGULATIONS

INSPECTION OF SERVICE LINES

APPLICABLE: Applicable to the entire service territory of the District where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 10 (3).

AVAILABILITY OF SERVICE:

Inspection of service lines is available to all customers of the District where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 10 (3) All service lines must be installed in strict compliance with the State Plumbing Code. The customer shall leave the trench open and the service line uncovered until inspected. The service line must be determined to be free from any tee, branch connection, irregularity or defect before service will be initiated.

RATE:

The customer shall be charged \$15.00 for each inspection of a service line.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 20 1991

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE February 12	1991	DATE EFFECTIVE	March February	て 0 - 12 -	1991
	'ear	-	Month	Day	Year
() (A)		01	Box #	369	
ISSUED BY AMILE 1970		Chairman	Salt	Lick, KY	40371
Name of Officer		Title	A	ddress	

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. Ky. No. 1

MAR 2 0 1991
Original Sheet No. 6

BATH COUNTY WATER DISTRICT PURSUANT TO 807 KAR 5:01 Cancelling P.S.C. Ky. No. SECTION 9 (1)

BY: SERVICE COMMISSION MANAGER RULES AND REGULATIONS

PRIVATE FIRE CONNECTION SERVICE

Private Fire Connection Service is applicable to the entire service area. Service is available to all customers of the District.

The entire cost for labor, materials and other expenses incurred in installing a private fire connection will be paid by the applicant and any work done by the District in connection therewith will be at the expense and risk of the Customer.

A private fire service connection is furnished for the purpose of supplying water for the extinguishment of accidential fires only and the use of water from such private connection for any other use is absolutely forbidden.

No pipe or fixtures connected with a private fire service connection by the District shall be connected with pipes or fixtures supplied with water from any other source.

Water used for extinguishing accidential fires will not be charged for, provided prompt notice of use is given to the District in order that the installation may be monitored and inspected. No charge shall be made for water used for Underwriter's tests, providing prior notice of not less than 24 hours is given to the District. No water shall be drawn from a private fire service connection except for extinguishing accidential fires and Underwriters testing.

The District shall determine the size and location of connections made to its mains for private fire service.

Failure to pay private fire protection service charges shall be sufficient cause for discontinuance of water service to the property of the Customer after reasonable notice by the District.

The extent of the rights of the Customer for private fire service connection is to receive, but only at times of fire on said premises, such supply of water as shall then be available and no other or greater. The Bath County Water District shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires, or to protect any persons or property against loss or damage by fire, or otherwise, and it shall be free and exempt from any and all claims for damages on account of an injury to property or persons by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever.

The charge for a private fire service connection shall be \$10.00 per month.

DATE OF ISSUE February 1/2 1991	DATE EFFECTIVE	March Z. 1991
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ISSUED BY AMUA AM	Chairman	P.O. Box 369 Salt Lick, KY 40371
Name of Officer	Title	Address

·•		FOR Bath, Montgomery & Menifee Cos.
		P.S.C. Ky. No
1		Original Sheet No. 5
BATH CO	DUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No
		Sheet No
	CLASSIFICAT	ION OF SERVICE
	THE DISTRICT SHALL BILL ALL CUSTO	MERS ON THE FOLLOWING BILLING FORM:
	BATH COUNTY WATER DISTRICT P.O. BOX 369 SALT LICK, KY 40371 683-6363	PRESORIEU FIRST CLASS MAIL US POSTAGE PAID SALT LICK, KY 40371 PREMIT NO.2
	TYPE METER READING USED SERVICE PRESENT PREVIOUS	CHARGES
		CUSTOMER PAY GROSS AMOUNT AFTER THIS DATE
	METER HEAD CLASS NET AMOUNT PAY FARLY G	TO BE PAID NET AMOUNT TO BE PAID GROSS AMOUNT TO BE PAID
		ACT AMOUNT TO BE TAIL
	THIS AMOUNT TAX OTHER	
	PAYABLE TOTAL	PLEASE BRING THIS ENTIRE BILL TO OFFICE OR MAIL THIS STUB WITH YOUR PAYMENT
		LLS DUE AND PAYABLE BY DUE DATE SET ON EACH BILL.
	FAILUF PAYME	RE TO RECEIVE BILL DOES NOT EXCUSE NT.
	•	PUBLIC SERVICE COMMISSION
		OF KENTUCKY EFFECTIVE
	CHECK BOX AT LEFT IF YOU DESIRE A CURRENT RATE SECHEDULE.	JUN 11 1992
		PURSUANT TO 807 KAR 5:011; SECTION 9 (1)
DATE OF	ISSUE May 12 1992	DATE EFFECTIVE MBY:
De th Or 1	Month Day Year	Monfublic service le pamission managen Box #369
ISSUED BY	Y (Xuus () 3006 Name of Officer	Chairman Salt Lick, KY 40371 Title Address
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	Port_uns of: FOR_Bath, Montgomery & Menifee
	P.S.C. Ky. No2
	Original Sheet No. 6
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No. 2
	Amended Sheet No. 4 (Sec. 4
CLASSIFICATION	OF SERVICE only
the requested deposit. Interest, as preseither by refund or credit to the custom or credit will be made if the customer's bedate of the deposit.	er's account, except that no refund
The deposit may be waived upon a custom or payment history, and required deposits if the customer had established a satisfact of a deposit has been waived or returned a satisfactory payment record, a deposit may require a deposit in addition to the classification of service changes or if usage. Upon termination of service, the and any interest earned and owing will	will be returned after on (1) year story payment record for that period. and the customer fails to maintain may then be required. The District e initial deposit if the customer's there is a substantial change in the deposit, any principal amounts,
any remainder refunded to the customer. In determining whether a deposit will be criteria will be considered: 1. Previous payment history with the	

- Previous payment history with the District. If the customer has no previous history with the District, statements from other utilities, banks, etc. may be presented by the customer as evidence of good credit.
- 2. Whether the customer has an established income or line of credit.
- 3. Length of time the customer has resided or been located in the area.
- 4. Whether the customer owns property in the area.
- 5. Whether the customer has filed bankruptcy proceedings within the last seven years.
- 6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by Washest COMMISSION for a residential customer or 10 percent for a non-residential KENTHICKNEY, the District may collect any underpayment and shall refund any EVECTIVEMENT by check or credit to the customer's bill. No refund will be made if the

		customer	<u>'S D111 1</u>	<u>s celing</u>	uent at t	e time or	-the recarcu	lation. –	JUN T	1992
DATE	OF	ISSUE	May	12	1992	DATE	EFFECTIVE	May		92
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		•		FOR Bath, Montgomery & Menifee Co
		•		P.S.C. Ky. No. 2
				Original Sheet No. 7
- BATH C	COUNTY WATER	DISTRICT		Cancelling P.S.C. Ky. No.
	-			Sheet No
		CLASS	IFICATION OF	F SERVICE

CALCULATED DEPOSITS

All Customer's deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12 of the oustomer's actual or estimated annual bill.

RETURNED CHECK CHARGE

In those instances where a customer renders payment to the District by check which is not honored upon deposit by the District, the Customer will be charged \$10.00 to cover the additional processing costs.

		PUBLIC SERV
DATE OF ISSUE May 12 1992	DATE EFFECTIVE	PUBLIC SERVICE COMMISSION May OF KENTUCKY 9
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ISSUED BY June Typus	Chairman	Box 369 JUN 11-11-66 KY 40 Address
Name of Officer	Title	Address /
•	•	PURSUANT TO 807 KAR 5:01
		SECTION: NAR 5:014

CLASSIFICAT	ION OF SERVICE
·	Sheet No
BATH COUNTY WATER DISTRICT	Cancelling P.S.C. Ky. No
-	Original Sheet No. 8
	P.S.C. Ky. No. 2
	Portions of: FUR Bath, Montgomery & Menifee Cos

MONITORING OF CUSTOMER USAGE

At least once annually the District will monitor the usage of each customer according to the following procedure:

- The customer's annual usage for the most recent 12-month period will be compared with the annual usage for the 12 months immediately preceding that period.
- 2. If the annual usage for the two periods are substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customers, no further review will be done.
- 3. If the annual usages differ by 50 percent or more and cannot be attributed to a readily identified common cause, the Company will compare the customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.
- 4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the District will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line.
- 5. Where the deviation is not otherwise explained, the District will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.
- 6. The District will notify the customers of the investigation, its findings, and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10(4) and (5).

In addition to the annual monitoring, the District PUBLIC SERVET COMMISSION investigate usage deviations brought to its attention as a rear kenneky to on-going meter reading or billing processes or customer inquiry. EFFECTIVE

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MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING MAY 25, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, May 25, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Commissioner Edna Phillips, Commissioner Mike Ginter and Commissioner Earl James Norris. Chairman Albert Calvert and Secretary/Treasurer Tim Ray were not present. Employees present were Darryl Grimes, Kenneth Barber, and Jeanette Walton. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Commissioner Norris moved to appoint Commissioner Phillips as temporary Acting Chairman for the meeting due to the absence of the Chairman. Commissioner Ginter seconded. All voted aye.

Commissioner Phillips moved to appoint Commissioner Ginter as temporary Acting Secretary/Treasurer for the meeting due to the absence of the Secretary/Treasurer. Commissioner Norrris seconded. All voted aye.

Commissioner Phillips moved to approve the minutes of the April 27, 1999 regular meeting. Commissioner Ginter seconded. All voted aye.

Robert and Tina Hatfield were in attendance to discuss with the Board their plans for development of subdivision on Blevins Valley and Old State Roads. They requested that the Board consider a line extension for the subdivision. The Board explained the situation the District is presently in with the line extension ban and the fact that the District is limited in what it can add to the system before the Morehead plant expansion is completed. It was explained that the Board would review this request along with the other requests once the ban was lifted.

Visitors were also present from the Potterville Road in Menifee County. This road has had a petition for service turned in to the District for some time. Manager Grimes explained to these residents that the road was not a part of the current project and that it was planned to be a part of a future expansion project. The elevation of the road is higher than the District can serve with its current tank and pump in that area. The residents asked that the District consider the road in future requests for project funding.

Manager Grimes reported to the Board on the progress of the "HELP 1" Construction Project. Grimes explained that there had been no word from Division of Water as of yet on the line extension ban being lifted. The parallel lines laid by D.F. Bailey, Inc. are in

and have been tested. The engineer has provided the system improvement information to the DOW. Grimes mentioned that the contractor would not be able to move to the other lines until we receive approval from DOW.

The Board discussed the Hawkins Branch line in Menifee County. According to figures from the engineer, the District could save approximately \$20,000 by running the line off the main road to reach the new customers along Hawkins Branch Road. The project was bid to lay the line down US 460 to reach the Hawkins Branch Road, but the costs associated with the gas lines, driveway bores, and extra distance has necessitated looking at the route through the fields. Since the customers on US 460 and the end of Hawkins Branch Road are already served by another water utility, the District would not have served any customers along the main road. Easements have been worked out for an alternate route, which includes some areas that may be potential maintenance problems. Following a discussion of the new route, maintenance concerns, etc., it was decided that District personnel would meet with the engineer and contractor to lay out the most practical, cost-effective route.

Grimes also talked to the Board about the need for an upgrade to the Fearing Road pump station. Although the suction pressure has increased significantly at the pump station due to the new 12" line, changes inside the station appear necessary in order to get better performance out of this station. Grimes has been in contact with the engineer regarding potential immediate, short-term, and long-term improvements to the pump station.

The Board reviewed a list of pay items requested by D.F. Bailey, Inc. for the "HELP 1" Project. Following a discussion of each item, on a motion by Commissioner Norris and second by Commissioner Ginter, the Board voted to pay the contractor \$2,890.00, the amount requested for the underground flush hydrant on Hart Pike and the 6" aboveground hydrant on US 60. All voted aye. The other items requested were determined to be incidental expenses and not payable as separate pay items.

Grimes reported to the Board on the bids for the Preston Tank painting project. The bid opening was held May 7th at the District office. The low bidder was the Currens Company from Versailles. Paint tests are being done on the tank at this time to be sure that overcoating the exterior of the tank will be permissible. With the low bid being in the range discussed at last month's meeting, Commissioner Norris moved that the Board accept the low bidder pending final recommendation from the project engineer. Commissioner Ginter seconded. All voted aye.

The Board approved a contract for MSE Engineers to do the engineering for a line relocation on HWY 111 at Happy Hollow. The line is being relocated due to highway construction at this location and will be fully reimbursed by the state DOT. The motion to approve the contract was made by Commissioner Phillips and seconded by Commissioner Norris. All voted aye.

Manager Grimes explained to the Board that he had received the price from Utility Service Company for the remaining four tank inspections. The tanks will be inspected

for \$1,505 per tank, which is a decrease in price from the ones done last year. Once these inspections are done, all seven tanks will have been cleaned and inspected during the past three years.

The financial report for the period ending April 30, 1999 showed that the District had a net income of \$14,000 through the first four months of the year.

The Board was informed that the past due notices had been mailed.

In Other Business:

Various line extension requests were again discussed; however, no action was taken at the meeting.

The Board approved a bill adjustment for a leak on Hart Pike for Darrell and Angela Fuller. The leak took place recently during the time the contractor was laying the new 8" line along this road. Although District personnel, the engineering inspector, and the contractor have looked at the situation, the exact cause of the leak remains unclear. It was the opinion of the Board that the District should adjust the bill for the amount of water above the average bill for the time period in question. The motion was made by Commissioner Norris and seconded by Commissioner Phillips. All voted aye.

The Board discussed the service line between Frenchburg's main line and the 1" master meter which now serves the Pendleton Branch Road. Residents along this road have complained about low pressure at their residences. The County Judge/Executive has contacted the District regarding a local contractor providing the bore free of charge if the District will pay the cost of replacing the existing 1" service line with a 3" service line in an effort to provide better service to these customers. The project is estimated to cost \$1,500. Commissioner Norris moved to approve the project, Commissioner Ginter seconded, and all voted aye.

There being no further business, Commissioner Phillips moved to adjourn. Commissioner Ginter seconded. All voted aye.

SECRETARY

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JUNE 22, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, June 22, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Mike Ginter and Commissioner Earl James Norris. Employees present were Darryl Grimes and Kenneth Barber. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Visitors were present from Old State Road to discuss the possibility of a line extension project with the Board. There has been a petition in for several years for service along this road. After discussing the project again, the Board asked for a pressure check to be done to help determine the feasibility of the project before discussing the project further.

Visitors were also present representing two new proposed subdivisions in the Blevins Valley area. The Board was asked to approve a request for line extensions for the new developments. The Board and Manager reiterated to those requesting the extension the situation the District has in regards to overall water usage, water purchase contracts, etc. The Board did not approve the request at this time.

Manager Grimes reported to the Board that the District was under conservation measures to curtail water usage. Morehead has requested that all of their customers (including wholesale customers) cut back on overall water usage, which has increased due to the unusually dry weather conditions. Grimes also discussed that he had contacted Mt. Sterling again for additional water and did not receive a positive response. The District has managed to remain on par this year with the amount of water requested from Morehead last year due to the increased contract obtained last fall from Mt. Sterling.

The "HELP 1" Project was discussed. The line extension ban from the Division of Water was lifted since the last meeting. Most of the work on the contractor's original contract has been completed. The Board authorized the project engineer to process the necessary paperwork for a change order for the remaining funds. The limited funds will be used to extend lines to other areas that were part of the original "HELP" project, as funding and hydraulics allow. The motion was made by Commissioner Ray and seconded by Commissioner Ginter. All voted aye.

Commissioner Ray moved to approve the minutes of the May 25, 1999 regular meeting. Commissioner Ginter seconded. All voted aye.

EXHIBIT C

The financial report for the period ending May 31, 1999 showed that the District had a net income of \$21,000 through the first five months of the year.

The Board was informed that the past due notices had been mailed.

Scott Taylor of MSE Engineers was present to discuss system improvements with the Board. After a thorough discussion of several projects, the Board authorized Taylor and the Manager to proceed with plans for an upgrade of the Fearing Road Pump Station to be paid for out of District funds. The upgrade is estimated by the engineer to cost around \$30,000-35,000 and will be advertised for bids. The improvement is vital to the District in order to keep pace with the demand for water beyond the station. The motion was made by Commissioner Phillips and seconded by Commissioner Norris. All voted aye.

Another motion was made by Commissioner Ray and seconded by Commissioner Norris to allow for the upgrade at the Preston Pump Station and to pay for the improvement out of District funds. Engineer Taylor and Manager Grimes will check into the possibility and cost of three-phase power for the pump and will compare the cost of establishing power to the cost of a three-phase converter to run the motors. The estimated cost for the project is \$15,960 and will be done as part of the "HELP 1" Project. All Commissioners were in favor of the action.

In Other Business:

In the interest of cost savings, the Board voted to change property, liability, and workers compensation insurance coverage from Public Entity Insurance to KACO based on the quotes received as of this time by the Manager. Commissioner Ray moved, Commissioner Ginter seconded, and all voted aye.

There being no further business, Commissioner Norris moved to adjourn. Commissioner Ray seconded. All voted aye.

SECRETARY

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JULY 27, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, July 27, 1999, at 7:00 p.m., at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Mike Ginter, and Commissioner Earl James Norris. Employees present were Darryl Grimes and Kenneth Barber. The attached sheet lists the visitors present.

The meeting was called to order at 7:00 p.m.

Commissioner Phillips moved to approve the minutes of the June 22, 1999 regular meeting. Commissioner Ray seconded. All voted aye.

Visitors were present from Old State Road again to discuss the possibility of a line extension project with the Board. After discussing the project again, the Board asked that the District's engineer be contacted for project details prior to the next meeting and that he be asked to attend the meeting. The Board will discuss the project further at that time.

Visitors were also present again representing a proposed subdivision in the Blevins Valley area. There was a discussion of the request, however, the Board did not approve the request at this time.

The status of the "HELP 1" Project was given by Manager Grimes. He reported that the initial scope of the project was close to being completed. The contractor is now working on the items approved as a change order to the original contract. A progress meeting is scheduled for July 28th at the District's office.

Manager Grimes reported to the Board that the District had gone under a water shortage alert in response to a recommendation from Division of Water. This conservation measure is necessary to curtail water usage during the hot, dry conditions this summer. Morehead and Mt. Sterling (our water suppliers) are also under water conservation measures.

The financial report for the period ending June 30, 1999 showed that the District had a net income of \$36,000 through the first six months of the year.

The Board was informed that the past due notices had been mailed.

EXHIBIT ____

In Other Business:

Manager Grimes reported to the Board on the actions the District has taken to ensure Year 2000 (Y2K) compliance. Grimes stated that the District's computer hardware, billing software, and accounting software is Y2K compliant according to the computer vendors. Tests have been done on the hardware and the software programs were just purchased this year and were designed to comply with Y2K. Morehead Utility Plant Board and EIC have been contacted regarding whether the District should expect any problems with the supply of water or telemetry service. Both agencies report that the District should encounter no problems. The District's engineer was contacted regarding the District's own equipment including our pump stations. Based on his knowledge of our system, the District's equipment does not rely on computer chips or time sensitive programming for its operation. Other concerns include other vendors the District relies on such as electric companies, telephone companies, etc. Each of these companies are also addressing Y2K and should be in compliance. The District does plan to purchase a generator which will be on-hand for any emergencies, including any which could possibly occur as a result of lack of power next year.

