

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

**RECEIVED**

JUL 03 2008

PUBLIC SERVICE  
COMMISSION

In the Matter of:

JOINT APPLICATION OF )  
CLASSIC CONSTRUCTION, INC., AND )  
AND COOLBROOK UTILITIES, LLC )  
FOR APPROVAL OF THE TRANSFER OF )  
WASTEWATER TREATMENT PLANT TO )  
COOLBROOK UTILITIES, LLC )

Case No. 2008- 257

**JOINT APPLICATION FOR APPROVAL OF TRANSFER**

Pursuant to KRS 278.020(4), Classic Construction, Inc., and Coolbrook Utilities, LLC, hereby submit to the Public Service Commission of Kentucky ("Commission") this application for the transfer of the Wastewater Treatment Plant and collection system serving the Coolbrook Subdivision in Franklin County, Kentucky, to Coolbrook Utilities, LLC in accordance with the Real Estate Sales and Asset Purchase Agreement executed by the Joint Applicants, a copy of which is attached hereto as Exhibit A. In support of their application, Classic Construction, Inc., and Coolbrook Utilities, LLC, state the following.

1. Classic Construction, Inc., the Seller under the Agreement, is a Kentucky Corporation in good standing, with its principal place of business at P.O. Box 4113, Frankfort, Kentucky 40604. A copy of the Articles of Incorporation of Classic Construction, Inc., is attached hereto as Exhibit B. Classic Construction Inc., is subject to Commission jurisdiction under KRS 278.010(3)(f). Russell Givens is the President of Classic Construction, Inc., and has been duly authorized to execute this joint application on behalf of the corporation. A copy of the resolution of the Board of Directors of Classic Construction, Inc., authorizing the execution of the Agreement transferring

the assets of the Coolbrook Wastewater Treatment Plant and related assets to Coolbrook Utilities, LLC, and this Joint Application is attached hereto as Exhibit C.

2. Coolbrook Utilities, LLC, is the purchaser under the Real Estate Sales and Asset Purchase Agreement, and its address is 1706 Bardstown Road, Louisville, Kentucky 40205. Coolbrook Utilities, LLC, is a Kentucky Limited Liability Company in good standing. A copy of the Articles of Organization of Coolbrook Utilities, LLC, is attached hereto as Exhibit D. Coolbrook Utilities, LLC, is a private utility subject to Commission jurisdiction under KRS 278.010(3)(f). Lawrence Smither, a member of Coolbrook Utilities, LLC, is duly authorized to execute this Joint Application on behalf of the limited liability company.

3. The sewer system owned by Classic Construction, Inc. serves approximately 437 single family residences and four (4) dual-family residences , “duplexes”, in Coolbrook Subdivision, Franklin County, Kentucky. There is one (1) commercial connection to the subject wastewater treatment plant, which is the office of the Farmdale Water District.

4. Under the Agreement, Classic Construction, Inc. will sell to Coolbrook Utilities, LLC all of the assets making up the wastewater treatment plant and the collection system currently serving the Coolbrook Subdivision located in Franklin County, Kentucky. The assets purchased by Coolbrook Utilities, LLC, are described more fully in the Real Estate Sales and Asset Purchase Agreement, but include the Coolbrook Subdivision wastewater treatment plant, the wastewater collection system, force main, easements, and the real property upon which the wastewater treatment plant is located.

Coolbrook Utilities, LLC, will have the obligation to provide utility services in connection with the operation of the sewer business after the closing. The closing under the Agreement will

occur within thirty (30) days after receipt of the approval of this Application for Transfer by the Public Service Commission.

5. The Coolbrook Subdivision wastewater treatment plant is an above grade package sewage treatment plant. It was constructed from 1972 through 1981 and currently serves 437 single family residences, four (4) duplexes, and one (1) commercial entity in Franklin County, Kentucky. The design treatment capacity of the Coolbrook Subdivision wastewater treatment plant is 170,000 gallons per day. The plant is an extended aeration activated sludge plant permitted by the Kentucky Environmental and Public Protection Cabinet and services a collection system composed of sanitary sewer lines, force main and pump stations. The treated effluent is discharged into an unnamed tributary of South Benson Creek. The plant currently meets the requirements of its KPDES discharge permit issued by the Kentucky Division of Water, attached hereto as Exhibit E.

6. Coolbrook Utilities, LLC, has the requisite financial, technical and managerial ability to operate the subject wastewater treatment plant and collection system and to provide reasonable service to the wastewater customers of Coolbrook Utilities, LLC. Coolbrook Utilities, LLC, has the necessary technical ability to operate the subject wastewater treatment plant.

Mr. Cogan and Lawrence Smither both have substantial experience in the operation of wastewater treatment plants. Mr. Cogan has participated in the operation of a number of wastewater treatment plants located in the Commonwealth of Kentucky over the last twenty (20) years. Mr. Cogan has a Master's Degree in Environmental Engineering from the University of Louisville's Speed Scientific School. Mr. Smither, who is licensed by the Commonwealth of Kentucky as a wastewater treatment plant operator, has extensive experience in wastewater

treatment plant operation and design, and has operated package wastewater treatment plants in Kentucky for over thirty (30) years. A copy of Mr. Smither's current Kentucky wastewater treatment operator's license is attached as Exhibit F.

Coolbrook Utilities, LLC, has the necessary managerial ability to operate the subject wastewater treatment plant, as Mr. Cogan and Mr. Smither own Airview Estates, LLC, the owner and operator of the Airview Estates WWTP, and Brocklyn Utilities, LLC, the owner and operator of the Brocklyn Subdivision WWTP. Mr. Cogan and Mr. Smither previously owned and operated the Covered Bridge Utilities WWTP and the Glenview Utilities WWTP located in Jefferson County, Kentucky. The Covered Bridge Utilities wastewater treatment plant was sold to the Oldham County Sewer District in 2000. The Glenview Utilities WWTP was sold to the Louisville and Jefferson Metropolitan Sewer District. Mr. Cogan and Mr. Smither have assisted with the management of a number of wastewater treatment plants owned by Mr. Carroll F. Cogan, including the following wastewater treatment plants: Countryside, Willow Creek, Orchard Grass, Hunter's Hollow, