

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

HOWARD B. KEEN)
)
COMPLAINANT)
)
VS.) CASE NO. 2004-00348
)
CARROLL COUNTY WATER DISTRICT NO. #1)
)
DEFENDANT)

RESPONSE

Comes now the Defendant Carroll County Water District No. 1 (hereinafter "CCWD#1"), and in response to Appendix A to an Order of the Kentucky Public Service Commission, Case No. 2004-00348, dated June 9, 2005, states as follows:

1. Provide a map that includes: Complainant's property; the main from which Complainant desires service in relation to Complainant's property; location of any residences along this section; and the route the main would have followed if Complainant had granted the easement.

RESPONSE: See attached map marked as Exhibit "1". The dark bold line reflects the route the main would have followed if Complainant had granted the easement; the red line represents the route the main had to follow because Complainant did not grant the easement.

2. Provide copies of the minutes of the meetings of the Carroll county Water District Commissioners at which the following issues were discussed:

- a. Attempts to obtain the easements from Complainant;
- b. Complainant's refusal to provide the easements;
- c. The filing of Carroll County's current tariff;

d. The decision to include provision #6 of the Rules and Regulations in Carroll County's Tariff; located on page 44, and

e. Eminent domain.

RESPONSE: See attached copies of minutes marked as Exhibit "2" for the following meetings: March 12, 2003; April 16, 2003; June 12, 2003; and October 14, 2004.

3. Provide the names and addresses of all of the Commissioners who were serving when Complainant refused to grant the easements.

RESPONSE: See attached list of names and addresses of Commissioners marked as Exhibit "3".

4. Provide the names and addresses of all of the Commissioners who were serving when Carroll County submitted its most recent tariff to the Commission.

RESPONSE: See attached list of names and addresses of Commissioners marked as Exhibit "4".

5. Provide the approximate cost to extend service to a customer where the customer is located on one side of a road and the water main from which the customer requests service is located on the opposite side of the road.

RESPONSE: The cost of the water meter connection fee is \$465.00. The approximate cost of the road bore is itemized on Exhibit "5" attached hereto.

Attorneys for Defendant
Carroll County Water District No. 1

By: Ruth H Baxter by JMC
Ruth H. Baxter

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing Response was mailed postage prepaid, on this the 15 day of June, 2005, to:

Hon. William K. Fulmer, II
Attorney at Law
7289 Burlington Pike
Florence, Kentucky 41042
Attorney for Complainant

and the original to:

Commonwealth of Kentucky
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

By: Ruth H Baxter by JMC
Ruth H. Baxter
Attorney for the Defendant
Carroll County Water District No. #1

**CARROLL COUNTY WATER DISTRICT #1
MEETING MINUTES
MARCH 12, 2003 3:00pm**

Chairman (Dennis) Crawford with Commissioners (M. Williamson, G. England, M. Kindoll, D. Terry, B. Wilson) present called the regular monthly meeting of the Carroll County Water District #1 to order. Others present were Manager Jim Smith and Sandy Beall.

A motion was made by Commissioner Wilson and seconded by Commissioner Terry to accept the minutes as written from the previous month's meeting. Motion passed.

For the Squiresville Road project, the Engineer Qualification Rating chart was completed to procure an engineering firm. Seven companies sent in their applications. Upon reviewing the results, a motion was made by Commissioner Williamson and seconded by Commissioner England to grant Sieco this project.

The 4" line down Hwy 22 owned by Owenton was discussed. It would be beneficial to obtain or purchase this line instead of installing a new one since 12,500' of pipe would have to be constructed across country. This will affect approximately 16 customers and Ky American will have to be involved since they are evaluating purchasing Owenton system.

For the Fairview project, Fred Marsh of Sieco and Jim met with landowners and have obtained all but three easements.

For the Wheatley project, bids will be advertised as soon as R.O.W. Certification is received from attorney. Plans and easements are at Ruth Baxter's office for approval. One concern has been the "endangered" bat that may be located in this area and the trees that the bats reside. This matter has been discussed with the EPA personnel and we think this will not hinder the project.

For the 20/20 projects, the plans have been approved by the Division of Water but we are still contending with the easements. The Gridley Road project is currently with the D.O.W. and waiting for approval.