Grimes reported to the Board that the electrical changes have been made at the Fearing Road pump station to allow both pumps to operate simultaneously when needed. Ron Spencer did the electrical work and has submitted his invoice for the work in the amount of \$2,400.00. Manager Grimes and Kenneth Barber, Field Manager, reported that the change has allowed the Ore Mines storage tank to fill with water. The District has experienced problems with the level of this tank in the past. This will benefit the District until a more complete upgrade of the station can be done. Commissioner Ray moved to approve the payment for the work. Commissioner Ginter seconded. All voted aye.

The need for an office machine to be purchased to separate the computer generated billing cards was discussed. Office personnel has contacted other utilities regarding their use of this type of equipment. The machine automatically tears the cards apart and removes the edges of the computer paper. This is now being done manually and takes a considerable amount of time considering the fact that approximately 3,000 bills are sent each month. The estimated cost of the machine is \$3,700.00. Commissioner Ray moved to approve the purchase. Commissioner Phillips seconded. All voted aye.

At the request of Manager Grimes, the Board went into Closed Session to discuss a personnel matter. Following the session, action was taken in open session to formally accept the resignation of Darryl Grimes as Manager of the District. The motion was made by Commissioner Ray and seconded by Commissioner Norris. All voted aye.

There being no further business, Commissioner Norris moved to adjourn. Commissioner Ray seconded. All voted aye.

CHAIRMAN

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING AUGUST 24, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, August 24, 1999, at 7:00p.m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Secretary/Treasurer Tim Ray, Commissioner Edna Phillips, Commissioner Earl James Norris and Commissioner Mike Ginter. Employees present were Jeanette Walton, Kenneth Barber and Sherri Greene. Several visitors attended and are listed on an attached sign-in sheet.

The meeting was called to order at 7:00 p.m.

Commissioner Phillips moved to approve the minutes of the July 27, 1999 regular meeting. Commissioner Ray seconded. All voted aye.

Commissioner Ray moved to approve the minutes of the Special Called Meeting of August 24, 1999. Commissioner Norris Seconded. All voted aye.

Commissioners at this time moved to take comments from visitors since there were several different areas to be heard.

Several residents of Pendleton Branch Road had questions about an extension in their area. Commissioner Ray explained the contract situation with Morehead Utility Plant Board and upgrade plans for the treatment plant to get underway the in near future, stating that until the upgrades are done Morehead Utility Plant Board is monitoring this Districts usage and extensions very closely and there was not a lot that could be done until plant upgrades were completed. Employee Walton also explained the elevation problem and the need for a pump to serve this area. Residents were reassured that they were on a list for extension.

Some customers from the Howard Mill- Peeled Oak area were in attendance with a concern of water being purchased from Mt. Sterling Water through a master meter at Howard Mill to serve the customers in these areas. It was explained that in order to meet the demands of usage we were pulling water from all sources to get through the drought situation and that customers had been asked to conserve or cut back. The upgrades with the MUPB treatment plant were again explained. Customers were told that this District would have to rely on water from all sources until upgrades are completed. Question was asked about the Customer User Agreement "Does it state that water will be furnished from Cave Run Lake"? The customers were told that the agreement no where states the source or Cave Run Lake. And that as of August 8, there had been no water taken from Mt Sterling. However, customers were still complaining about taste and order, samples had been taken that day and sent to lab for analysis according to the Field Manager

EXHIBIT E

Barber. The customers were reassured that the water from whatever source had to comply with Division of Water Standards.

Mr. Sparks from Johnson Ford Road ask about an extension. It was explained that his road was on a preapproved list under the Help 1 project with Division of Water approval. Commissioner Ray explained the 100ft-extension rule to Mr. Sparks.

Marshall Coyle ask about an extension on Washington Branch. Mr. Coyle was willing to construct lines and pay the cost. Commissioner Ray explained that no extensions were being done at this time other than the preapproved under Help 1.

Mrs. Stamper on Old State Road ask to have a 4" (four inch) meter set at the end of the existing line closer to Blevins Valley, and approval to construct a 4" (four inch) PVC private service line to her property. The line would be on the County Right of Way easement and one private easement. Mrs. Stamper wanted someone from the water District to inspect the line as it was being built incases others wanted to tie into the line in the future. If this happens Mrs. Stamper's meter would be moved to her property and the water District would take the line over under the Public Service Commission extension rule either the 5-year or 10-year payback. Mrs. Stamper will be paying all cost. Employees explained to the Stampers that this District did not have an approval to install 4" meters. The largest meter that could be set would be a 2" (two inch) and Employee Barber did not think it would be necessary to set a 2" meter. Mrs. Stamper's son was going to get information on different size meters and make the decision on meter size later. There was some discussion on the need for a pump because of previous studies of elevation. The pump would cost around \$20,000 for pump and housing, or pump and pressure tank approximately \$3,000. It was addressed that the area has to have a pump in order to meet pressures required to operate. Commissioner Ray moved to set Mrs. Stamper a meter to furnish her own private service line and to arrange for service line to be inspected as it is constructed by the Water District personnel. Commissioner Phillips seconded the motion. All voted ave.

It was brought to the attention of the Board that water conservation notices are continuing to be published in the local paper.

HELP I construction project is nearing completion and is expected to run in excess of \$3,000. of funds available. A motion was made by Commissioner Ray to transfer funds from Revenue Fund to the construction fund to cover the excess. Commissioner Norris seconded the motion. All voted aye.

Employee Walton had discussed bid tabs on the painting of the Preston tank with Engineer Scott Taylor. Mr. Taylor recommended accepting the low bid of Currens, for \$30,340. Commissioner Ray moved to authorize the Chairman to executed necessary documents to proceed with the painting of the Preston Tank. Commissioner Ginter seconded. All voted aye.

The past due report was discussed and it was noted that in the month of September, customers with delinquent sewer bills will receive cut-off notices. As agreed between the Water District and Morehead Utility Plant Board and under KRS 96.932. The Plant Boards service personnel will be with the Water District personnel when disconnections are made due to non-payment of sewer bills.

Walton, noting that revenues were up over last year gave a brief financial report partly due to rate increase as well as an increase in usage. For the Month of July there was an increase of \$9,200.

Employee Walton explained to the Board that the District had been nominated for an award called the Wooden Bucket Award. This award is for outstanding performance and is to be presented at the Kentucky Rural Water Conference, August 30th through September 1st in Bowling Green. Districts nominated would be recognized at a breakfast on August 31 and the Award presented on September 1. Employees Walton and Greene planned to attend the Conference to represent the Water District. It was agreed by the Board to let employee Loria Barber work on September 1, and to close the office on Tuesday, August 31st, at noon for prior commitments that Barber had made. It was noted that August 30 and 31 were regular working days for Mrs. Barber.

IN OTHER BUSINESS

Bill Stiltner in the Means area had contacted the office stating the contractors had crossed his property without an easement on Highway 460 and ask that we set him a meter in exchange for an easement. It is the contention of employees that a previous easement signed by Mr. Stiltner covers the same property in question. It is the policy of the Board not to buy easements. Commissioner Norris moved that Mr. Stiltner be denied a meter setting. Commissioner Phillips seconded. All voted aye.

Commissioner Ray made a motion to enter a closed session. Commissioner Ginter seconded. All voted aye.

After returning to open session Commission Phillips moved to authorize the Chairman to execute a contract with Alfred Fawns, Jr. for the position of manager at a rate of \$35,000. annually for four years. Commissioner Ray seconded the motion. Vote was taken with four (4) voting yes and one (1) no.

There being no further business coming before the Board. Commissioner Ray moved to adjourn the meeting. Commissioner Norris seconded.

Secretary

Cháirman

Board Meeting August 24, 1999 Signaln Release Howard My Mrs Ray alking Mary & Gall Mobile Weane Natton mpelody Hatton Hattlee Crouch Barry Crouch Inella Sons Diana Frager I pule Donatha Samet amitogo What Coyle Numon Ciande gamer & Sparker Jessie M. Stevent Werbert B Waton Wagne Historian Crooks Mary 6. Stamper Fancel Color Phyllin Fittle Vantura RI Externa Walters Vontura Rd. Halli Parkeis-Sour Gorings Cood
Bail Crooks Mc Carty Brown Road

MINUTES

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING OCTOBER 26, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, October 26, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Earl James Norris, Commissioner Mike Ginter and Commissioner Mitchell Crooks. Commissioner Ray was absent. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached sign-in sheet.

The meeting was called to order at 7:00 p.m.

A draft of the minutes for the regular meeting of September 28, 1999 was mailed with the agenda and Commissioner Ginter moved to approve the minutes as written. Commissioner Norris seconded. All voted aye.

A draft of two special called meeting was mailed also mailed along with the agenda. Commissioner Ginter moved to approve the minutes of October 4, 1999 special called meeting. Commissioner Norris seconded. All voted aye. And Commissioner Ginter moved to approve minutes of special called meeting of October 12, 1999. Commissioner Norris seconded. All voted aye.

Commissioners left the order of the agenda to hear from visitors.

The Cophers of 2727 Old State Road wanted service off the line Mrs. Stamper had installed at her own expense. It was explained to the Cophers that the Districts Engineer would have to conduct pressure studies and flow test before the District could accept the line due to the elevation this area made require a pump station. It was also pointed out, by one on the Commissioners that valve boxes are in the ditch line on county right-of-way and may need to be lowered. Commissioner Crooks moved Districts Engineer to start study and advise the board. Commissioner Norris seconded. All voted aye.

Gerard T. Sossong, P. E. spoke on behalf of Robert Hatfield. Mr. Sossong presented a drawing of a subdivision development in the Blevins Valley area with proposed water lines of four-inch mains to serve 75 homes over the next two years. Mr. Sossong asks a letter of intent to serve, from the District. After much discussion, and concern of impact on our present customers, the Board determined it would be best if Mr. Sossong and the Districts engineer Scott Taylor of Mayes Sudderth and Etheredge get together and report back to the Board with the concerns discussed about our present facilities being sufficient to supply the subdivision, and Water Purchase Contract and amount of water needed to supply the 75 future homes. It was suggested that the Board give Manager Fawns the approval to issue the letter of intent after study had been made based on the two

EXHIBIT F

engineers' facts and finding. Commissioners Crooks moved for Chairman to call a special Board meeting if information was available before the next regular in order not to delay the plans for Division of Water Approval, so all Commissioners would be aware of the facts and findings. Commissioner Norris seconded. All voted aye.

Curt Dimsdale with Utility Service (a tank painting and inspection company) gave a report on tanks remaining to be inspected Means, Owingsville and Perry Road to be completed within the next three months. Mr. Dimsdale mentioned the service their company offered on routine and preventive maintenance.

The financial report was review along with the past due report and connection report.

Some Personal Policy changes were discussed concerning Employees Benefits sections Vacation and sick leave. The policy was implemented for a four day work week and now Employees are required to work five days a week. Changes were made on pages 22, 23, and 24. Commissioner Ginter moved to let employees take vacation and sick leave in smaller increments of one hour or actual time off rather than ½ day increments. Commissioner Norris seconded. All voting aye. Commissioner Crooks moved to approve twelve (12) sick days per year for full time employees and vacation days as follows: after completion of one (1) year, ten (10) days after completion of ten (10) years Twelve (12) days, after completion of fifteen years fifteen (15) days of vacation Commissioner Ginter seconded. All voted aye.

IN OTHER BUSINESS:

Commissioner Norris moved to authorize Manager Fawns to sign close out paper work on HELP I Project for D F Bailey contract with RD (Final Adjusting Change Order, ROW certificates, etc.) Commissioner Crooks seconded. All voted aye.

After reviewing Change Order # 2 Commissioner Norris moved to approve payment to D F Bailey in the amount of \$626.78. Commissioner Ginter seconded. All voted aye. The Board did not approve payment for the removal and replacement of AC pipe on US 60 for \$3,051.08.

Commissioner Crooks moved to authorize Manager Fawns to sign for payments with RD once Bailey has satisfied BCWD, Engineers and RD final inspection punch list. Commissioner Ginter seconded. All voted aye.

An updated petition on McCarty Branch Road was presented to the Board. Commissioner Crooks moved for the Board spend up to \$2,000. In materials and supplies, if Maze would be agreeable to furnish the labor. All three must be committed to taking a meter by signing an application and paying a tap fee. Commissioner Norris

seconded. All voted aye. Manager informed the Board that extension would have to be submitted to Division of Water for approval.

Commissioner Crooks moved to change the number of users on Johnson Ford Road to three instead of five. Commissioner Norris seconded. All voted aye.

There being no further business coming before the Board the meeting adjourned.

Secretary-

Chairman

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING NOVEMBER 23, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, November 23, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Earl James Norris, Commissioner Tim Ray, Commissioner Mike Ginter and Commissioner Mitchell Crooks. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber and Loria Barber. Visitors in attendance are listed on an attached sign-in sheet.

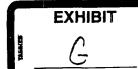
The meeting was called to order by the Chairman at 7:00 p.m.

Commissioner Crooks moved to approve the minutes of the October 26,1999 meeting as Prepared. Commissioner Ginter seconded the motion. All voted aye.

The third item of the agenda was for an update on the request from Robert Hatfield. Both the engineers for the Water District, Mr. Scott Taylor, and Mr. Sossong an engineer representing the Hatfields were present. A revised set of plans was reviewed by the Board with more detail of sewer layout in relation to water lines, some looping of lines to avoid dead ends in the subdivision these changes were made and reviewed by Mr. Taylor about two weeks prior to the meeting date. Mr. Taylor stated that some other details would have to worked out and he read a letter to the Board as to what they were, however, with the number of proposed customers, pressures could drop below the PSC required 30 PSI. Hatfields were insisting on the Board giving them a letter saying they would serve their subdivision. After approximately two hours of discussion the Board ask if they could reduce the number of customers to 30 and they would take another look at it then, if the Water Districts engineer could state that this would not jeopardize other customers pressures in the district and our Purchased Water Contract with Morehead in which we are now exceeding. In summary Commissioner Crooks made a motion to deny the request and plans as presented. Commissioner Ray seconded the motion. Others voting aye and Commissioner Ginter abstained.

Some residents of Old State Road were present requesting water service off the line that Mrs. Stamper had built for her private use. Nicki Copher stated she had talked to Mrs. Stamper about turning the line over to the District at no cost. Ms. Copher was reminded that pressure was not adequate to supply 30 PSI at all times and would require a pump and tank. Commissioner Crooks moved that Scott Taylor, Districts engineer, design a pump suitable for this area and report cost. Commissioner Ray seconded the motion. All voted aye.

Residents of Pendleton Branch Road were again requesting service. This road has elevation problems. Commissioner Ray moved to have a cost study done for a pump and



tank for this area as well as Old State with possible assistance from the county for cost of pumps and tanks. Commissioner Crooks seconded the motion. All voted aye.

The Board reviewed the financial report.

The past due report was also reviewed by the Board. After some discussion Commissioner Ray moved for the Manager to give Morehead Utility Plant Board notice that the Water District would not continuing sewer billing next year. Commissioner Norris seconded the motion. All voted aye.

IN OTHER BUSINESS:

Loria Barber asks the Board to reconsider her for full-time employment since it was tabled in the September meeting.

The Board then entered closed session to look at applications for a field worker and to discuss personnel. After returning to open session Commissioner Ray moved to hire Michael Crouch, Dudley Rogers, and Loria Barber as full-time employees on a three month trial basis. Commissioner Crooks seconded the motion. All voted aye.

Commissioner Crooks moved to change personal policy to state that all employees be employed on a three month trail basis. Commissioner Norris seconded the motion. All voted aye.

After some discussion of much need upgrades, potential growth and new customers service Commissioner Ray moved to give the engineer authority to design improvements in order to utilize the new water treatment plant when it is finished. Commission Norris seconded the motion. All voted aye.

There being no further business coming before the board meeting adjourned.

Secretary

Chairman

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING DECEMBER 28, 1999

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, December 28, 1999, at 7:00 p. m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Mitchell Crooks, Commissioner Earl James Norris, and Commissioner Mike Ginter. Employees present were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached "sign-in" sheet.

The meeting was called to order by Chairman at 7:00 p. m.

Commissioner Ginter moved to approve the minutes of the November 23, 1999 meeting as prepared. Commissioner Norris seconded the motion. All voted aye.

Some residents of Pendleton Branch wanted to know what the engineer had reported on their service since last months meeting. Mr. Taylor had not sent cost or reports to the Distirct. Commissioner Crooks volunteered to meet with the engineer personally and report to the other members of the board. Mr. Fawns was to make an appointment with Scott Taylor, Districts Engineer to meet with Commissioner Crooks.

Robert Hayfield and others from Belgians Valley Road were wanting the approval to install approximately 8,000 L.F. of 3" line to serve a subdivision named Meadow Brook to serve 13 existing users that have long service lines that were not covered and have frozen. The Division of Water had sent plans also, for 13 existing users.

Commissioner Norris moved to move the 13 exiting meters to the property of users at an approximate cost of \$75.to be paid for by the users. Commissioner Ginter seconded the motion. Commissioner's present voting yes and Commissioner Crooks abstained from voting. There was no approval by the Board for the 8,000 L.F. of 3" line.

The Board then entered executive session to discuss hiring an attorney to answer the formal complaint of Robert Hatfield to the Public Service Commission.

Upon returning to open session Commissioner Norris moved to contact first Earl Rogers III, second Julie Williamson, and third Kim Hunt Price, for answering the Hatfield complaint. Commissioner Ginter seconded the motion. All voting aye.

Commissioner Norris moved to approve a year end salary adjustment of \$250. for Commissioners and an adjustment employees that had been with the District for one year. Commissioner Ginter seconded the motion. All voting aye.

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There being no further business coming before the Board the meeting adjourned.

Secretary

Chairman ´

BATH COUNTY WATER DISTRICT BOARD OF COMMISSIONERS MEETING JANUARY 25, 2000

The Board of Commissioners of the Bath County Water District met in regular session on Tuesday, January 25, 2000, at 7:00 p.m. at the District's office in Salt Lick, Kentucky. The following Commissioners were present: Chairman Albert Calvert, Commissioner Mike Ginter, Commissioner Earl Norris, Commissioner Mitchell Crooks, and Secretary Treasurer Tim Ray. Employees present for the meeting were Alfred Fawns, Jr., Jeanette Walton, and Kenneth Barber. Visitors in attendance are listed on an attached "Sign-In" sheet.

The meeting was called to order by the Chairman at approximately 7:10 p. m.

A draft of the December 28, 1999 minutes was circulated by mail with the agenda and Income Statement. Commissioner Ray moved to approve the minutes as prepared. Commissioner Norris seconded the motion.

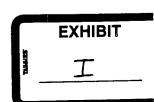
Brad Frizzell, Mayor of Salt Lick with several residents of Sewer District were present to express their concerns that the Water District had opted not to continue sewer billing for the Plant Board. After some discussion and the Plant Board stating that some of issues and problems were being worked toward. Walton expressed some concerns to those present of outstanding and delinquent accounts with no policy or procedure to collect and that the decision not to bill was only briefly discussed before the board made the decision not to enter a contract for billing next year. The Board suggested that Manager and Office Personal get together to further discuss the problems and issues. A motion was made by Commissioner Norris to continue the sewer billing for the Plant Board at this time. Commissioner Ray seconded the motion. All Commissioners voting aye.

Scott Taylor, Districts engineer, called with figures arrived at from a meeting with, Commissioner Crooks on some short line extensions that were discussed in the regular December meeting. Commissioner Crooks reported as follows:

Pendleton Branch Road	2.3 miles	14 customers	\$40,000.	\$99,000.
McCarty Branch Road	2.3 miles	4 customers		94,000.
Mudlick Road	1.2 miles	5 customers		50,000.

To bid these extensions add one-third.

After some discussion of cost a member of the Bath County Fiscal Court, Mr. Vernon Crouch was present and stated that the County Judge and Fiscal Court would be willing to furnish labor for short extensions and pump cost to help get water to these areas, if the Water District could come up with funds to furnish the pipe. It was then interacted that



Old State Road needed a pump also, and what was done for one area would have to be offered to the others as well. Commissioner Crooks made the motion that a formal written agreement be executed between the Bath County Water District and the Bath County Fiscal Court in detail as to what each party responsible and obligations. Commissioner Ray seconded the motion. All Commissioners voting aye.

The Board then discussed the purchase of a meter test bench for testing meters as required by the Public Service Commission. The District is required to test a minimum of 250 meters annual to comply. Waterworks Supply had given a quote of \$3,600. for used manual equipment and \$4,600. for automatic. Commissioner Crooks made the motion to purchase the automatic equipment. Commissioner Norris seconded the motion. All voting aye.

An agreement was discussed by the Board and executed by the Chairman to finalize Contract 9 & 10. The agreement was to settle a claim made by Shirley Williams against Kenney Inc. the contractor. It was agreed by all parties to issue a check to Shirley Williams \$2,000. that had been retained out of construction funds and placed in an escrow account until settlement.

The past due report was reviewed by the Board.

Discussion was held on the need to retain an attorney for day to day advice and to prepare legal documents for the Water District. A motion was made by Commissioner Norris to give Manager Fawns authority to contact Ira Kilburn and Earl Rogers, III for hourly rates and to submit a letter for approval by the County Judge Executive. Commissioner Ray seconded the motion. All Commissioners voted aye.

David Bailey had billed the district for the balance of a change order. According to Section VII, Article 22, second and last paragraph Mr. Bailey feels he is entitled to payment. The Board tabled this issued.

There being no further business coming before the Board the meeting adjourned.

Secretary

Chairman

JAMES E. BICKFORD



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COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601

October 1, 1997

0060022 Mr. Darrell Grimes, Manager Bath County Water District PO Box 369 Salt Lick KY 40371

Dear Mr. Grimes:

This is to notify you that the Division of Water is imposing, through the attached memorandum to the Division of Plumbing, a water line extension ban on your water supply system effective upon receipt of this letter. A line extension ban prohibits any water line extensions.

It is your responsibility to notify all interested parties, such as consultants and developers, that these bans are in effect.

The reason for the water line extension ban is that Bath County Water District has been experiencing water shortages during the summer months for several years due to hydraulic problems combined with high usage.

In the opinion of this office, the ban is necessary to facilitate the correction of these deficiencies. The ban will remain in effect until the Bath County Water District demonstrates to the satisfaction of this office that the item(s) listed above have been identified and corrected and that it can meet all the quantitative and qualitative parameters specified in the Drinking Water Regulations.



EXHIBIT

Bath County Water District October 1, 1997 Page two

If you have any questions pertaining to this matter, please contact my office at (502) 564-3410.

Sincerely.

Vicki L. Ray, Manager Drinking Water Branch Division of Water

VLR:GPO:mrg

c: Division of Plumbing
Bath Co. Judge Executive

Lonnie Castle, Morehead Regional Office
Jack Wilson, Director-Division of Water
George Schureck, CTAP
Maleva Chamberlain, DOW Information Officer
Tim Kuryla, DOW
Enforcement Branch
Sam Lester, Field Operations Branch
Drinking Water Files



COMMONWEALTH OF KENTUCKY

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601 May 27, 1998

0060022
Bath County Water District
Attn: Daryl Grimes
P O Box 369
Salt Lick KY 40371

RE:

PWSID# 0060022

Revocation of Line Extension Ban

Dear Mr. Grimes:

As was detailed in the letter from the Drinking Water Branch dated May 24, 1999, the certification and field data concerning improvements in your water system has been received and accepted. As a result, the Branch is able to revoke the water line extension ban which was initiated on October 1, 1997.

Future expansion of Bath County Water District's service area should be proactively planned to ensure that growth in demand does not outstrip the pace of upgrades in the system.

If you have any questions pertaining to this matter, please contact Jerry O'Bryan at (502) 564-3410, extension 516.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch

Division of Water

VLR:GPO:mrg

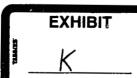
c: Bath Co Judge/Executive

Bath Co Attorney
Bath Co Health Dept
Morehead Regional Office
Public Service Commission

Bob Arnett, Plans Review Greg Wilson, Enforcement Division of Plumbing Laura Meade



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COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601 December 15, 1999

Mr. Albert Fawns, Jr., Manager Bath County Water District P. O. Box 369 Salt Lick, KY 40371

RE: PWSID# 0060022

Dear Mr. Fawns:

In response to your letter dated December 9, 1999, the Division of Water is imposing a waterline extension ban on Bath County Water District (BCWD) effective this date. A waterline extension ban prohibits any water line extensions that increase the demand on water supply but does not prohibit line extensions for the purpose of improving flows and pressures in the distribution system. The ban does not prohibit the connection of customers to existing water lines. The exemptions to the ban are: previously approved plans and specifications; plans and specifications currently submitted for approval; system improvements that do not increase the demand; projects previously approved through FAR (A95) review; and projects that have secured another source of water.

It is your responsibility to notify all interested parties, such as consultants and developers, that this ban is in effect. A written request for an exemption must be made by BCWD for all future waterline extension plans and specifications to be submitted to the Drinking Water Branch while the sanction is in place. The request shall include the reason why the exception is being requested.

BCWD has been experiencing water shortages during the summer months for several years due to hydraulic problems combined with high usage. Based on documented information about these problems received by this office over the past several months, and your December 9, 1999 request for a line extension ban, we concur with BCWD that this ban is necessary to facilitate the correction of these deficiencies. The ban will remain in effect until BCWD demonstrates to the satisfaction of this office that the item(s) listed above have been identified and corrected and that all the quantitative and qualitative parameters specified in the Drinking Water Regulations can be met.

If you have any questions pertaining to this matter, please contact Bill Averell or Donna Marlin at (502) 564-3410 extensions 578 and 541, respectively.

Sincerely.

Vicki L. Ray, Manager Drinking Water Branch

Vicki d. Ray

Division of Water

VLR:DSM:WHA

c: Dennis Minks, Plans Review Section
Bath County Health Department
Morehead Regional Office
Enforcement Branch

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nent
Sharpsburg Water District
Public Service Commission
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Bath County Attorney Frenchburg Water C Division of Plumbia Drinking Water File

EXHIBIT



PAUL E. PATTON
GOVERNOR

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COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK ·14 REILLY RD FRANKFORT KY 40601

RECEIVED

DEC 2 2 1999

PLUMBING

December 17, 1999

Bath County Water District PO Box 369 Salt Lick, Kentucky 40371

RE: DW #0060022-99-006
Water Line Extension
Meadowbrook Subdivision

Meadowbrook Subdivision Bath County, Kentucky

Dear Sirs:

In order to improve inadequate water service to 13 existing customers, we have reviewed the plans and specifications for the above referenced project. The plans include approximately 8,000 feet of 3-inch PVC water line. This is to advise that plans and specifications covering the above referenced subject are APPROVED with respect to sanitary features of design as of this date with the following stipulations:

- 1. This approval is only for water line extensions to serve thirteen existing customers and should not be construed as approval for additional connections, unless and until the Bath County Water District approves additional connections with the Division of Water's subsequent approval.
- 2. If PVC piping is used, it must be NSF approved and manufactured in accordance with ASTM standards.
- 3. All dead end lines must be provided with a properly sized blow-off assembly, flush hydrant or fire hydrant (minimum 2 1/2 inch diameter outlet) for flushing purposes.
- 4. At high points in water mains where air can accumulate provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur.
- 5. A minimum pressure of 30 psi must be available on the discharge side of all meters.

EXHIBIT ____

Meadowbrook Subdivision December 17, 1999 Page two

6. Upon completion of construction, disinfection shall be strictly in accordance with the procedure designated in the State Regulations, which reads as follows:

water distribution system, including storage distribution tanks, repaired portions of existing systems, or all extensions existing systems, shall thoroughly disinfected before being placed into service. A water distribution system shall disinfect with chlorine or chlorine compounds, amounts as to produce a concentration of at least fifty (50) ppm and a residual of at least twenty-five (25) ppm at the end of 24-hours (24) and the disinfection shall be followed by a thorough flushing."

New or repaired water distribution lines shall not be placed into service until bacteriological samples taken at the points specified in 401 KAR 8:150 Section 4 (2) are examined and are shown to be negative following disinfection.

7. Water mains shall be laid at least 10 feet horizontally from any existing or proposed A sewer is defined as any conduit conveying fluids other than potable water. The distance shall be measured edge to edge. cases where it is not practical to maintain a 10 foot separation, this office may allow deviation on a case-by-case basis, supported by data from the design engineer. Such deviation may allow installation of the water main closer to a sewer, provided that the water main is laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water main is at least 18 inches above the top of the sewer. This deviation will not be allowed for force mains.

Meadowbrook Subdivision December 17, 1999 Page three

Water mains crossing sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sewer. This shall be the case where the water main is either above or below the sewer. At crossings, one full length of the water pipe shall be located so both joints will be as far from the sewer as possible. Special structural support for the water and sewer pipes may be required.

8. When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above stipulations. Such certification shall be signed by a licensed professional engineer.

This approval has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Unless construction of this project is begun within one year from the date of approval, the approval shall expire. If you have any questions concerning this project, please contact Ralph E. Gosney at 502/564-2225, extension 422.

Sincerely,

Vicki L. Ray, Manager Drinking Water Branch

Vicki & Ray

Division of Water

VLR:REG:lm

Enclosures

C: Gerald Sossing
Bath County Health Department
Public Service Commission
Division of Plumbing
Morehead Regional Office
Drinking Water Files

Existing Water Customers for Meadowbrook Subdivision

Plat #	Customer Name	Address
2	Wesley Trucher	Lut #10A Paradise Lane
5	Leann Conley	145 Paradise Lanc; Owingsville, KY 40360
10	Brad Weaver	126 Weaver Lane; Owingsville, KY 40360
13	Richard Carmicheal	14 Weaver Lane; Owingsville, Ky 40360
16	James Webb	209 Winding Way; Owingsville, KY 40360
24	Nina Anderson	79 Winding Way; Owingsville, KY 40360
25	Gary Snider	43 Winding Way; Owingsville, KY 40360
40	Juan Cruz	80 Roselawn Court; Owingsville, KY 40360
41	Noah Rose	184 Roselawn Court; Owingsville, KY 40360
44	Greg Purvis	564 Winding Way; Owingsville, KY 40360
52	Bill Stephens	466 Winding Way; Owingsville, KY 40360
73	Jeannie Lawhorn	411 Paradise Lane; Owingsville, KY 40360
75	Dorsey Stidham	480 Winding Way; Owingsville, KY 40360

892

JAMES E. BICKFORD



PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK 14 REILLY RD FRANKFORT KY 40601

January 25, 2000

Mr. Albert Fawnn, Manager Bath County Water District PO Box 369 Salt Lick, Kentucky 40371

RE:

DW #0060022-99-006

Water Line Extension
Meadowbrook Subdivision
Bath County Water District

Dear Mr. Fawnn:

The owner of Meadowbrook Subdivision called the Division of Water today to ascertain our position on adding more meters on the new water lines constructed in the above-referenced subdivision. Our position is that the water line extension was approved while the water district is under a water line extension ban only to serve the existing customers. The approval was for 13 existing customers and no more. To add more now that the line is in place and while you are not currently under a tap-on ban would go against the premise of our approval for the extension.

As you are aware, the Division of Water is very concerned about not only additional lines, but also additional customers at this time and you have been requested to supply information so that a decision can be made regarding a tap-on ban.

Please feel free to contact me if you have any questions.

Sincerely,

Linns E. Minhs

Vicki L. Ray, Manager
Drinking Water Branch
Division of Water

VLR:DEM:lm

C: Morehead Regional Office Drinking Water Files



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EXHIBIT _____

WATER PURCHASE CONTRACT

WITNESSETH: Whereas, The City of Morehead, Kentucky, is a duly incorporated City in the Commonwealth of Kentucky, and The Morehead Utility Plant Board is an agency of said City, and

Whereas, Rowan Water, Inc., is a Kentucky corporation, duly organized and established under the provisions of Chapter 273 of Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution system serving users within the area described and designated by plans and approvals on file in the office of Commonwealth of Kentucky Utility Regulatory Commission (formerly Public Service Commission), and

EXHIBIT

Whereas, Third Party, Bath County Water District, is a duly organized Water District, pursuant to provisions of Chapter 74, Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution system, serving water users within the area described in plans now on file in the office of the Commonwealth of Kentucky Utility Regulation Commission, and

Whereas, First Party, under existing contracts, presently sells purified water to Second Party and Third Party, a portion of which water Third Party supplies and sells to Menife County Water District, and

Whereas, First Party, by and through The Morehead
Utility Plant Board, in addition to operating its present
water partification and treatment plant (hereinafter referred
to as 'plant"), also supplies purified water to its own water
customers and users, and

Whereas, all parties hereto agree that the present Plant are and operated by First Party is inadequate to supply present and future needs of the parties hereto, and

Whereas, First Party intends to construct an improve and enlarged water treatment and purification Plant Phereinafter referred to as "New Plant") to be financed by a loan made or insured by, and/or a grant from, The Unit ed States of America, acting through the Farmers Home Administration of The United States Department of

Agriculture, for the purpose of supplying increased amounts of purified water for use by the customers of all parties hereto, and

Whereas, it is the desire and intention of all parties to continue the present relationship as Seller and Purchaser and to share in the costs of constructing and operating said New Plant, and

Whereas, this can best be accomplished by the parties entering into this new Contract which shall supersede all previous contracts and agreements between the parties hereto;

Now, therefore, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby contract and agree as follows:

1. First Party shall, subject to obtaining financing satisfactory to First Party, construct, own, and operate said New Plant, along with other improvements to First Party's present water distribution system. Pursuant to the Variable Rate Schedule attached hereto and made a part hereof, a portion of said other improvements have been determined to be partially for the benefit of Second Party, and it has been determined that none of said other improvements are for the benefit of Third Party. Said New Plant and other improvements shall be constructed pursuant to plans and specifications prepared by Howard K. Bell, Consulting Engineers, Inc., for First Party.

- 2. First Party shall furnish to Second Party, at the same points and places where First Party is presently furnishing purified water to Second Party, during the term of this Contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Kentucky Department of Health in such quantity as may be required by Second Party, not, however, to exceed the quota specified in Paragraph No. 7 hereof.
- 3. First Party shall furnish to Third Party, at the same points and places where First Party is presently furnishing purified water to Third Party, during the term of this Contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Kentucky Department of Health in such quantity as may be required by Third Party, not, however, to exceed the quota specified in Paragraph No. 7 hereof.
- 4. First Party shall establish an accounting system, pursuant to generally accepted accounting procedures, which shall facilitate the identification of costs actually incurred in calculating the costs per One Thousand (1,000) gallons of producing and delivering water to Second Party and to Third Party and First Party shall be responsible for operation of said New Plant in accordance with all applicable laws and regulations.

- 5. Second Party and Third Party shall continue to own and operate, at said points of delivery, the necessary metering equipment, including meter houses or pits, and required devices of standard type for properly measuring the quantity of water furnished by First Party to Second Party and Third Party. Said meters shall be checked and calibrated at the expenses of the owner of said meters, by a qualified agent, satisfactory to all parties hereto, at least once every twelve (12) months. A meter registering not more than two (2%) percent above or below the test results shall be deemed to be accurate. The previous reading of any meter disclosed by the test to be inaccurate shall be corrected for the six (6) months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to reguster for any period, the amount of water furnished during such period shall be deemed to be the amount delivered in the corresponding period immediately prior to the failure, unless First Party and the owner of said meter shall agree upon a different amount. The metering equipment shall be read by First Party and the owner of said meter on or about the 15th day of each month.
- 6. First Party shall furnish to Second Party and Third Party not later than the 5th day of each month an itemized statement of the amount of water furnished during the preceding month. Second Party and Third Party shall pay to First Party, not later than the 15th day of each

month for water delivered by First Party during the preceding month. The rate at which Second Party and Third Party shall pay First Party for said water is to be determined pursuant to the Variable Rate Schedule, attached hereto and made a part hereof.

- 7. First Party will, at all times, operate and maintain in an efficient manner and will take such action as may be necessary to furnish to Second Party and Third Party the quantities of water required by them, not, however, to exceed the following quotas:
- (A) For Second Party, an amount not to exceed thirty (30%) percent of the 5,000,000 gallon per day design capacity of said New Plant or of the actual production capacity of said New Plant, whichever is less.
- (B) For Third Party, an amount not to exceed twenty (20%) percent of the 5,000,000 gallon per day design capacity of said New Plant or of the actual production capacity of said New Plant, whichever is less.

First Party shall be entitled to the remainder of the production of said New Plant.

Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event the supply of raw water available to said New Plant is deminished over an extended period of time or in the event that production capacity of said New Plant is substantially deminished or reduced over an extended period of time resulting in inability of said New Plant to produce the quantity of

purified water required by all parties hereto, the supply of water to each party hereto shall be reduced or deminished in the same ratio or proportion as the supply to all other parties In the event said New Plant is operating at normal capacity and a sufficient supply of raw water is available to operate said New Plant at normal capacity, no party hereto shall exceed its allocated capacity or quota if such excess shall result in a reduction of supply of the actual amount of purified water required by any other party hereto. Failure of pressure to the main supply, line breaks, power failure, flood, fire, earthquake, or other catastrophes shall excuse First Party from complying with those terms of this Agreement for supply of water or pressure until such time as the cause of the reduction of pressure or supply or water has been removed or remedied; provided, however, that such purified water, if any, as is produced and/or available for distribution during such emergencies or catastrophes shall be made available to each party hereto in the same percentage or proportion as water is normally supplied to each party. In the event that the customers of any party hereto require unusually large quantities of water for a period of time not to exceed Twenty-four (24) hours, for the purpose of extinguishing unusual and extreme fires, First Party shall have the right, but not the obligation, to supply said water to the party whose customers so require said water, even though the same may result in diminished or terminated service of water to all parties hereto.

8. This Contract and Agreement shall become effective upon the date of delivery of the bonds financing the New Plant

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to the purchaser of said bonds, and shall continue for a term of Forty (40) years from said date and, thereafter, may be renewed or extended for such term or terms as may be agreed upon by the parties hereto. Until said effective date, existing Contracts and Agreements between the parties hereto shall remian effective, and said presently existing Contracts and Agreements shall, on the effective date of this document, be superseded and replaced by this document.