The Division of Water called regarding the Riverview trailer park, located near Dan's Marina, having some drinking water problems. Our Wheatley project will solve these problems.

The monitoring and test well for our new well has been drilled and the nitrate level appears to be around 3ppm. This relatively low level will give us protection with regard to exceeding the 10ppm mcl. The Division of Water records show our Ghent plant running at an average of 78% of capacity. When the new well is complete and a new booster installed this should drop this percentage back to about 40.

The district newsletter is being printed and should be mailed in a few weeks. The non-recurring charges will be mentioned.

The Vulnerability Assessment and Emergency Response Plans for Carroll County are in draft form and being reviewed. These plans must be in final form and in place by 2004.

The Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. High amounts were Reimbursements by the Fiscal Court for the tie-ins and the State for the Engineering. The commissioners accepted checks # 2841 - 2941 for payment.

With no further business the meeting was adjourned at 3:45pm.

APRIL 16, 2003

The monthly meeting of the Carroll County Water Dist was called to order by Vice Chairman Terry in the absence of Chairman Crawford. Commissioners present were Williamson, Kindoll and England. Guests were Jerilyn Zapp, Jim Smith and Ernestine Sanders.

A motion by Commissioner Terry and a second by Commissioner Williamson the previous months minutes be accepted as written. Motion carried.

Jerilyn presented and reviewed with the Board the 2002 Audit, she was very complimentary with Jim and the office for their cooperation in having information available to them, she thanked the Board for their support and Raisor, Zapp and Woods appreciate the opportunity of allowing them to complete the Audit.

A rough draft revising and update of our tariff was given to each Commissioner asking them to review and suggest comments, if any, the miscellaneous charges were advertised in local paper today, if there is a problem notify the office as soon as they can as we plan to have this ready to send PSC by next Thursday (Apr 24th), this will give P S C 's Commission time to review, so the charges can be in effect June 1st as was advertised in paper. A motion by Commissioner England and a second by Commissioner Terry authorize Chairman Crawford to come to the office and sign all pages of tariff before sending to PSC.

Dow Corning and Carrollton Utilities: (See attached resolution)

A motion by Commissioner Williamson and second by Commissioner Terry to adopt this resolution. Motion Carried.

Squiresville project : A memorandum of negotiation for the special charges for this project will be presented at next months meeting.

Jim and Fred Marsh met recently with Judge O'Banion, Owenton Mayor and representatives from Ky American Water in the Judges office at Owenton, it was agreed that Ky American will prepare lease agreement between Ky American Water Co, Owenton Water and Carroll County Water on a 2.5 mile portion of 4" pipeline on Hwy 22 so that we do not have to build this section on the Squiresville project.

Glenwood Hall is building a 30 unit motel inside their park their biggest concern is fire water, they were told the water company could only furnish sanitary water.

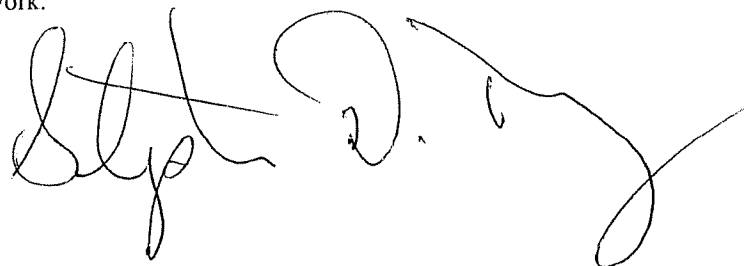
Financial report was reviewed, there were only two big checks #3016 to Hunt Tractor had a problem with the backhoe, Ck # 3033 Sieco for engineering fees this will be reimbursed later. Checks # 2942 thru # 3038 were accepted as written for payment.

Rick Alexander having problem with low pressure, a recorder was put on his meter last week this showed he had 80 lbs at meter, must have a problem with his pressure regulator.

Hwy 184 project, need few more easements, have been informed Judge Zubaty has no funds to contribute to project, the Water Co will have to use \$120,000.00 of own money, a decision should be how much of the project we need to complete.

Wheatley project waiting on Attorney Baxter to complete her work.