- 9. This Contract and Agreement is subject to such rules, regulations, or laws, as may be or become applicable to similar agreements in the Commonwealth of Kentucky, and the parties hereto will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.
- is being financed by a loan made or insured by, and/or a grant from The United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and this Contract and Agreement shall not be legally binding upon any party hereto until approved, in writing, by the appropriate officers or employees of the said Farmers Home Administration.
- 11. Beginning on the effective date of this Contract,
 Rowan Water, Inc., shall pay to First Party monthly capital
 costs of Forty Two Hundred Eighty Four Dollars Seventy Five

Cents (\$4,284.75)* per month and Bath County Water District shall pay to First Party monthly capital costs of Twenty Four Hundred Twenty Six Dollars Twenty Five Cents (\$2,426.25)* per month, in addition to the "cash operation and maintenance expense,"

"the capital cost replacement factor," and the "meter and billing charge," specified in the Variable Rate Schedule attached hereto and made a part hereof. Said monthly payments, as the same may be modified pursuant to the terms of the Variable Rate Schedule, shall continue throughout the term of this Contract.

- 12. The "wholesale billing year rate" charges, included in the Variable Rate Schedule provides for variable charges based on demonstrable costs to First Party for providing purified treated water to Second Party and Third Party, during First Party's "operating year," which should provide sufficient time to obtain the annual audit of First Party's financial records by a Certified Public Accountant. The "wholesale billing year rate" charges to Second Party and Third Party will remain fixed during each "wholesale billing year," and until modified pursuant to the Variable Rate Schedule attached hereto.
- 13. Any successor to any party hereto shall succeed to the obligations, rights and duties of its predecessor as set forth in this Contract or any amendments.
- 14. In the event that any party hereto shall increase its requirements for purified water to the extent that its water
- * To be adjusted based on actual sale of the bonds of the New Plant and subsequently adjusted to reflect the retirement of the 1966 bonds.

requirements exceed its quotas established herein, or in the event that any party hereto requires or desires additional capacity for production of purified water, the party hereto requiring or desiring said additional capacity shall have the right to:

- (a) Pay all costs of expansion of the capacity of said New Plant, in which case the party paying said expansion costs shall be entitled to the benefit of all increased production capacity resulting from said expansion; and/or
- (b) Continue to purchase water under this Contract to its allocated capacity and obtain additional purified water from other sources.
- inadequate to serve the needs of the parites hereto due to government regulations, technological or physical obsolescence, or because all parties hereto require purified water in excess of their allotted capacities established in Paragraph No. 7 hereof, the parties hereto agree that said Plant shall be improved, expanded or replaced, and that all parties hereto shall participate in the cost thereof and that this Contract shall then be renegotiated, so that all parties shall share in the capital costs involved in said improvement, expansion, or replacement in addition to continuing to pay their proportional parts of the capital costs of the said New Plant until the bonds sold to finance the same are paid in full.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in ten (10) counterparts, each of which shall constitute an original.

CITY OF MOREHEAD, KENTUCKY FIRST PARTY

CRAYTON JACKSON, MAYOR

ATTEST:

Lella Mayse

MOREHEAD UTILITY PLANT BOARD FIRST PARTY

BY: M. PERVINE CHAIDMAN

ATTEST:

Warren Cooper SECRETARY

ROWAN WATER, INC. SECOND PARTY

BY: Sher

ATTEST:

CECDEMADY

BATH COUNTY WATER DISTRICT THIRD PARTY

BY: Diday

ATTEST:

Ch Quelin, diara

This Contract is approved on behalf of the Farmers

Home Administration, this 44 day of Agricular, 1979.

BY: David

TITLE

VARIABLE RATE SCHEDULE

Section 1. General.

This variable rate schedule attachment is a part of and incorporated into the Water Purchase Contract made and entered into as of the day of _______, 1979, by and between the City of Morehead, Kentucky, and the Morehead Utility Plant Board, as First Party ("Seller and Rowan Water, Inc., as Second Party ("Rowan"), and Bath County Water District, as Third Party ("Bath").

Section 2. Definitions.

Unless the context specifically indicates otherwise, the meaning of terms used in this rate schedule attachment (Secion 4 (b)) shall be as follows:

- (a) "Seller" shall mean the City of Morehead and the Morehead Utility Plant Board.
- (b) "Purchaser" shall mean Rowan Water, Inc., and/or Bath County Water District.
- (c) "Seller's operating year" shall mean the twelve months of July 1, through June 30.
- (d) "Wholesale billing rate year" shall mean a twelve (12) month period commencing January 1 and ending the following December 31.

"Cash operation and maintenance expense" shall mean all operating expenses, excluding depreciation expenses, excluding capital costs of improvements, betterments, replace ments, etc., and excluding debt service costs (principal and interest, paying agent's fees, sinking fund reserves, etc.) for the Seller's operating year as identified and recognized in the annual examination of the Seller's financial records, by the firm of Certified Public Accountants conducting the examination of the Seller's financial records for the most recent fiscal year. The rate shall be based on demonstrable costs to the Seller for providing treated water. The rate will be computed on the basis of the Seller's costs for the Seller's most recent fiscal year The rate may vary from year to year depending upon demonstrable costs and an adjustment to the previous year's billings shall be made by the Seller to reflect actual costs within thirty (30) days of the receipt of the Audit report of the Seller's financial records.

(e)

(f) "Monthly payment date" shall mean a date established by the Seller whereby the Purchaser agrees to pay not later than the established date the charges for water furnished during the preceding month.

- (g) "Capital cost replacement factor" shall mean the actual cost of replacements, additions and betterments paid by the Seller for the portions of the water plant set forth in the rate schedule attachment (Section 4 (b)).
- (h) "Capital cost" shall mean the portion of the actual average annual principal and interest payments of the Seller as specified in the rate schedule attachment as well as the debt service reserve payments specified in the rate schedule attachment (Section 4 (b)).
- shall mean the formula, which appears in Section 4 of this rate schedule attachment. The formula was developed on the basis of a special accounting study by H.J. Umbaugh & Associates, Certified Public Accountants, Indianapolis, Indiana, which study is by reference made a part of this Water Purchase Agreement the same as if the study were incorporated herein.
- (j) "Total billed gallons" shall mean the total billed water consumption for all users serviced by the Seller during the Seller's most recent fiscal year.

Section 3.

Initial wholesale billing rate for the Purchasers.

- (a) The initial calendar year billing rate or wholesale charge to Rowan Water, Inc., for treated water shall be \$4,284.75 per month in capital costs, plus 34.1 cents per 1,000 gallons.
- (b) The initial calendar year billing rate or wholesale charge to Bath County Water District for treated water shall be \$2,426.25 per month in capital costs, plus 34.1 cents per 1,000 gallons.
- (c) It is agreed by and between the parties hereto that after the close of the initial calendar year, the actual rate to be charged by the Seller to the Purchasers for water purchased by the Purchasers during the initial calendar year shall be determined pursuant to the terms of this Variable Rate Schedule and any differences between said actual rate and the initial calendar year billing rate shall be rebated by the Seller to the Purchaser or paid to the Seller by the Purchasers, as the case may be, without interest, within sixty (60) days of said determination.

Section 4.

Cost review formula for revising fiscal year wholesale rate charges.

the Seller shall prior to January 1 of that year determine the rate or charges for wholesale water purchases for the next wholesale billing rate year based upon a calculation of the following demonstrable costs. Such costs shall be taken from the annual financial report of the Seller for

the preceding operating year which has been examined by a firm of Certified Public Accountants.

(b) Cost review formula for revising fiscal year wholesale rate charges.

EXTENSION OF WATER PURCHASE CONTRACT

This Extension of Water Purchase Contract, made and entered into this The day of Telemany 1993, by and between the Morehead Utility Plant Board, Morehead, Kentucky, hereinafter referred to as "Morehead", and Bath County Water District, Salt Lick, Kentucky, hereinafter referred to as "Bath County";

WHEREAS, Morehead presently sells treated water to Bath County pursuant to a Water Purchase Contract, dated June 11, 1979; and

WHEREAS, Bath County is presently in the process of expanding its water distribution system; and

WHEREAS, THE Farmers Home Administration, who is partially funding Bath County's new water line expansion project, requires a forty (40) year water purchase contract as a condition of their loan or grant;

NOW, THEREFORE, the parties do hereby mutually agree as follows:

- 1. The parties current Water Purchase Contract, dated June 11, 1979, shall be extended and shall run through July 15, 2035.
- 2. All of the original terms and conditions of the aforementioned Water Purchase Contract shall remain in full force and effect.

This Extension is entered into by and between the parties hereto pursuant to the authority vested in them by their respective Board of Directors.

EXHIBIT P

veder W. Messe APPROVED: CITY OF MOREHEAD, KENTUCKY BY: This Agreement has been reviewed and is approved on behalf of the FARMERS HOME ADMINISTRATION, this 23 day of April 1953.

MOREHEAD UTILITY PLANT BOARD

THE MINUTES OF THE REGULAR MEETING OF THE MOREHEAD UTILITY PLANT BOARD HELD JANUARY 28, 1993

Place of Meeting

A regular meeting of the Morehead Utility Plant Board was held Thursday, January 28, 1993, at 7:00 P.M., at the office of the MUPB, 135 South Wilson Avenue, Morehead, Kentucky.

Board Members Present

Robert Needham, Oveda Messer and Lake Cooper

Board Members Absent

Paul Ousley and Marvin Moore

Also Present

Fred White, Ron Gastineau, Glen Boodry and Darlene Brooks

Also Absent

Paul Blair

Approval of Minutes

Motion by Messer, seconded by Needham to approve the minutes of the December 23 regular meeting as presented.

Roll call vote on the motion as follows:

Cooper abstained

Messer yes Needham yes

The Chairman declared the motion to be carried.

High Service Pump and Control Panel Replacement

Supt. Boodry reported that bids were opened for this project on January 12. Out of eight bidders, Reynolds, Inc. had the lowest bid. Boodry reported that Reynolds was a very capable company and they could be expected to produce good results. Reynolds, Inc. has done most of the present pump work at the Water Plant.

Ron Gastineau, with Kennoy Engineers, prepared the specifications and plans for this project. He reaffirmed Supt. Boodry's statement and added that Kennoy Engineers had worked with Reynolds, Inc. since the beginning of their company. He recommended the MUPB award the contract to Reynolds, Inc.

Supt. Boodry stated that the high service pump to be replaced

General Fund Transfers to Reserve Funds

The audit recommendations contained a reference that stated the Board needed to approve transfers from the General Fund to Reserve Funds. The MUPB asked Supt. Boodry to present a policy proposal concerning this matter.

Supt. Boodry requested a postponement of such policy because, at present, there are no funds to transfer.

Bath County Water District Contract Extension and Proposed Water Service to a Subdivision Near Leatherwood

Supt. Boodry met with Bill Razor from the Bath County Water District, concerning proposed water service to a subdivision near Leatherwood on the Bath County side of Cave Run Lake.

Supt. Boodry presented a proposed water contract extension for Bath County Water District from Mr. Razor. The extension is necessary due to Farmers Home Administration guidelines to qualify for funding on each additional project. (This contract is attached to these minutes.)

Motion by Messer, seconded by Cooper to approve the water purchase contract extension as presented, subject to Paul Blair's review and approval of said contract.

Roll call vote on the motion as follows:

Cooper yes
Messer yes
Needham yes

The Chairman declared the motion to be unanimously carried.

Rowan Water District and Bath County Water District Water Rates

In accordance with the Water Purchase contract dated June 11, 1979, and the variable rate schedule included, it has been determined that the wholesale rate for water sold by the MUPB to Bath County Water District and Rowan Water, Inc. for the calendar year 1993 will be raised from 41.1 cents per 1,000 gallons to 44.8 cents per 1,000 gallons. Fixed capital costs remain the same. (Letter from Tim Eldridge and the calculations are attached to these minutes.)

Superintendent Report

(This report is attached to these minutes.)

Bath/Rowan Sewer District

Tracy Rowan with Elrod & Dunston is working on the proposed Bath/Rowan County Sewer District. She met with Supt. Boodry and discussed the possibility of a sewer treatment and maintenance

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contract with their proposed sewer district, similar to the present contracts between the MUPB and Rowan County Sanitation District.

Payment of Monthly Bills

The monthly check register was included in the Board Member packet for their review.

Motion by Messer, seconded by Cooper to approve the payment of the monthly bills as presented.

Roll call vote on the motion as follows:

Cooper yes Messer yes Needham yes

The Chairman declared the motion to be unanimously carried.

Delinquent Payment Delay Plans and Bad Debt Write Off List

There is no write off list for this month.

The payment delay list is attached to these minutes.

Motion by Cooper, seconded by Messer to approve the payment delay list as presented.

Roll call vote on the motion as follows:

Cooper yes
Messer yes
Needham yes

The Chairman declared the motion to be unanimously carried.

Meeting Adjourned

There being no further business, on motion made and carried, the meeting was adjourned at 9:20 P.M.

Paul Ousley, Vice Chairman

APPROVED:

Robert C. Needham, Chairman

RESOLUTION

BE IT RESOLVED by the Board of City Council of the City of Morehead, Kentucky that the Mayor of the City of Morehead be authorized to sign an extension of the Water Purchase Contract between the Morehead Utility Plant Board and Bath County Water District, dated June 11, 1979, extending said contract until July 15, 2035.

PASSED AND ADOPTED this the 8th day of February. 1993.

BOARD OF GITY COUNCIL MOREHEAD, KENTUCKY

LARRY BREEZE, MAYOR

ATTEST:

DIANA LINDSEY, CITY CLERR

EXCERPTS OF MINUTES OF MEETING OF BOARD OF COMMISSIONERS OF THE BATH COUNTY WATER DISTRICT HELD ON JANUARY 12, 1993

A regular meeting of the Board of Commissioners of the Bath County Water District was held at the regular meeting place of the Board at its office on Main-Cross Street in Salt Lick, Kentucky, at 7:00 P.M., CST, January 12, 1993. There were present Ronnie Lyons, Chairman and Billy W. Copher, Secretary and Commissioners James Cochran and Cecil Williams. Commissioner Imogene Garrett was not present. These constituted all of the duly appointed, qualified and acting Water Commissioner of said Water District.

Thereupon, it was called to the attention of the Commissioners that in regard to our "SOC" proposed project, because of the possible timing involved we may need to extend our Water Purchase Contract with the Morehead Utility Plant Board, therefore it appears prudent to do it now rather than wait till near the time when the situation required it.

Thereupon, "In anticipation of the possible need for an extension of the term thru 40 years on our Water Purchase Contract with Morehead because of the SOC Project, a motion was made by Williams, seconded by Cochran, and passed unanimously that the contract with MUPB for the purchase of Water be extended to July 15, 2035. Said Contract was then executed by the Chairman and Secretary."

Thereupon, the Chairman declared that said Motion had carried, and he directed that same be included as a part of the Minutes and be executed by the Chairman, attested by the Secretary, and a copy be furnished to the Farmers Home Administration.

After there was no further business to come before the Board a motion was made, seconded, and unanimously carried that the meeting be adjourned.

BATH COUNTY WATER DISTRICT

Cha

(Beal of Water District)

Secretary

CERTIFICATE OF SECRETARY

I, BILLY W. COPHER, Secretary of the Board of Commissioners of the Bath County Water District, hereby certify that the foregoing is a true copy of an excerpt of the minutes of a regular meeting of said Board, held on January 12, 1993, insofar as such Minutes pertain to the matters referred to in said excerpt.

Dated this 12th day of January, 1993.

(Seaf of Water District)

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The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and

EXHIBIT

federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

1. Nonpayment within ten (10) days from the due date is subject to a penalty of 10% on the delinquent account.

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8 by ¾-inch meter will be used unless the USER contracts for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by trailer park when trailers are not supplied by individual meters.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHEREOF, we have executed this agreement this	
Day of	, 19 <u>99</u> .
WITNESS:	vi lina Hattal
	(Water User)
A	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY Ballet
	(TITLE)

of ly Halyers	
Of the Harman	
PAID 400.00	ACCOUNT#
AMOUNT PLUMBING PERMIT#	ROAD BORE YN
ss# 402-02-5313	Spouse's SS# Sherie 405-96-144
This Agreement entered into betw	(User's & Spouse's Name)
whose address is P.O. Box 343	Phone
	I COUNTY WATER DISTRICT hereinafter
Whereas, the USER desires to pure hereby enters into the water user's agreem SUPPLIER.	chase water from the SUPPLIER, the USER tent as required by the By-laws of the
	the mutual covenants, promises and understood and agreed by the parties hereto as
The SUPPLIER shall furnish, subjectives and Regulations now in force or as h	ect to the limitations set out in its By-laws, nereafter amended, such quantity of water as the property to be served by this agreement.
The property to be served is a(Residence,	Mobile Etc.) located on Lot 6 Meadowbrook (Street, Road, Etc.)
The property is next to	and
Neighbor The USEP shall install and maintain	Neighbor in, at his own expense, a service line that shall
begin at the meter and extend to the dwelli	

determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

1. Nonpayment within ten (10) days from the due date is subject to a penalty of 10% on the delinquent account.

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8 by ¾-inch meter will be used unless the USER contracts for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by trailer park when trailers are not supplied by individual meters.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

· IN WI	TNESS WE	EREOF, we have executed this agreement this
<u>23</u>	Day of	23 Feb , 192000.
WITNESS:		X Thui Tomble (Water User)
		(Water User's Spouse)
ATTEST:		BY (ria Bullier)
		(TITLE)

PAID 400 Pard Frontier Housing	ACCOUNT#
AMOUNT PLUMBING PERMIT#	ROAD BORE YN_
SS# <u>405-90-67</u> 98 Spouse's SS#	Dana
This Agreement entered into between Ticha	dAdKins
whose address is 3810 Kendal Spring	(User's & Spouse's Name) Rhone (274-2344)
Hereinafter called "USER" and the BATH COUNTY WAT called "SUPPLIER".	
Whereas, the USER desires to purchase water from nereby enters into the water user's agreement as required by SUPPLIER.	
Now therefore, in consideration of the mutual coveragreements herein contained, it is hereby understood and agollows:	
The SUPPLIER shall furnish, subject to the limitation and Regulations now in force or as hereafter amended	· · · · · · · · · · · · · · · · · · ·
he USER may desire in connection with the property to be	served by this agreement.
The property to be served is a House 1	located on Blevingsally 40%
(Residence, Mobile, Etc.) The property is next to and	(Street, Road, Etc.)
The property is next to and	
Neighbor The USER shall install and maintain, at his own exp	
begin at the meter and extend to the dwelling or place of use letermine the location of the water meter on the property.	
and install a cut-off valve and water meter.	ino o o i i mini paronaco

b

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

1. Nonpayment within ten (10) days from the due date is subject to a penalty of 10% on the delinquent account.

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8 by ¾-inch meter will be used unless the USER contracts for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by trailer park when trailers are not supplied by individual meters.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHEREOF, we have executed this agreement this		
4 Day of February	, 19 2 ax).	
WITNESS:	· Michael adkum on (Water User)	
,	(Water User's Spouse)	
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY	
	(TITLE)	

PAID 400 ==	ACCOUNT#
PLUMBING PERMIT# Cop-, Attock	ROAD BORE Y N
TEOMBING PERMIT TO SE	KOND BOILD II
ss# 527-49-037/ sp	ouse's SS# <u>Stelia 403-9</u> 6-3
This Agreement entered into between _	Charles Barrett
132	(User's & Spouse's Name)
whose address is Set 17 Pard 3	e Lane Phone 674-6300
Owingoville K	
Hereinaster called "USER" and the BATH COL	
called "SUPPLIER".	, , , , , , , , , , , , , , , , , , ,
Whereas, the USER desires to purchase hereby enters into the water user's agreement as	
SUPPLIER.	rioquiros of the by tambor the
,	
Now therefore, in consideration of the m	uitual covenants promises and
agreements herein contained, it is hereby unders	· ·
follows:	tood and agreed by the parties hereto as
The SUPPLIER shall furnish, subject to	the limitations set out in its Bullaves
Rules and Regulations now in force or as hereaf	· · · · · · · · · · · · · · · · · · ·
——————————————————————————————————————	• • •
the USER may desire in connection with the pro	perty to be served by this agreement.
The property to be served is a Double is	Vide located on Pardize San
(Residence, Mobil	
The property is next to Nie Kanuck	_ and
Neighbor	Neighbor
The USER shall install and maintain, at h	
begin at the meter and extend to the dwelling or	
begin at the meter and extend to the dwoming of	

determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and federal agencies having jurisdiction over this type of facility. THE SUPPLIER DOES NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

 IN WITNESS WHERI 	EOF, we have executed this agreement this
2/ Day of Jan	uang, 19 2000.
WITNESS:	Mark H July
	(Water User)
A	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	By Larler
.•	Billing Clerk
	(TTTLE)

PAID 400 =	ACCOUNT#
AMOUNT PLUMBING PERMIT# 637599	ROAD BORE YN
ss# <u>+01-17-9029</u>	Spouse's SS# 402 - 21 -1613
whose address is	enticle (User's & Spouse's Name) Phone 9990792 COUNTY WATER DISTRICT hereinafter
Whereas, the USER desires to purchereby enters into the water user's agreeme SUPPLIER.	hase water from the SUPPLIER, the USER ent as required by the By-laws of the
follows: The SUPPLIER shall furnish, subje	nderstood and agreed by the parties hereto as ect to the limitations set out in its By-laws, ereafter amended, such quantity of water as
The property to be served is a <u>New Cr</u> (Residence, New 15+ 20+	MStriction located on <u>Lat 8 Meadure</u> book Mobile, Etc.) (Herin Street Road, Etc.)
The property is next to	and Neighbor
The USER shall install and maintain begin at the meter and extend to the dwelling.	n, at his own expense, a service line that shall

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS WHEREOF, v	ve have executed this agreement this
Day of Septer	ber, 19 <u>99</u> .
WITNESS:	(Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY
	(TITLE)

PAID AMOUNT	ACCOUNT# 108847
PLUMBING PERMIT# 64118/	ROAD BORE YN
This Agreement entered into between	(User's Name) Phone 180 - 9506 NTY WATER DISTRICT hereinafter
Whereas, the USER desires to purchase whereby enters into the water user's agreement as r SUPPLIER.	•
Now therefore, in consideration of the mu agreements herein contained, it is hereby understo follows:	ood and agreed by the parties hereto as
The SUPPLIER shall furnish, subject to the Rules and Regulations now in force or as hereafter the USER may desire in connection with the property.	er amended, such quantity of water as
The property to be served is a (Residence Mobile	Decated on Meadow Book, Etc.) (Street, Road, Etc.)
The property is next toNeighbor	and Neighbor
The USER shall install and maintain, at hi	s own expense, a service line that shall
begin at the meter and extend to the dwelling or p	lace of use. The SUPPLIER will

determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS Day of	WHEREOF, we have executed this agreement this October, 19 19
WITNESS:	Water User)
ATTEST:	(Water User's Spouse)
	BATH COUNTY WATER DISTRICT (Supplier) BY
	(TITLE)

PAID 401.00 eK AMOUNT ACCOUNT# VOTEHO
AMOUNT PLUMBING PERMIT# 641202 ROAD BORE Y_N??
PLUMBING PERMIT# 641202 ROAD BORE Y N \
This Agreement entered into between Curtis & Lee Ann Con ley (User's Name)
35 400 40 1133
This Agreement entered into between <u>Curtis & Ree Hon lon</u> ley
whose address is Bry, ng Valley Rd Phone 780 -9208
Iereinafter called "USER" and the BATH COUNTY WATER DISTRICT hereinafter 'alled "SUPPLIER".
Whereas, the USER desires to purchase water from the SUPPLIER, the USER ereby enters into the water user's agreement as required by the By-laws of the UPPLIER.
Now therefore, in consideration of the mutual covenants, promises and greements herein contained, it is hereby understood and agreed by the parties hereto as
ollows: The SUPPLIED shall famish subject to the limitations set out in its By lavys
The SUPPLIER shall furnish, subject to the limitations set out in its By-laws, ules and Regulations now in force or as hereafter amended, such quantity of water as
ne USER may desire in connection with the property to be served by this agreement.
he property to be served is a located on located on located on located on Subol.
(Residence, Mobile, Etc.) (Street, Road, Etc.) Subol.
Complement of
he property is next to Weavers and Come.
Neighbor Neighbor
The USER shall install and maintain, at his own expense, a service line that shall egin at the meter and extend to the dwelling or place of use. The SUPPLIER will
egin at the meter and extend to the dwening of place of use. The SOTT ELLER will

determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN W	ITNESS V	VHEREOF, we ha	ve executed this agreement this
13_	Day of	October	, 19 <u>99</u> .
WITNESS:			She axn only (Water User)
			(Water User)
	•		(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier) BY
			(TITLE)

PAID 400.00	ACCOUNT# 108844
AMOUNT PLUMBING PERMIT# 641204	ROAD BORE YN
SS#Sp	ouse's SS#
This Agreement entered into between whose address is 120 Timber was 4 Hereinafter called "USER" and the BATH COL	0360
called "SUPPLIER".	
Whereas, the USER desires to purchase hereby enters into the water user's agreement as SUPPLIER.	
Now therefore, in consideration of the magreements herein contained, it is hereby unders follows:	
The SUPPLIER shall furnish, subject to Rules and Regulations now in force or as hereaf the USER may desire in connection with the pro-	ter amended, such quantity of water as operty to be served by this agreement.
The property to be served is a <u>Nable (</u> Residence, Mobi	le, Etc.) Lot 13 Meadowbrook Sub (Street, Road, Etc.)
The property is next to By Stephon Neighbor	≤ and Neighbor
The USER shall install and maintain, at	his own expense, a service line that shall

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

The USER agrees to pay a connection fee of \$400.00 plus a refundable \$25.00 deposit to the SUPPLIER for non-owner occupied properties. If the water system is constructed, but the property covered by the agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

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- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNES	IN WITNESS WHEREOF, we have executed this agreement this		
	<u>October</u> , 19 <u>99</u> .		
WITNESS:	Doesey Stidham By BUL J. Styths (Water User)		
۵	(Water User's Spouse)		
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier) BY		
	(TITLE)		

ACCOUNT# 1088 AMOUNT PLUMBING PERMIT# 6411811 **ROAD BORE Y** noah Rose + 401-27-6905 (User's Name whose address is P.O. Box 56 Morehand Ky Phone 74 Hereinafter called "USER" and the BATH COUNTY WATER DISTRICT hereinafter called "SUPPLIER". Whereas, the USER desires to purchase water from the SUPPLIER, the USER hereby enters into the water user's agreement as required by the By-laws of the SUPPLIER. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: The SUPPLIER shall furnish, subject to the limitations set out in its By-laws, Rules and Regulations now in force or as hereafter amended, such quantity of water as the USER may desire in connection with the property to be served by this agreement. located on Wind The property to be served is a

The property is next to Neighbor

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

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NOT GUARANTEE WATER SERVICE WILL BE MADE AVAILABLE TO THE USER.

, ,) ••

The USER agrees to comply with be bound by the Articles, By-laws, Rules and Regulations of the SUPPLIER, now in force or as here after duly and legally supplemented, amended or changed. The USER agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER'S; and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S By-laws, Rules and Regulations, or which have been or here after adopted and imposed by the SUPPLIER.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN W	TITNESS	WHEREOF, we	have executed this agreement this
29	Day of _	Sept	, 19 <u>99</u> .
WITNESS:			x april Rose
			(Water User) (Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier) BY
			Billing Clark

#/// 00		ACCOUNT# 10884Ce
PAID 400,	/	ACCOUNT#
PLUMBING PERMIT#	41178	ROAD BORE YN
ss# 403-80 - 0635	Spouse's SS#	#
This Agreement entered of 9 whose address is	ed into between Juan inding Way 195Ville Ky 40360	(User's & Spouse's Name) Phone 987 - 9200
Hereinafter called "USER" are called "SUPPLIER".	nd the BATH COUNTY WA	TER DISTRICT hereinafter
Whereas, the USER de hereby enters into the water us SUPPLIER.	esires to purchase water from ser's agreement as required b	
agreements herein contained, follows:	·	agreed by the parties hereto as
	furnish, subject to the limitat	
Rules and Regulations now in		•
the USER may desire in conne	ection with the property to be	e served by this agreement.
The property to be served is a	(Residence, Mobile, Etc.)	located on to the (Street, Road, Etc.)
The property is next to	and	
	Neighbor	Neighbor
	•	pense, a service line that shall
	to the develling or place of w	

The USER shall install and maintain, at his own expense, a service line that shall begin at the meter and extend to the dwelling or place of use. The SUPPLIER will determine the location of the water meter on the property. The SUPPLIER shall purchase and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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IN W	TTNESS W	HEREOF, we have	ve executed this agreement this
22	Day of	Sept	, 19 <u>99</u> .
WITNESS:			V Just Court
			(Water User)
	A		(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier) BY
			(TITLE)

PAID 400 01/100	ACCOUNT# 108629
AMOUNT PLUMBING PERMIT# (037581	ROAD BORE YN?
SS# 402 - 06 - 76 38 Spouse	:'s SS#
whose address is 6264 FHWY 600	(User's & Spouse's Name) Phone 780-0205
Hereinafter called "USER" and the BATHCOUNT called "SUPPLIER".	Y WATER DISTRICT hereinafter
Whereas, the USER desires to purchase water hereby enters into the water user's agreement as required SUPPLIER.	-
Now therefore, in consideration of the mutual agreements herein contained, it is hereby understood follows: The SUPPLIER shall furnish, subject to the land Regulations now in force or as hereafter a	l and agreed by the parties hereto as imitations set out in its By-laws,
the USER may desire in connection with the propert	· · · · · · · · · · · · · · · · · · ·
The property to be served is a (Residence, Mobile, E) The property is next to A Neighbor	located on <u>(a W. hd.)</u> (Street, Road, Etc.)
The property is next to A am Neighbor	A Field Corner of Olds, Neighbor
The USER shall install and maintain, at his o	77
begin at the meter and extend to the dwelling or plac	e of use. The SUPPLIER will

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IN WITNESS	S WHEREOF, we ha	ve executed this agreement this	
\ \ Day of	August	<u> </u>	
WITNESS:		James A Well	
٠		(Water User) (Water User's Spouse)	
ATTEST:		BATH COUNTY WATER DISTRICT (Supplier)	
		(TITLE)	<i>ــو</i>

Ole-Ole 13

PAID # 40000	ACCOUNT# 108671
PLUMBING PERMIT# 626711	ROAD BORE YN
SS#401-37-6858	Spouse's SS# 404-13 -46\$6
_	en Brad + Kathy Weaver
whose address is Weaver Lane.	(User's & Spouse's Name) Phone 674-624 Kathus Mo m
Hereinafter called "USER" and the BATH called "SUPPLIER".	COUNTY WATER DISTRICT hereinafter
Whereas, the USER desires to purch hereby enters into the water user's agreeme SUPPLIER.	nase water from the SUPPLIER, the USER nt as required by the By-laws of the
Now therefore, in consideration of the agreements herein contained, it is hereby unfollows:	he mutual covenants, promises and inderstood and agreed by the parties hereto as
The SUPPLIER shall furnish, subject Rules and Regulations now in force or as he the USER may desire in connection with the	
	Mobile, Etc.) located on Weaver Lane (Street, Road, Etc.)
The property is next to	and 7,15t Hausin Subdivion Neighbor
The USER shall install and maintain begin at the meter and extend to the dwellin	a, at his own expense, a service line that shall g or place of use. The SUPPLIER will the property. The SUPPLIER shall purchase
m	4.41

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN WITNESS WHEREOF, we have executed this agreement this

30	Day of	Suns	, 1999

WITNESS:

May Fring

2010

(Water User's Spouse)

Meter will be

set at end of

road. They do not

have a stake. Please

to spot meter setting

BATH COUNTY WATER DISTRICT

(Supplier)

tice | a

	06-0621
PAID # 4000 100	ACCOUNT# 108672
AMOUNT PLUMBING PERMIT# 637564	ROAD BORE YN
SS# 412-19-4908 Spouse's SS#	
This Agreement entered into between	on Vance
whose address is	(User's & Spouse's Name) Phone 784-14
Hereinafter called "USER" and the BATH COUNTY WAT called "SUPPLIER".	TER DISTRICT hereinafter
Whereas, the USER desires to purchase water from hereby enters into the water user's agreement as required by SUPPLIER.	
Now therefore, in consideration of the mutual cover agreements herein contained, it is hereby understood and ag follows:	
The SUPPLIER shall furnish, subject to the limitation	ons set out in its By-laws,
Rules and Regulations now in force or as hereafter amended	
the USER may desire in connection with the property to be	served by this agreement.
The property to be served is a (Residence Mobile, Etc.)	ocated on Next To Low (Street, Road, Etc.)
The property is next to and	Vext to Cal Old State
Neighbor	Neighbor
The USER shall install and maintain, at his own exp begin at the meter and extend to the dwelling or place of use	
determine the location of the water meter on the property.	The SUPPLIER shall purchase

and install a cut-off valve and water meter.

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IN WITNESS WHEREOF, we have executed this agreement this			
<u>28</u> d	ay of July	, 19 <u>99</u>	
WITNESS:		Clenton Honco	
		(Water User) (Water User's Spouse)	
ATTEST:		BATH COUNTY WATER DISTRICT (Supplier) BY	
		(TITLE)	

PAID ACCOUNT# 108773

AMOUNT
PLUMBING PERMIT# ROAD BORE Y N

SS# 236-33-6/35

Spouse's SS#

This Agreement entered into between Meadow brook Homes

(User's & Spouse's Name)

whose address is /3/3 Ky Hwy 5/9 Molchard ky Phone 784-1/4 of the first called "USER" and the BATH COUNTY WATER DISTRICT hereinafter called "SUPPLIER".

Whereas, the USER desires to purchase water from the SUPPLIER, the USER hereby enters into the water user's agreement as required by the By-laws of the SUPPLIER.

Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

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Neighbor

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FOUR HUNDRED DOLLARS (\$400.) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in the attempt to make a reasonable forecast of the probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocation of water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection of extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all of the needs of the users, or in the event there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as is deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all the needs of all the users, the SUPPLIER must first satisfy all of the needs of the users for domestic purpose before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIES'S water lines and will disconnect from his present water supply prior to connection to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure to the USER to pay water charges duly imposed shall result in automatic imposition of the following penalties:

- 2. Nonpayment within ten (10) days from the date of the final notice will result in the water being shut off from the USER'S property.
- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

IN WITNESS	S WHEREOF, we hav	e executed this agreement this
	July	, 19 <u>99</u>
WITNESS:		
		(Water User)
		(Water Oser)
		· (Water User's Spouse)
ATTEST:		BATH COUNTY WATER DISTRICT (Supplier)
		BY Walton
		(TITLE)

# 19	90
PAID 400 .	ACCOUNT# 108774
AMOUNT PLUMBING PERMIT#	ROAD BORE Y N
ss# 400 - 62-478	,
This Agreement ente	ered into between <u>Galy SNy der</u> (User's & Spouse's Name)
whose address is 144 (Mistaling K40353 Phone 498-0594
Hereinafter called "USER" a called "SUPPLIER".	and the BATH COUNTY WATER DISTRICT hereinafter
	desires to purchase water from the SUPPLIER, the USER user's agreement as required by the By-laws of the
-	nsideration of the mutual covenants, promises and I, it is hereby understood and agreed by the parties hereto as
	I furnish, subject to the limitations set out in its By-laws, in force or as hereafter amended, such quantity of water as
	nection with the property to be served by this agreement.
The property to be served is	a (Residence, Mobile, Etc.) located on dat 2 Meadowbrock (Street, Road, Etc.), nding h
The property is next to	Neighbor Neighbor
	all and maintain, at his own expense, a service line that shall
	d to the dwelling or place of use. The SUPPLIER will water meter on the property. The SUPPLIER shall purchase

and install a cut-off valve and water meter.

The User shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.

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IN W	iiness a	HEREOF, We n	ave executed this agreement this
22	_ Day of	Soft	, 19 <u>99</u>
WITNESS:			
	······································	· · · · · · · · · · · · · · · · · · ·	(Water User)
	•		(Water User's Spouse)
ATTEST:			BATH COUNTY WATER DISTRICT (Supplier)
			BY Walton
			(TITLE)

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IN WITNESS WHEREOF,	we have executed this agreement this
Day of OCTO	19 <u>99</u> .
WITNESS:	Dega Junes (Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	(TITLE)

	A GGGTP TPU
PAIDAMOUNT	ACCOUNT#
PLUMBING PERMIT#	ROAD BORE Y_N_
ss# <u>235-92-8089</u>	Spouse's SS# Lay the Bare 7/2
This Agreement entered into	
whose address is # ()	(User's & Spouse's Name) Phone 780 - 4772
Hereinaster called "USER" and the called "SUPPLIER".	BATH COUNTY WATER DISTRICT hereinafter
	to purchase water from the SUPPLIER, the USER greement as required by the By-laws of the
	ion of the mutual covenants, promises and ereby understood and agreed by the parties hereto as
The SUPPLIER shall furnish Rules and Regulations now in force	or as hereafter amended, such quantity of water as with the property to be served by this agreement.
The property to be served is a (Resid	ence, Mobile, Etc.) located on <u>low, Ind. Mobile</u> (Street, Road, Etc.)
The property is next to	and
begin at the meter and extend to the	Neighbor naintain, at his own expense, a service line that shall dwelling or place of use. The SUPPLIER will expense on the property. The SUPPLIER shall purchase

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EXHIBIT R



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- 3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$20.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8 by ¾-inch meter will be used unless the USER contracts for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by trailer park when trailers are not supplied by individual meters.

The USER agrees to grant to the SUPPLIER, its successors and assigns, a perpetual easement in, over, under and upon land owned by the USER, with the right to erect, construct, install and lay, and thereafter, use, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from the said lands.