With no further business the meeting adjourned at 5:00 PM.

A large, stylized handwritten signature in black ink, likely belonging to a board member or official, is written at the bottom right of the page.

CARROLL COUNTY WATER DIST # 1

The June 12, 2003 monthly meeting of the Water Dist was called to order by Chairman Crawford with all Commissioners present. Guests were Jim Smith and Ernestine Sanders.

Commissioner Wilson made a motion to accept the previous months minutes a second was made by Commissioner Williamson.

Financial statements were reviewed there have been several high checks written since last months meeting they were ck # 3110 Burkhardt Exc. this was for work on Gridley Rd. ck # 3129 Raiser, Zapp & Woods for the Audit this being a one time year expense, ck # 3640 Sieco/ Strand engineering fee for Squiresville project this will be a reimbursement to Water Dist, ck # 3177 Courier Journal advertisement for Wheatley project this also is a reimbursement item, the Commissioners accepted checks # 3067 thru # 3164 as written for payment. Jim informed the Board he was looking at purchasing two pieces of equipment. A ditch witch backhoe combination at a cost \$35000 and a power vacuum \$15000 this will be used to clean out and replace vault boxes which will make their job easier.

Construction of well is to be started next week the pipe work has been laid, also waiting on a permit from the Division of Water.

Wheatley project being advertised the bid opening being July 3rd at the Courthouse in Carrollton, the Board is invited to attend if they care to.

Sieco/Strand Engineers have put together a cost estimate of 1.2 million for the construction of Squiresville Road project 45% being Grant money with the other being financed though USDA, this will include a water tank, water lines and pump station modification.

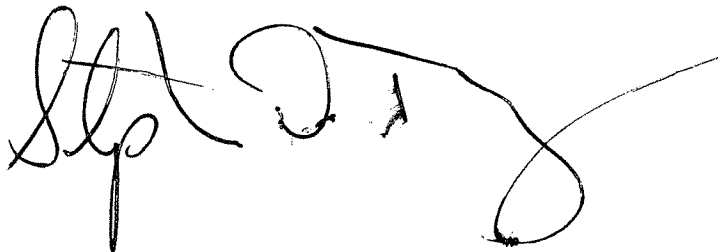
Fairview Road project will be given to Attorney Baxter for completion of her work after securing the final three easements.

Consumer Conference report will be published in local paper next week this is an annual requirement by EPA.

A discussion was held about the Districts involvement in forming a Carroll County Regional Water Commission that would develop the facilities and sell water to the Bluegrass Water Supply Consortium. Due to the positive aspects this could have on the District the Commissioners agreed to present the County Fiscal Court a resolution asking that the proceedings begin to form such a commission. With a motion by Commissioner Wilson and a second by Commissioner Terry authorize Chairman and Secretary to sign resolution.

The statistics of over all salaries in Carroll Co was put together including the average manufacturing wages this includes full time employees except farmers, this broken down into the average weekly current wages, the increase with our employees insurance premiums averages to 58 cents hour per employee the Board discussed and compared wages with others in the County, a motion was made by Commissioner Wilson and a second by Commissioner Terry to approve a 50 cents raise for employees Lykins, Noble, Tuttle and England. Motion carried.

With no further business the meeting was adjourned.

A large, stylized handwritten signature in black ink, likely belonging to a member of the board or a representative of the water district.

**CARROLL COUNTY WATER DISTRICT #1
MEETING MINUTES
OCTOBER 14, 2004 3:00pm**

Chairman (Dennis) Crawford with Commissioners (D. Ballard, G. England, M. Kindoll, J. Raisor, J. Sapp, D. Terry, B. Wilson) present called the regular monthly meeting of the Carroll County Water District #1 to order. Others present were Manager Jim Smith and Sandy Beall.

A motion was made by Commissioner Raisor and seconded by Commissioner Ballard to accept the minutes as written from the previous month's meeting. Motion passed.

Project updates:

- Wheatley – Project is completed. Flushing used several million gallons of water. Although ready to have Ky America take water, the KU tank should be fixed first. Caldwell Tank to start work within next seven days. Ky America is planning to notify customers regarding water switch.
- Squiresville – Public meetings were held. May be able to bid by winter.