IN W	ITNESS WHEREO	F, we have exec	uted this agr	eement this
15	_ Day of Ce	ich.	. <u>0006</u> 01,	
WITNESS:		Ye	Water I	RXILES
		Ų	(Water I	Jser)
\$			(Water User's	Spouse)
ATTEST:		<u>BATH</u>	COUNTY WATE (Supplier)	R DISTRICT
		BY		
		<u> </u>	(TITLE)	

,	Hattield 1 KHL074
A B	
to C	Katha " "
	PAID 400 ACCOUNT#
	AMOUNT COPY Attached DOAD BODEY
	PLUMBING PERMIT# (65019) ATTACKED ROAD BORE Y_N_
	SS# Spouse's SS# Angela_
	٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠ ١٠
	This Agreement entered into between Euro
	whose address is (User's & Spouse's Name) Phone
	whose address isPhone
	Hereinafter called "USER" and the BATH COUNTY WATER DISTRICT hereinafter
	called "SUPPLIER".
	Whereas, the USER desires to purchase water from the SUPPLIER, the USER
	hereby enters into the water user's agreement as required by the By-laws of the
	SUPPLIER.
• •	Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as
	follows:
	The SUPPLIER shall furnish, subject to the limitations set out in its By-laws,
	Rules and Regulations now in force or as hereafter amended, such quantity of water as
	the USER may desire in connection with the property to be served by this agreement.
	The property to be served is alocated on
	(Residence, Mobile, Etc.) (Street, Road, Etc.)
	The property is next to and
	Neighbor Neighbor The USER shall install and maintain, at his own expense, a service line that shall
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IN WITNESS WHERE	OF, we have executed this agreement this
Day of	, 19
WITNESS:	
	(Water User)
	(Water User's Spouse)
ATTEST:	BATH COUNTY WATER DISTRICT (Supplier)
	ВУ
	(TITLE)

•

FILED

APR 27 2000

BEFORE THE

PUBLIC SERVICE COMMISSION

KENTUCKY PUBLIC SERVICE COMMISSION

CASE NO. 99-436

RE: BATH COUNTY WATER DISTRICT

Pursuant to notice duly given, the above styled matter came to be heard April 11, 2000, at 10:00 a.m. in the hearing room of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky; The Honorable Paul Shapiro presiding.

C O P Y

VIVIAN A. LEWIS

COURT REPORTER - PUBLIC STENOGRAPHER
101 COUNTRY LANE
FRANKFORT, KENTUCKY 40601
(502) 695-1373

BEFORE THE

KENTUCKY PUBLIC SERVICE COMMISSION

CASE NO. 99-436

RE: BATH COUNTY WATER DISRICT

APPEARANCES:

Hon. Paul Shapiro Hearing Officer PUBLIC SERVICE COMMISSION

Hon. Jim Pinney Legal Counsel PUBLIC SERVICE COMMISSION

Hon. Michael B. Fox Post Office Box 1450 Olive Hill, Kentucky 41164 COUNSEL FOR PLAINTIFF

Hon. Earl Rogers, III 154 Flemingsburg Road Morehead, Kentucky 40351 Legal Counsel BATH COUNTY WATER DISTRICT

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HEARING OFFICER SHAPIRO: 1 This is a hearing before the Kentucky Public 2 Service Commission in the matter of Robert 3 Hatfield versus Bath County Water District, Case 4 Number 99-436. Is the complainant Robert Hatfield 5 ready to proceed? 6 7 MR. FOX: 8 Yes, Your Honor. HEARING OFFICER SHAPIRO: 9 10 And is Bath County Water District ready to 11 proceed? 12 MR. ROGERS: 13 Yes, Your Honor. 14 HEARING OFFICER SHAPIRO: 15 Can we have appearance of counsel, first for the complainant Robert Hatfield? 16 17 MR. FOX: Michael B. Fox, for the complainant. 18 **HEARING OFFICER SHAPIRO:** 19 20 And your address Mr. Fox? 21 MR. FOX: 22 P. O. Box 1450, Olive Hill, Kentucky 41164. 23 HEARING OFFICER SHAPIRO: 24 And for Bath County Water District?

1	MR. ROGERS:
2	Earl Rogers, III, R-o-g-e-r-s, and my address is
3	154 Flemingsburg Road, Morehead 40351.
4	HEARING OFFICER SHAPIRO:
5	And for Commission Staff?
6	MR. PINNEY:
7	Jeff Pinney appearing for Commission Staff.
8	HEARING OFFICER SHAPIRO:
9	Are there any preliminary matters that we have to
10	take up at this time?
11	MR. ROGERS:
12	I'm unaware of any Your Honor.
13	MR. FOX:
14	None for the Complainant.
15	HEARING OFFICER SHAPIRO:
16	All right. Let me just introduce myself. My name
17	is Paul Shapiro, I'm a Hearing Examiner for the
18	Public Service Commission and I've been asked by
19	the Commission to conduct the hearing here this
20	morning. The Commission, some of you may know,
21	consists of three members and, eventually, they
22	will be the ones who will be deciding the case.
23	So, at this point I'll ask Mr. Fox to call his
24	first witness.

```
MR. FOX:
 1
          I call Robert Hatfield.
 2
     HEARING OFFICER SHAPIRO:
 3
          Mr. Hatfield, you want to come around please.
 4
 5
                        (WITNESS DULY SWORN)
 6
 7
          The witness, ROBERT HATFIELD, having first been
 8
     duly sworn, testified as follows:
 9
                         DIRECT EXAMINATION
10
     BY MR. FOX:
          Tell the Judge your full name please?
11
     Q
          My name is Robert Hatfield.
12
     Α
13
          And what is your address?
14
          100 Wildridge, Morehead, Kentucky.
     Α
15
     0
          And are you married?
16
     Α
          Yes.
17
          And who is your wife?
18
          Tina Hatfield.
     Α
19
     Q
          Is she present in the courtroom today?
20
          She is.
     Α
21
          You and Tina are the complainants in this matter?
     Q
22
          That's correct.
     Α
23
          As a result of the complaint that you filed
     Q
24
          in this matter, did you complete an affidavit
```

1		summarizing the factual geometric that gave
2		summarizing the factual scenario that gave rise to your complaint
3	Α	Yes.
4		MR. FOX:
5		Your Honor, I'd like toMr. Hatfield,
6		the record will reflect I'm handing you
7		a copy of an affidavit.
8	Q	Will you identify that affidavit Mr.
9		Hatfield?
10	Α	This is it.
11	Q	That is the affidavit that you completed. Is
12		it your understanding that that affidavit
13		fairly and accurately represents the factual
14		summary of the allegations of your complaint?
15	A	Yes.
16	Q	Will you adopt by reference into your
17		testimony the information contained in that
18		affidavit?
19	A	Yes.
20		HEARING OFFICER SHAPIRO:
21		You want to move that into evidence, is
22		that correct?
23		MR. FOX:
24		Ves. Your Honor.

1	HEARING OFFICER SHAPIRO:
2	Any objection?
3	MR. ROGERS:
4	No objection.
5	HEARING OFFICER SHAPIRO:
6	So ordered then. Mark it as Hatfield
7	Exhibit 1.
8	(EXHIBIT SO MARKED: Hatfield Exhibit No. 1)
9	HEARING OFFICER SHAPIRO:
10	Is the witness ready for cross-
11	examination?
12	MR. FOX:
13	I believe so, Your Honor.
14	HEARING OFFICER SHAPIRO:
15	Mr. Rogers?
16	MR. ROGERS:
17	Thank you, Your Honor.
18	
19	CROSS EXAMINATION
20	BY MR. ROGERS:
21	Q Mr. Hatfield, my namewe have met previously, my
22	name is Earl Rogers, I represent the Bath Water
23	District. I want to ask you some follow-up
24	questions concerning the proof that you have

24

Α

Yes.

introduced. You have retained an engineer of your 1 own, correct, to design the water system for your 2 3 subdivision, correct? 4 Α Yes. 5 And what is the name of that engineer? Gerard Sossongs. 6 Α And you were informed that you needed 7 Okay. 8 to present proposed plans to the Bath County Water District for approval of that water 9 10 main extension; correct? Yes, far into my attempt. 11 Α 12 As I--as I look at your affidavit I believe you note that, in fact, at the 13 regular monthly meetings of the Bath County 14 Water District in October, November and 15 December of 1999, you submitted plans to 16 them; correct? 17 18 Α I can answer yes with the dates being in 19 I feel like those are the correct 20 dates. Okay. Now, I have--you assisted your counsel 21 Q 22 in responding to a request for production of documents, did you not? 23

ı			
	1	Q	And the documents that you produced wereI
	2		had requested copies of all the plans that
	3		you had submitted to the Bath County Water
	4		District, did I not?
	5	Α	That sounds reasonable, yes.
	6	Q	And did you provide those to me?
	7	A	I provided as much as I could.
	8		MR. ROGERS:
	9		Your Honor, may I approach the witness?
	10	Q	Would you identify these two documents for me?
	11		HEARING OFFICER SHAPIRO:
	12		Let's have them marked for
	13		identification, if you are going to do
	14		that, as Bath County 1 and 2.
	15	A	The first is an approved set of plans for a water
	16		supply system.
l	17	Q	And could you tell me who prepared those
	18		plans?
	19	A	Gerard Sossongs.
	20	Q	Okay. Let the record reflect that he is talking
	21		about Exhibit Number 1.
	22	A	And the second is a miscellaneous
	23		construction, details and specifications, and
	24		I'm assuming that that has something to do

1		with our sewer system. I'm not positive.
2		No, actually, it is some information about
3		water and sewer crossings, typical
4		specifications and it goes into some detail.
5	Q	And were those not documents that you
6		provided to me in your response to request
7		for production of documents?
8	A	My wife took care of most of that. I'm
9		assuming that the answer would be yes.
10	Q	And with respect to Exhibits 1 and 2 that we
11		have just discussed, would you read the
12		preparatory date on those exhibits?
13	Α	The drawing date on Exhibit Number 2 is 12-4-
14		99, and also on Exhibit Number 1, same date
15		of 12-4-99.
16	Q	Exhibit Number 1 has also been submitted to
17		the Division of Water, has it not?
18	Α	Yes, that's correct.
19	Q	And what was the date of approval? It is
20		stamped approved, is it not?
21	Α	It is.
22	Q	And what was the date of approval?
23	Α	It looks like December 20, `99. To the best
24		of my recollectionto the best of my memory

- 11			
	1		the 17th was the actual date that we found
	2		out that they were approved.
	3	Q	Thoseyou said your wife is the one that
	4		handled producing those plans, correct?
	5	A	Yes.
	6	Q	I'll save that and ask her. But, in fact,
	7		weren't there additional plans that were
	8		submitted at those prior meetings in October
	9		and November that were subsequently changed?
	10	A	There was. There was actually some plans
	11		that I submitted earlier in the year that was
	12		a rough sketch that I had made myself.
	13	Q	These plans that were submitted earlier in
	14		the year, in October and November, was it not
	15		related to you by the Board that those plans
	16		were insufficient or not acceptable?
	17	Α	The sketch was produced in June or July that
	18		I drew myself. But the plans that you are
	19		referencing, the engineer and the Board had
	20		requested some modifications to the plans in
	21		order to make them easier to service by the
	22		District.
	23	Q	With respect to Exhibit 1, that wasthat was
:	24		the set of plans that you submitted to the

- 1 Division of Water; correct?
- 2 A That's correct.
- 3 Q And you submitted it--submitted those plans
- 4 to the Division of Water prior to obtaining
- 5 approval from the Bath County Water District,
- 6 did you not?
- 7 A That's correct.
- 8 Q And you submitted--that Exhibit 1 that you
- 9 submitted to the Division of Water was a plan
- for the entire water system for the
- 11 subdivision; correct
- 12 A Exhibit 1, yes.
- 13 Q And the Division of Water only approved the water
- 14 line extension as it relates to 13 existing
- 15 customers; correct?
- 16 A That's correct.
- 17 Q They did not approve any additional customers
- other than the existing 13?
- 19 A No. They said that would be up to the Bath
- 20 County Water District.
- 21 Q This property that--where you are
- constructing your subdivision, when did you
- 23 acquire it?
- 24 A I purchased it in December of `98.

1	Q	Okay. And what was your intent when you
2		bought the property?
3	A	To subdivide the property.
4	Q	And at the time that you bought this property
5		with the intent to subdivide it, you were
6		aware, weren't you, that the Bath County
7		Water District was on an extension line ban
8		by the Division of Water?
9	A	Yes, I was.
10	Q	And you knew that it would be up to the
11		Division of Water to decide when that ban
12		would be lifted; correct?
13	A	That's correct. I had spoken with Mr. Grimes
14		about that matter. He was the
15		MR. ROGERS
16		Your Honor, I object, I didn't ask a
17		question.
18		HEARING OFFICER SHAPIRO:
19		Well, he can explain his answer, go
20		ahead.
21	Α	He was the previous Manager of the Bath
22		County Water Board and I had made my offer
23		contingent, actually, made the phone call in
24		regards to the water from the sellers home,

11		
:	1	Rexall Short, and Mr. Grimes told me they had
2	2	to run a new line from the water source,
:	3	Morehead Utility Plant Board, and upgrade
4	4	some tanks, some storage facilities. And he
	5	said the project would be completed in May
(6	and the ban would then be lifted because they
-	7	had some more projects or some approved
8	8	extensions to go in. And I felt confident
9	9	that if the ban was lifted we wouldn't have
10	O	any problem obtaining a main line extension
1:	1	for our subdivision.
12	2 Q	Okay. So, Mr. Grimes informed you that he thought
1:	3	that the water line extension ban would be lifted?
14	4 A	Yes, he did.
1!	5 Q	But you knew that decision would be left up to the
10	6	Division of Water, did you not?
1	7 A	I did.
1	Q 8	Since this complaint has been filed, have
19	9	you, in fact, purchased approximately 18 new
2	0	water meters for the subdivision, correct?
2	1 A	Yes, I have.
2:	2 Q	And you have purchased those water meters
2	3	even though you do not have existing customer
2	4	or house or location for the service to go

- to; correct?
- 2 A What I do with those meters is my business.
- 3 Q Okay. But to answer the question is yes,
- 4 isn't it?
- 5 A I have plans for those meters, yes.
- 6 Q But, currently, there is no customer out
- 7 there to use them?
- 8 A I would be the customer.
- 9 Q So, you are going to use water from 18
- 10 different meters right now?
- 11 A It is possible.
- 12 Q But it is not happening right now, is it?
- 13 A I don't have 18 meters.
- 14 Q But you purchased 18 meters; correct?
- 15 A That's correct.
- MR. ROGERS:
- I don't have any further questions, Your
- 18 Honor.
- 19 HEARING OFFICER SHAPIRO:
- 20 Mr. Pinney?
- 21 MR. PINNEY
- I have no questions at this time.
- 23 HEARING OFFICER SHAPIRO:
- Mr. Fox?

1	MR.	FOX:
2		Yes, Your Honor.
3		
4		REDIRECT EXAMINATION
5	BY M	R. FOX:
6	Q	Mr. Rogers asked you several questions about the
7		plans and whether they were submitted in a form
8		that was approved by the Bath County Water
9		District. At what point, if it occurred, at what
10		point were you told that the Bath Water District
11		had to approve those plans?
12	A	I don't know that I was ever told they had to
13		approve the specific plans.
14	Q	What was your understanding in terms of who
15		was going to approve those plans?
16	A	The Division of Water would have to approve
17		those plans and it would have to be, of
18		course, acceptable for the Bath County Water
19		Board.
20	Q	But as far as the approval of the sufficiency
21		and the appropriateness of the plans, what
22		was your understanding of who actually gave
23		approval?
2/1	70.	The state.

11		
1	Q	Mr. Rogers asked you about theI believe it was
2		December 17 decision to approve the three inch
3		line that runs through the subdivision as an
4		extension. What was your understanding of the
5		impact of that decision?
6	A	I felt the Bath County Water Board would hook
7		the meters up for those people that had
8		individual lines that were uncovered and put
9		water in those mains.
10	Q	Individual lines that were uncovered, what do
11		you mean?
12	A	Well, we have some customers that live four
13		to five thousand feet off of the main road.
14		They have one inch service lines ran in an
15		open ditch to their property to supply them
16		with water.
17	Q	Why were those lines in an open ditch?
18	A	Well, for one thing, the plumbing inspector
19		wouldn't allow us to cover them.
20	Q	Because?
21	A	Well, there were several different reasons.
22		I think that there is an actual law from the
23		state that says that that is not the correct
24	•	thing to do. There isthe water line should

1 be or the meter should be near the property 2 and, of course, that was our attempt with the 3 main, the three inch main. What did--when the three inch main line was 4 Q approved, had that line gone into service, would 5 6 that have solved those problems? 7 Α Yes. 8 Q Has that three inch line been placed into 9 service by the Bath County Water District? 10 Α No. 11 Today as we speak, is it in use? Q 12 Α No. 13 Is it ready for use? 14 Α Yes. 15 There was some questions about your understanding that there was an extension ban 16 17 in place when you bought the property. 18 think you testified that you believed that 19 ban would be lifted, was it, in fact, lifted? 20 Α It was, just as I was instructed it would be, 21 a little late but still lifted. 22 Q You have indicated that you and your wife 23 bought this property in order to sub develop 24 it, have you sold lots in the subdivision?

1	A	Several.
2	Q	What has been the impact of this situation that
3		gave rise to the complaint in terms of the sales
4		of the lots in your subdivision?
5	A	Well, for one thing, an open ditch with a bunch of
6		service lines streaming everywhere doesn't look
7		very good and that is not a neighborhood I would
8		move into. And I'm sure the people that live
9		there hold me responsible for their anguish with
10		frozen water. And I know the public's image has
11		to be negative because of that.
12	Q	Specifically, with regard to the 18 meters
13		that you have purchased, have they been set?
14	A	No.
15	Q	Is it becausewhy have they not been set?
16	A	We haven't provided a permit for those meters
17		to be set. I wanted to seeon locations is
18		the reason why I haven't pushed it. My wife
19		may have other ideas on whether she wanted
20		some of those meters set or not set. I
21		actually haven't strongly pursued it since
22		the time of purchase in lieu of this hearing.
23	Q	I see. Have you and your wife lost sales of
24		lots because of this situation?

```
1
     Α
           I'm sure we have.
 2
                MR. FOX:
 3
                     That's all I have.
 4
     MR. ROGERS:
 5
          Some follow-up Your Honor.
 6
 7
                        RECROSS EXAMINATION
 8
     BY MR. ROGERS:
 9
     Q
          Mr. Hatfield, you knew at the time that you were
10
          selling these lots that you had not yet gained
11
          approval from the Bath County Water District for
          acceptance of this water main, didn't you?
12
13
     Α
          Yes, I did.
14
          And you knew that at the time you sold the lots
     Q
15
          that you had not yet gained acceptance of this
          water main from the Division of Water, didn't you?
16
17
     Α
          Yes, I did.
18
          And the engineer that you retained to prepare
19
          your water system plans, did he not tell you
20
          that your plans for the water system had to
21
          be approved by the District before they were
22
          submitted to the Division of Water?
23
     Α
          I'm not sure, I don't recall that, it's
24
          possible, but I don't recall that.
```

0

1	MR. ROGERS:	
2	Okay. That's all the questions I have	: .
3	MR. PINNEY:	
4	I just have two or three questions Mr. Hatfield.	,
5		
6	CROSS EXAMINATION	
7	BY MR. PINNEY:	
8	Q How many meters currently are set and operatable	j
9	on the property?	
10	A Twenty to twenty-two.	
11	Q Twenty to twenty-two?	
12	A Twenty.	
13	Q They are setting there and in use?	
14	A Yes, that's correct.	
15	Q Yes, that's correct.	
16	MR. PINNEY:	
17	Okay. That's all the questions I have	
18		
19	REDIRECT EXAMINATION	
20	BY MR. FOX:	
21	Q How many were set and in use on November 5?	
22	A I think it was 11, somewhere between 11 and	
23	13. I could check and be certain, but I know	
24	it is a number between 11 and 13.	