Mr. Keen's lawyer filed a formal complaint to PSC concerning the additional cost required to install his meter on Fairview. PSC is required to handle this as a complaint case. Jim Smith responded to the letter and PSC to follow-up

D.O.W. conducted an inspection a few weeks ago and the results were all positive.

Clean up around the Worthville tank has been completed. On Monday, 10/18 the Nationwide Tank Company personnel from Henderson, Ky will be sandblasting and painting the tank. Upon completion, rock and fencing will be installed.

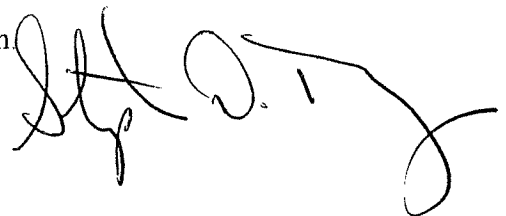
Curtis Couch is continuing the Ghent Plant renovation work.

New GPS techniques to monitor the company trucks were discussed. The system could cost approximately \$5,000-\$6000, plus \$500/\$600 per truck. More details will be looked into.

The annual office salary raises were discussed. A motion was made by Commissioner Kindoll and seconded by Commissioner Ballard to approve a \$1.00 hourly raise for employees E. Sanders and S. Beall effective Nov 1st. A motion was made by Commissioner Sapp and seconded by Commissioner Raisor to approve an increase of \$4000 annually for employee J. Smith effective Nov 1st.

The Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. High and unusual expenditures were City of Ghent 's asphalt reimbursement, Tom Lindsay's Squiresville work final payment, French's Backhoe Line Hwy 36/467 work, and Beckmar Lab's quarterly testing. The commissioners accepted checks # 4774 – 4896 for payment.

With no further business the meeting was adjourned at 4:20 pm.



CARROLL COUNTY WATER DISTRICT #1

PO BOX 350
Ghent KY 41045

Phone (502) 347-9500
Fax (502) 347-9333

COMMISSIONERS SERVING MAY 2003 AND THEIR EXPIRATION DATES:

Dennis Crawford
32 Indian Creek Road
Sanders, Ky 41083 Expires 10/31/06

Stephen Doug Terry
3925 Knox Lillard Road
Sanders, Ky 41083 Expires 1/3/06

Bennie Wilson
595 Jackson Ridge Road
Worthville, Ky 41098 Expires 9/30/04

Mona Kindoll
3155 Whites Run Road
Carrollton, Ky 41008 Expires 9/30/04

James M Williamson
2171 Knox Lillard Road
Sanders, Ky 41083 Expires 1/3/06

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ITEM #5

Opposite Side Service

| | | |
|----------|---------------------------------------|------------------|
| No Rock: | 2 Men 2 Hrs On Site @ \$25/hr | \$ 100.00 |
| | Boring Machine @ \$25/hr | \$ 50.00 |
| | Machine Transportation (1 1/2 + fuel) | \$ 50.00 |
| | Total | <u>\$ 200.00</u> |

| | | |
|------------|--------------------------|------------------|
| Some Rock: | 2 Attempts @ Bore | |
| | 2 Additional Hrs - 2 Men | \$ 100.00 |
| | Machine | \$ 50.00 |
| | Base Cost | <u>\$ 200.00</u> |
| | Total | <u>\$ 350.00</u> |

| | | |
|---------------|-----------------------------------|------------------|
| Lots of Rock: | 8 Hrs On Job | |
| | 2 Men 8 Hrs @ \$25/hr | \$ 400.00 |
| | Machine 8 hrs @ \$25/hr | \$ 200.00 |
| | Meter Crew Additional 4 hrs/2 Men | \$ 200.00 |
| | Total | <u>\$ 800.00</u> |

| | | |
|--|-----------------------------|------------------|
| Open Cut Road - Some Rock to be disposed of or Keen Property | | |
| | Sawcut Road & Backhoe 4 hrs | \$ 100.00 |
| | Gravel for Road Pack | \$ 250.00 |
| | Asphalt Patch | \$ 300.00 |
| | Total | <u>\$ 650.00</u> |