1	Q	But in any event, is it your understanding
2		that on December 17 that three inch main
3		extension was approved by the Division of
4		Water?
5	Α	It is.
6		MR. FOX:
7		Nothing further.
8	HEAF	RING OFFICER SHAPIRO:
9		Mr. Hatfield, how many lots are in the
10		subdivision?
11	A	We currently have plans on developing out around
12		45 to 50. In the beginning we had plans on
13		selling smaller lots, but we have had some
14		problems, of course, with the water and it seems
15		like the demand is for a larger tract and we have
16		lessened the number.
17	HEAR	RING OFFICER SHAPIRO:
18		Have you filed a subdivision plat?
19	Α	I would think so. I would think that has been
20		filed.
21	HEAR	RING OFFICER SHAPIRO:
22		Are you selling lots according to the plat?
23	A	Yes, we are.
24		

- 24 -

- 1 HEARING OFFICER SHAPIRO:
- And you say there is about 40 to 45 lots in that
- 3 plat--on that plat?
- 4 A There is actually probably more than that on
- 5 the actual plat.
- 6 HEARING OFFICER SHAPIRO:
- 7 So, you are selling partial lots, is that--or you
- 8 are combining them?
- 9 A We are selling mostly--most people buy two
- 10 lots for each house.
- 11 HEARING OFFICER SHAPIRO:
- 12 And how many lots are served by water at this
- 13 time?
- 14 A I would think 20.
- 15 HEARING OFFICER SHAPIRO:
- 16 Twenty. And you also have ordered 18, did you say
- 17 18 more.
- 18 A Uh-huh.
- 19 HEARING OFFICER SHAPIRO:
- So, that would be a total 38 lots that would be
- served by separate water meters?
- 22 A Uh-huh.
- 23 HEARING OFFICER SHAPIRO:
- And those separate water meters are attached to

1		the Water District's main?
2	A	All of the meters that are set currently are
3		on their main. A personal thought was if we
4		couldif I could arrange those additional 18
5		to be placed on the three inch main that I
6		have installed it would be more efficient and
7		effective for me.
8	HEAR	ING OFFICER SHAPIRO:
9		There are 20 lots currently with water; is that
10		right?
11	A	That's right.
12	HEAR	RING OFFICER SHAPIRO:
13		And there areyou have purchased 18 more meters?
14	A	Uh-huh.
15	HEAR	RING OFFICER SHAPIRO:
16		And has the Water District accepted those
17		purchases, agreed to install those meters?
18	A	They have accepted the check and have
19		informed me that in order for them to set
20		those meters they would have to be capable
21		and I would think that that is in regards to
22		water pressure and volume that those meters
23		would be set.
24		

- 26 -

1	HEAR	ING OFFICER SHAPIRO:
2		What do you mean by capable?
3	A	Capable, that means they can service those.
4	HEAR	ING OFFICER SHAPIRO:
5		I'm sorry, I didn't hear you
6	A	It means they canwhat I mean by that is
7		they can service those meters. They can
8		actually keep the water pressure up to the 30
9		pound without jeopardizing the rest of the
10		customers on their system in that area. That
11		means if they can service those meters, they
12		will service those meters.
13	HEAR	ING OFFICER SHAPIRO:
14		So, essentially, what you are saying, then, is
15		they will furnish you those meters if they can
16		provide thirty pounds per square inch pressure,
17		which they are required to do by this Commission
18		standards? And what was the other reason?
19	A	Well, as long as they can keep the pressure up for
20		all the other customers in the area
21	HEAR	ING OFFICER SHAPIRO:
22		Maintain the current
23	A	Maintain the current pressure, the minimum
24		standard for the rest of thosethe rest of the

```
1
           customers in the area.
     HEARING OFFICER SHAPIRO:
           So, if you were to get all 18 meters approved, if
 3
 4
           you were to get 18 more meters, that would give
          you 38 meters which would pretty much cover the
 5
          whole subdivision, maybe about seven lots left
 6
 7
          over; is that right?
 8
     Α
          That's right.
 9
     HEARING OFFICER SHAPIRO:
10
          Anything else of this witness?
     MR. ROGERS:
11
12
          I would like to move to introduce the plats that
13
          were identified as Exhibits 1 and 2, Defendant's 1
14
          and 2.
15
     HEARING OFFICER SHAPIRO:
16
          Any objection?
17
     MR. FOX:
18
          None.
19
     HEARING OFFICER SHAPIRO:
20
          Thank you, Mr. Hatfield.
          (EXHIBITS SO MARKED: Bath County Exhibits
21
22
          Numbered 1 and 2)
23
     HEARING OFFICER SHAPIRO:
24
          Call your next witness?
```

```
MR. FOX:
 1
 2
           I call Tina Hatfield.
 3
                        (WITNESS DULY SWORN)
 4
 5
           The witness, TINA DENISE HATFIELD, having first
     been duly sworn, testified as follows:
 6
 7
                         DIRECT EXAMINATION
 8
     BY MR. FOX:
 9
          Tell the Judge your full name please?
10
          Tina Denise Hatfield.
     Α
          And, Ms. Hatfield, are you married to Robert
11
12
          Hatfield who previously testified?
13
     Α
          Yes.
14
     0
          And are you a co-owner of the Meadowbrook
          Subdivision in Bath County?
15
16
     Α
          Yes.
17
          Have you prepared an affidavit in
     Q
18
          anticipation of today's hearing?
19
     Α
          Yes.
2.0
               MR. FOX:
21
                     May I approach the witness? Let the
22
                     record reflect I'm showing her her
23
                     affidavit.
24
     Q
          Tina, if you will look at that and tell us if that
```

1		
2		is the affidavit that you prepared for this hearing?
3	A	Yes, it is.
4	Q	And to the best of your knowledge and belief,
5		is the information contained in that
6		affidavit true and accurate?
7	Α	Yes, it is.
8		MR. FOX:
9		Your Honor, we move to identify that as
10		Complainant's Exhibit Number 2 and move
11		to introduce it as evidence in this
12		matter.
13		HEARING OFFICER SHAPIRO:
14		Any objection?
15		MR. ROGERS:
16		No, sir.
17		HEARING OFFICER SHAPIRO:
18		So ordered.
19		(EXHIBIT SO MARKED: Hatfield Exhibit No. 2)
20		HEARING OFFICER SHAPIRO:
21		Ready for cross-examination?
22		MR. FOX:
23		Yes, Your Honor.
24		

1		CROSS EXAMINATION
2	ВУ	MR. ROGERS:
3	Q	Mr. Hatfield, I would just like to follow-up with
4		a few questions. You heard your husband testify
5		that he let you handle getting the documents
6		together, right?
7	A	Yes.
8	Q	And if you could take a look at Defendant's 1
9		and 2
10		HEARING OFFICER SHAPIRO:
11		I think it is Bath County 1 and 2.
12	Q	Okay, Bath County 1 and 2, I'm sorry. Were
13		those the documents that you provided to me
14		in response to my request for production of
15		documents?
16	A	I am pretty certain that it is, yes.
17	Q	And you will note that those two exhibits
18		arethe preparatory on those is dated early
L9		December, 1999?
20	A	Right.
21	Q	Ma'am, weren't there other plans that were
22		submitted to Bath County Water District in
23		November and October?
24	A	When I produced these plans, these are the

1		plans that I had possession of. The plans
2		that were submitted probably had different
3		legends. The same layout applied, the same
4		layout, the same details were the plans that
5		we submitted. The first time we submitted
6		them there were a couple of changes in the
7		details which we were asked to change, which
8		we did. But I don't have possession of the
9		plans that we had to revise because they
10		weren't of any use to us. So, I discarded
11		those.
12	Q	Okay.
13		HEARING OFFICER SHAPIRO:
14		Well, the question, though, was were
15		there other plans submitted earlier?
16	A	Yes.
17	Q	Okay. I think you pretty much answered my
18		question, those other plans had to be
19		revised; correct?
20	A	Right.
21	Q	And those were revised at the request of the
22		Bath County Water District, correct?
23	A	Yes.
24	Q	And they made that request at their October

1 meeting? 2 Α I'm not sure if it was October or November, 3 it was one of the two. 4 Q Could it have been both? 5 No. Α And your revised plans were submitted at the 6 Q 7 December meeting; correct? 8 Α No. 9 Q You did not submit any plans in 10 December? 11 The Dec--I recall what happened at the Α 12 December meeting. I believe that we--our 13 plans were already approved at that point and I believe that we looked at them in reference 14 15 to the customers, but I don't know if--the plans weren't really the issue in December so 16 17 I don't really recall what happened with the 18 plans in December. 19 When you said the plans were approved in Q 20 December, you meant they were approved by the 21 Division of Water; correct? 22 Α Yes. 23 Q Now, when they were approved by the Division of

Water it was a limited approval; correct?

1 Α It was an approval for the 13. 2 Thirteen existing customers? 0 3 Right. Α 4 0 Not for any additional customers? I'm just 5 talking about the Division of Water? 6 Α No. 7 Did--you made reference to what Mr. Fawns has 8 told you in your affidavit, but did you--the 9 engineer that you retained to help you 10 prepare the plans for your water system in your subdivision, did he ever tell you that 11 12 your plans, by regulation, have to be 13 approved by the District before they are 14 submitted to the Division of Water? 15 Α My engineer? 16 Yes. Q 17 No, not that I--I don't ever recall that, no. Α And the limited approval by the Division of 18 Q Water for the 13 customers was because those 19 20 customers had those long lateral lines that 21 were in open ditches; correct? 22 Α I'm fairly certain that was the reason, yes. MR. ROGERS: 23

I don't have any further questions.

	1	MR.	PINNEY:
	2		I have no questions at this time.
	3	HEAR	ING OFFICER SHAPIRO:
	4		Any redirect?
	5	MR.	FOX:
	6		Yes, Your Honor.
	7		
	8		REDIRECT EXAMINATION
	9	BY M	R. FOX:
1	0	Q	Were you ever made aware by the Bath County Water
1	1		District that they needed to approve these plans?
1	2 .	A	No.
1	3 (Q	How many meetings did you attend?
14	4 2	A	Seven or eight.
1!	5 (Q	Okay. With the last being when?
16	<u> </u>	A	December.
1	7 (Q	December was the last meeting. So, upI think
18	3		your husband testified, I think, in May, May
19	7		through December you attended seven meetings. At
20)		any point in time did the Bath County Water
23	L		District during the meeting or on any other
22	2		occasion tell you that you had to submit plans to
23	3		them for approval?
24	1 1	A	They told me that we needed to submit our

	1		plans to the Division of Water and that their
	2		engineer needed to look over them as well as
	3		KennyI don't know his position exactlybut
	4		as well as Kenny needed to look over them to
	5		look at the layout. There were a couple of
	6		gate valves they wanted us to put on and they
	7		wanted us to adapt our system, not that it
	8		wasn't sufficient, but to adapt our system
	9		for what I felt was easier maintenance. But
	10		that was the only reason I was ever aware of
	11		to submit the plans to them, to the Water
	12		Board.
	13	Q	Were there any changes that they requested
	14		that you all did not make or refused to make?
	15	A	No.
	16	Q	Did you comply with all the requests of the
	17		Bath County Water District?
	18	A	As timely as possible.
	19	Q	Do you know of any request that you did not
	20		comply with?
	21	A	I don't recall anything. I've tried to do
	22		everything they wanted to do.
	23	Q	What was your understanding of the limitation
	24		of the 13 customers? I think you mentioned
H.			

1		that it was up to the Bath County Water
2		District after that?
3	A	The Division of Water approved the 13 without
4		thewe were supposed to have a letter from
5		the Division of Water agreeing to service the
6		line.
7	Q	From the Division of Water?
8	A	For the Division of Waterthe Division of Water
9		wanted a letter from the Board, the District,
10		agreeing to service the extension, and I couldn't
11		get a letter from them. And, so, with our
12		circumstances being as they were the Division of
13		Water went over the Water Board to approve the
14		extension for the existing customers. But they
15		made note that what I felt the reason for was they
16		made note that it was for the existing customers
17		and was not to be considered as approval for
18		additional customers unless it was okay with the
19		Water Board, unless the Water Board was in
20		approval of that. So, my opinion was that they
21		did that so that it wouldn't be tooI guess it
22		wouldn't be so out of line for them to go over the
23		Board.
24	Q	And what would have prevented the Water

1	Board, after that main extension was added,
2	the three inch extension, what would have
3	prevented them from adding more than 13
4	customers?
5	MR. ROGERS:
6	I object to the question. I'm not sure
7	she can answer that.
8	HEARING OFFICER SHAPIRO:
9	What was the question again?
10	MR. FOX:
11	What is her understanding of what would
12	have prevented the Bath Water District
13	from adding more than the 13 customers
14	after the three inch line was added to
15	the system?
16	HEARING OFFICER SHAPIRO:
17	What was the objection?
18	MR. ROGERS:
19	I guess I don't understand his question.
20	Her understanding of what the District
21	thought they could or couldn't do, what
22	would preventI don't understand the
23	question. And I'm sure I don't see how
24	she can answer the question.

1	HEARING OFFICER SHAPIRO:	
2	Well, if she knows she can answer it.	
3	Do you know?	
4	A Sure. Well, my opinion is what you are	
5	asking for. My opinion on why they couldn't	
6	service more, we have talked about it so much	
7	I've forgotten the question.	
8	Q What did they tell you, I mean, what was the	
9	reason that they wouldn't add more than 13	
LO	customers even if the three inch line was	
11	added to the system?	
L2	A The reason would be that the pressure would	
13	fall below and they wouldn't be able to	
L4	service the additional meters, that it	
15	wouldthat would be the reason.	
16	MR. FOX:	
17	Okay. Nothing further.	
.8	MR. ROGERS:	
19	Just one or two follow-ups.	
20		
21	RECROSS EXAMINATION	
22	BY MR. ROGERS:	
23	Q Ms. Hatfield, you said that you complied with all	l
24	of the requests of the District in revising your	

1		plans. But they were not final until December of
2		1999; correct?
3	A	Our plans were not final until December?
4	Q	Right. If you would like you can look at the
5		date on them?
6	A	They were approved in December, that is not to say
7		that ourweI know that we submitted them weeks
8		before they approved.
9	Q	Okay. What is the date that they were
10		prepared, you can look at the date?
11	A	The drawing date says December 4.
12	Q	Okay. And the meeting of the Bath County
13		Water District after December 4, the next
14		meeting was December 28, was it not?
15	A	I believe it was the 27, but right around there.
16	Q	Okay. And that was the next District meeting
17		and you went to that meeting; correct?
18	A	Yes.
19		MR. ROGERS:
20		Nothing further.
21	MR.	PINNEY:
22		I only have one question Ms. Hatfield.
23		
24		

- 40 -

l	1		CROSS EXAMINATION
	2	BY M	IR. PINNEY:
	3	Q	In regard to the existing meters that are
	4		currently in operation, was there any difficulty
	5		getting them set or installed?
	6	A	Yes.
	7	Q	Could you elaborate on that please?
	8	A	I don't want to exaggerate, so I'll try not to.
	9	Q	I'd appreciate you being objective as
	10		possible.
	11	A	Several of the meters, less than half,
	12		probably, several of the meters we had
	13		difficulty in obtaining. Whether there was a
	14		refusal to set the meter oran obvious
	15		purposeful delay that was uncalled for, in my
	16		opinion. Not to say that I could be wrong,
	17		but we had difficulty in obtaining several of
	18		the meters, yes.
	19		MR. PINNEY:
	20		Thank you.
	21		HEARING OFFICER SHAPIRO:
	22		Do you have anything else?
	23		MR. PINNEY:
	24		I beg your pardon, I have no further

1		questions.
2		
3		REDIRECT EXAMINATION
4	BY N	MR. FOX:
5	Q	Were you ever advised by the Water Board that
6		there was a tap ban on the subdivision?
7	A	Yes.
8	Q	Explain that if you will?
9	A	I went in to try to purchase meters and I
10		told them I wanted to buy a few meters and so
11		one of the ladies in the office got out the
12		paper work and she looked at me and she said
13		are you Tina Hatfieldno, she said you're
14		not Tina Hatfield, are you? And I said why
15		yes, I am, what does that have to do with
16		anything? And she said we can't sell you any
17		meters. And I said why? And she saidI
18		said there is no tap ban so you have to sell
19		me meters. There is no meter ban, you have
20		to sell me meters. She said no, but there is
21		a tap ban for you. And I said there can't be
22		a tap ban for me and they went on to tell me
23		that there was. And I went on to call the
24		Public Service Commission from their office

1		and sat there and wait and wait for them to
2		sell me some meters. Then I tried to
3		negotiate a lower number for them to sell me
4		because I wanted 18 and I tried to getthey
5		said the way I was doing things they couldn't
6		sell me any meters. And so, I said, okay,
7		they couldn't set meters to run so far back
8		into the subdivision. I said, okay, these
9		are the meters that I want to be put on the
10		main road to serve the road front lots, and I
11		counted like 10. I said okay, I need these
12		10 lots, I promise they will be for thego
13		on the property that they are serving, I need
14		these 10. And they said, no, couldn't sell
15		me any meters at all, no meters for me.
16	Q	When was this?
17	A	I want to say it was the beginning of
18		February or the end of January.
19		MR. FOX:
20		Nothing further.
21		
22		RECROSS EXAMINATION
23	BY M	R. ROGERS:
24	Q	That was after this complaint was filed with the

1		Public Service Commission, wasn't it?
2	Α	I think I maybe amended the complaint after
3		that. Maybeno, I didn't amend the
4		complaint, I was going to amend the
5		complaint. It was after the complaint was
6		filed.
7	Q	And theand when you said I think February
8		you are talking about of 2000?
9	A	Yes.
10	Q	And the concern that was related to was
11		because of the previously set meters that had
12		very long lateral lines remaining in
13		uncovered ditches; correct?
14	Α	I'm sorry, could you repeat that?
15	Q	The concern that was related to you there at
16		the Water District about these meters was the
17		past practice that you and your husband had
18		of setting meters and running extremely long
19		lateral lines and leaving the ditches
20		uncovered; correct?
21	A	I can't answer what their concern was. I
22		don't really know.
23	Q	But I think you testified that they said
24		based upon your past practice, did you not

1	say that?
2	A I don't think I said based on it. I'm sure that
3	was one of their reasons.
4	MR. ROGERS:
5	Nothing further Judge. Let me ask one
6	more question.
7	Q But you doyou did, in fact, your husband
8	purchased those meters later on, didn't he?
9	A Later on.
10	MR. ROGERS:
11	I have no further questions.
12	HEARING OFFICER SHAPIRO:
13	Thank you Ms. Hatfield. Let's take about five
14	minutes.
15	(OFF THE RECORD)
16	MR. FOX:
17	Gerard Sossong.
18	(WITNESS DULY SWORN)
19	MR. ROGERS:
20	Your Honor, before Mr. Fox begins I'd like to note
21	my objection to Mr. Sossong testifying. His proof
22	affidavit, his verified testimony has not been
23	filed in the record, to my knowledge. I will, in
2.4	fairness, state that I believe the affidavit he is

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going to testify from was faxed to my office.
 1
          can't recall, approximately a week ago, but it was
 3
          unsigned and since I never received a verified
          document I assumed that he would not be called to
          testify on direct. I was unable to prepare
 5
          rebuttal testimony and, therefore, I would object
 6
 7
          to his testimony in their case in chief.
 8
     HEARING OFFICER SHAPIRO:
 9
          Do you have a copy of it Mr. Pinney?
10
     MR. PINNEY:
11
          I have not seen it.
12
     HEARING OFFICER SHAPIRO:
13
          But you did receive a copy of his testimony; is
14
          that correct?
15
     MR. ROGERS:
          I received an unsigned affidavit that was faxed to
16
17
          me, I can probably give you the time that I
          received that, but it will take me a few moments
18
19
          to find it.
20
     HEARING OFFICER SHAPIRO:
21
          Well, that's okay. Mr. Fox, did you file the
22
          original?
23
     MR. FOX:
          As far as I know, Judge, like we discussed earlier
24
```

1 the other ones, wherever they are they are all 2 together. 3 MR. PINNEY: 4 I can go to the file and check. **HEARING OFFICER SHAPIRO:** 5 6 Is it in this package you gave me? 7 MR. FOX: 8 Not the original, no, that's the copy I brought 9 today. 10 HEARING OFFICER SHAPIRO: 11 I mean, is this a copy--is Mr. Sossong's testimony 12 in here? 13 MR. FOX: 14 Yes. 15 HEARING OFFICER SHAPIRO: 16 Affidavit in here also? 17 MR. FOX: 18 It's probably the last document. And in response to the objection, we have provided this 19 20 testimony to opposing counsel. There is no undue 21 surprise in the testimony that will be presented. Mr. Rogers and I have discussed his testimony, I 22 23 don't believe that there is any surprise or any 24 information that is contained in that affidavit

1	that the defendant is not aware of.
2	HEARING OFFICER SHAPIRO:
3	I'm going to allow the witness to testify.
4	However, I will allow the defendant to reserve the
5	right to cross-examine the witness beyond this
6	hearing if, in fact, it is determined that he
7	would be prejudiced by the failure to comply with
8	the Order. As the parties know, there was an
9	Order entered directing each of the parties to
L O	file verified testimony of each witness who was to
1	appear at the hearing today. This, obviouslythe
L2	copy I have, obviously, does not comply with that
13	Order because it too was unsigned, and I'm not
.4	sure of the reason that we require the information
.5	to be verified since the witness will be verifying
.6	it at the hearing again. So, I'llbut I don't
.7	want tobut I can understand why the defendant
.8	might not have preparedfully prepared his cross-
.9	examination. And if, in fact, he is not able to
0	cover certain areas that are covered in the
1	affidavit and wishes toor feels that he needs
2	it is necessary for him to come back we will do
3	that.

1	MR. FOX:
2	Thank you, Judge.
3	HEARING OFFICER SHAPIRO:
4	But at thisso at this point we will let the
5	witness proceed.
6	
7	The witness, GERARD SOSSONG, have first been duly
8	sworn, testified as follows:
9	DIRECT EXAMINATION
10	BY MR. FOX:
11	Q Mr. Sossong, did you prepare an affidavit in
12	anticipation of today's hearing?
13	A Yes, I did.
14	Q I'd like to show you a copy of that affidavit. To
15	the best of your knowledge, is the information
16	contained in that affidavit true and correct?
17	A Yes, it is.
18	MR. FOX:
19	Your Honor, we would move to introduce
20	that as Complainant's Exhibit 3.
21	HEARING OFFICER SHAPIRO:
22	Yes. Any objection?
23	MR. ROGERS:
24	None other than previously noted.

	1		HEARING OFFICER SHAPIRO:
	2		Okay, so ordered.
	3		(EXHIBIT SO MARKED: Hatfield Exhibit No. 3)
	4		HEARING OFFICER SHAPIRO:
	5		Is the witness ready for cross-
	6		examination
	7		MR. FOX:
	8		Yes, Your Honor.
	9		
	10		CROSS EXAMINATION
	11	BY M	R. ROGERS:
	12	Q	Mr. Sossong, my name is Earl Rogers, I don't guess
:	13		we have ever met before but I have some follow-up
:	14		questions to ask. How long have you been an
1	15		engineer sir?
]	16	A	An engineer?
1	L7	Q	Yes, sir.
1	L8	A	Eight years certified as a Professional
1	19		Engineer.
2	0.0	Q	Eight years. Sir, how long have you been
2	21		licensed in Kentucky?
2	22	A	I don't know that exactly but I'm going to
2	23		guess it is around three years now.
2	24	Q	Three years?

1	Δ	Yes.
_	7.7	100.

- 2 Q And how many water systems have you designed
- in the years that you have been practicing?
- 4 A Probably about eight.
- 5 Q Eight?
- 6 A Yes.
- 7 Q How many water systems have you designed and
- 8 submitted to the Kentucky Division of Water
- 9 for approval?
- 10 A Zero.
- 11 Q When did Mr. and Mrs. Hatfield first contact
- 12 you to design their water system?
- 13 A Somewhere around October.
- 14 Q October of 1999?
- 15 A That's correct.
- 16 Q And, sir, you are aware that pursuant to
- 17 Kentucky Regulations that you are to design
- that water system--it is to be reviewed and
- approved by the District and then with a
- letter of approval sent to the Division of
- 21 Water for approval?
- 22 A I am not aware of that.
- 23 Q You are not aware that there is a Kentucky
- 24 regulation requiring that?

1	A	That was notno, I'm not aware of that
2		regulation. I feel that I have a need to
3		explain something there.
4	Q	All right, sure, go ahead.
5	A	In my review of the submittal process
6		communicating with the state, not necessarily
7		reviewing all the regulations, the communicating
8		with the state and several of their engineers at
9		the state they gave me a check list of the items
10		that I needed to complete for this water
11		submittal. And in that check list there wasone
12		of the items was an approval letter from the
13		county or the district that you are referring to.
14		And this approval letter was the item that we were
15		attempting to get the approval letter of our
16		plans.
17	Q	Sir, are you, just for clarification, you are
18		not familiar nor have you read Kentucky401
19		Kentucky Administrative Regulation 8:100,
20		Paragraph 5, you have never read that?
21	A	I can't site that specifically.
22	Q	And if I told you that that reg reads as
23		follows, "Final plans and specifications for
24		water treatment plants and distribution

1 facilities: (a) plans for the construction or modification of public water system shall be 2 3 submitted by the water system or coming by 4 letter from the water system affirming that 5 it has reviewed the plans, accepts the design and can and will provide water to service the 6 7 project". 8 Okay, I'm familiar with that, I've read that Α 9 before. Okay. So, you acknowledge--you don't dispute 10 Q 11 that is what that regulation provides? 12 Α I do not. 13 Mr. Sossong, did you prepare your own hydraulics report concerning this 14 15 subdivision? 16 Α Yes, I did. 17 Did you--where is that report? 18 I have a copy of it in my file. Α 19 Q Okay. Do you have any idea why that report 20 was not provided to me through my request for 21 production of documents? 22 Α I do not know. 23 Q Have you ever, yourself, took it upon 24 yourself to provide that report to the Water

1		District's engineer for his review?
2	A	No, I did not.
3	Q	Did you think it would be important for him
4		to see your report or findings?
5	Α	ThisI will answer the question and then ask
6		for an explanationan opportunity to explain
7		myself.
8	Q	That will be fine.
9	Α	Yes, I think it was important forwell,
10		actually no, I think that from my
11		understanding of it, I was under the
12		understanding that they needed to review all
13		of the plans for the subdivision. There was
14		a need tofor the state to review all of the
15		plans for the subdivision. They had
16		indicated that they wanted to review the
17		plans and the lay out to make sure that we
18		were laying out our system that would be easy
19		to maintain and would be acceptable to their
20		needs.
21	Q	You were aware, were you not, that the
22		District's chief concern was that this
23		subdivision would drain water pressure in
24		that area and cause it to go below 30 psi,

1		right?
2	A	That's correct.
3	Q	And you are aware that the District took it
4		upon itself to ask its own engineer to do a
5		model and do some calculations to see if this
6		subdivision would adversely affect the water
7		pressure in that area?
8	Α	That's correct.
9	Q	And, in fact, this affidavit I've been given
10		today is basically you saying that you
11		disagree with his report?
12	A	The methodology in thewhat it disagreed
13		with is, and I'll say, yes, I disagree with
14		the method. But at the time that he did it,
15		it was satisfactory for the knowledge that we
16		had; thereafter, there was a water pressure
17		reading which was taken and was accurate
18		information at a point closer to the
19		subdivision which suddenly made any estimates
20		back from that subdivision much less
21		accurate.
22	Q	So, you were aware that he did hydraulics
23		calculation or estimate or report; correct?
24		We're talking about Scott Taylor, Mr. Taylor

1 did that? 2 Α Yes, yes, I saw it, yes. 3 0 And you had done hydraulics report yourself; correct? 5 On the subdivision itself. 6 Okay. You did not evaluate how the water 7 pressure would be affected in the surrounding 8 area, did you not? 9 Α No, I did not. 10 Q And let me ask you this, you did not evaluate 11 how this subdivision would affect--strike 12 that, let me re-ask that question. 13 report you did not evaluate how the drain 14 that this subdivision would cause would 15 affect its own pressure, did you not? And if 16 I asked a bad question tell me, I'll try to 17 rephrase it. 18 Α You might want to rephrase that. 19 Did you calculate -- I'm not sure how to ask 0 20 the question, Mr. Sossong. Basically, your 21 report was only within the subdivision? 22 That's correct. Α 23 You had no idea how the subdivision's drain would Q

affect other customers in the area?

- 1 A That's correct.
- 2 Q And you have no idea how the subdivision's
- 3 drain would affect its own pressure right at
- 4 the property line?
- 5 A Beyond the main extension that we were proposing,
- I do not, but I do know how it affected along that
- 7 main extension throughout the property, the
- 8 pressures.
- 9 Q And you are aware, are you not, that this
- District has an obligation to maintain 30 psi
- 11 to all customers?
- 12 A Yes, I am.
- 13 Q They have a legal obligation to do that,
- 14 don't they?
- 15 A Yes, I am.
- 16 Q In your affidavit, Paragraph A, you are
- 17 referring to--that the assumptions were not
- true pressure readings and this water
- pressure meter that was placed for one week,
- you are referring to, is this the one you are
- referring to as getting the 80 psi?
- 22 A That's correct, yes.
- 23 Q Do you know where that meter was located?
- 24 A I do not. At the time--since then I've been

told it was placed in the approximate area 1 where I assumed it would have been placed and 2 3 did my calculations from. And that was a low area in that subdivision, Q 5 wasn't it? Actually, from--no, it was one of the higher 6 Α 7 points in the subdivision, my intersection 8 with the mains was at a higher point in the 9 subdivision. 10 Q And you are saying that is where the meter 11 was located? From what I understand it was. 12 Α And the 80 psi reading you stated was taken 13 Q 14 for one week? 15 If--I don't recall the exact--the chart, it Α was a circular chart that basically monitors 16 17 for multiple days. I think it was a week, I seem to recall that was--it was a week 18 19 reading. 20 Could it have been three days? 21 I don't recall right offhand. Α 22 You've seen the chart, right? Q 23 Α Yes, I have. And the chart was taken in the month of November? 24 Q

1	Α	I don't recall the exact date at this time.
2	Q	Good. Would you agree with me, as an
3		engineer and designer of water systems, that
4		the month of November or December are usually
5		low demand months?
6	A	I cannot testify to that, I do not know that,
7		those statistics.
8	Q	You are not familiar enough with those
9		statistics?
10	A	That's correct.
11	Q	Would you believe that Mr. ScottMr. Scott
12		Taylor would be familiar with those
13		statistics?
14	A	I believe he probably would be.
15	Q	And assume for meassume with me that
16		November and December are low demand months,
17		wouldn't that mean that there would be
18		greater pressure if there is lower demand?
19	Α	At myyes.
20	Q	And as an engineer, would you agree with me,
21		sir, that a three day window in the month of
22		November or December of year is not a good
23		indicator of an entire year?
24	A	I cannot indicate that. I was not

1		responsible charge for placing the meter or
2		running the test.
3	Q	But as an engineer, wouldn't you want more
4		information?
5	A	I'll say yes, but I also would give an
6		explanation.
7	Q	Sure.
8	A	As an engineer, of course, I always want more
9		information until the point is where it is no
.0		longer an estimate. At some point you must
.1		break it off in any estimate and say, okay,
.2		we are going to use this amount of
.3		information. This is what was provided at
4		the time.
.5	Q	When did you first learn that Mr. Taylor
.6		didn't think this subdivision would basically
.7		fly due to water pressure?
.8	Α	I don't recall if it was the October or November
.9		meeting that Scott Taylor wasshowed up for the
20		meeting and was available and he provided me with
21		the model at that point. That was pretty much
22		that he was showing with his model that there was
23		not going to be sufficient pressure according to
24		his model.

1	Q	Did you ever take it upon yourself to do
2		further calculations over and above what you
3		had previously done within the subdivision to
4		see if you could dispute his model?
5	A	No, thatno, I did not, with also an
6		additional explanation. Within my little
7		subdivision, or my calculations, I cannot
8		dispute anything in his model because his
9		model takes into consideration everything
10		inside my subdivision plus everything outside
11		of that up to the Preston Tank. Whether my
12		calculationswhatever I do with my
13		calculations, as long as I'm not exceeding
14		the state requirements, I cannot do anything
15		to affect his model, basically. I did my
16		calculations based on the fact that we had a
17		two gallon per minute demand according to the
18		state. They required that and required a 30
19		psi at all meters. So, I took that to that
20		limit and maximized it and, basically, did my
21		calculations to verify if we had enough
22		pressure at all of the meters and if we could
23		actually provide the two gallons per minute
24		at each meter. And that was the case, so I

1		did not go beyond that. There, of course, we
2		could always open up a line someplace and,
3		yes, we would drain everything out from the
4		Preston tank also. But that is something
5		that nobody would think would be reasonable.
6	Q	You don't dispute Mr. Scott Taylor's
7		knowledge of the lines, the line diameters,
8		the length of the lines, the location and
9		elevation of the lines, you don't dispute
10		those, that information, do you?
11	A	They were estimates. I'm going to say I
12		don't know that they are accurate. And I
13		can't say that they are accurate because I
14		don't have that information, so, no, I can't
15		dispute them, although they are estimates.
16	Q	You can't say they are inaccurate either, can
17		you?
18	A	That's correct.
19	Q	But my question a while ago was you obviously, to
20		some extent, disagree with Mr. Scott Taylor's
21		findings or conclusions. Did you take it upon
22		yourself to do your own study or your own model to
23		see if you could reach a different conclusion?
24	A	I could notI do not have the access to the

2 0 Did you ever request that information? 3 Α No, I did not. I think that I need to give an explanation for that also. 4 That will be fine. 5 6 Α I did not request that because I am being 7 paid by--I could, of course, come up with all 8 kinds of work and drain these people's money pockets dry. I am working for them and, 9 basically, I do what they need. Of course, 10 they are a small operator and beginning 11 12 developer so they are trying to--their pockets are not deep. 13 The plans that you prepared, you attended some of 14 Q 15 the Bath County Water District meetings, correct? Would you repeat that for me please? 16 Α 17 I'm sorry, that was a two part question. Q 18 scratch that. You attended some of the Bath

information that he has.

1

21 A I did, yes, I did.

your client?

22 Q I'm going from memory but I believe were you there

County Water District Board meetings with

in October?

19

20

24 A Yes, I believe I was also.

2 I believe I was. Α 3 What about December? Q 4 Α I think I was there in December also. 5 And you came to those meetings with a set of 6 plans and specifications, correct? 7 Yes--no, I did not. I came with a set of Α 8 plans, not the specifications and the 9 details. 10 0 Didn't Mr. Taylor request to see your 11 specifications and details? In a letter he had indicated that he has not 12 Α 13 reviewed them. In our discussions I 14 indicated that it was my understanding that 15 he was going to be reviewing the plans, and 16 I'm speaking of the planned use, the layout 17 of the subdivision and not the details. 18 at that point I assume that that was what 19 they needed to review.

Were you there in November?

23 A Yes, they did.

modifications?

20

21

22

0

1

0

24 Q And I think those--were those requests made

As for the plans that he reviewed, did he and

the Water District request changes and

Ħ		
1		at the October and November meetings?
2	Α	October, yes, changes were requested. Of
3		course, we changed the layout of our plans.
4		November, I can't say that they requested
5		changed to the plans.
6	Q	Okay. But in any event, your plans were not
7		finalized until early December of 1999;
8		correct?
9	A	That's correct.
10	Q	Would you, just for the purposes of the
11		record, take a look at what we have marked as
12		Water District's Exhibits 1 and 2, and just
13		for clarification, if you could tell me
14		whether or not those were your final plans?
15	Α	Yes, these are my final plans.
16	Q	And what waswhen did you complete those
17		plans?
18	A	According to this date, December 4, 1999.
19		There should also be some other plans besides
20		this. There were some details that were
21		submitted also that should have been
22		approved, that were approved, I know.
23	Q	But they are not there?
24	A	No.

1	Q	When I asked you previously how many water
2		system designs you had submitted to the
3		Division of Water for approval you said none.
4	A	I'm sorry, sir.
5	Q	When I asked you previously how many water
6		system designs you had submitted to the
7		Kentucky Division of Water for approval you
8		said none.
9	A	None in the correctin regards of getting
10		their review of the plans and the approval,
11		that would be done by an engineer. That was
12		my understanding that that was to be
13		completed on a state level. Their layout
14		was, from what I was told, was to be reviewed
15		and approved by the Water Board of the
16		District.
17	Q	Did you submit these plans, Exhibits 1 and 2
18		to Division of Water or did the Hatfields?
19	A	I don't recall at this time who actually
20		mailed them out.
21	Q	Just some questions from an engineering
22		aspect and let's take, for example, the
23		hydraulics report that you did, what was the
24		averagethe peak average demand that you

used for your subdivision per lot? 1 2 I did not hear you, the peak what? Α 3 Average demand, gallons per minute? Q Gallons per minute, it was two to each 4 Α customer. 5 6 0 Two to each customer? 7 Α Yes, each property. 8 And do you think that is industry standard, 0 9 would you think that would be appropriate 10 Α That was the state requirement. I think a 11 little explanation I think is necessary. 12 Q Sure. 13 Α I think that is over what the industry standard is. I think there was formulas out 14 15 there that Mr. Taylor and I have discussed that are out there that are actually below 16 17 that 2.0, so I took what I felt was the 18 higher values and, of course, what the state 19 regulation. 20 Q Over seven years or over eight years, you have 21 prepared how many water system designs? 22 Α I'd say about eight. 23 What do you do mainly? Q 24 A My main profession, or position right now, I

:	1	am an engineer from Marshall Middleton	
:	2	Associates, or my job consists of almost	
:	3	anything and everything in the way of	
	4	engineering. I'm a jack of all trades when	
!	5	it comes down to it. I've done slope	
6	5	stability analysis, mine plans, I'm a mining	
-	7	engineer by background and have basically	
8	3	have civil engineering courses that provides	
٥)	me with the knowledge and the background and	
10)	the qualifications of civil engineering,	
11	L	water design systems, sewer systems,	
12	2	feasibility studies.	
13	} Q	Mr. Sossong, are you familiar with the Hayes and	
14	1	Williams head loss formula?	
15	5 A	Hayes and Williams head loss formula, I can't	
16	<u>,</u>	recall at this time.	
17	7	MR. ROGERS:	
18	3	Your Honor, I have no further questions.	
19	HEA	HEARING OFFICER SHAPIRO:	
20)	Mr. Pinney?	
21	MR.	PINNEY:	
22	}	I have no questions.	
23			
24			

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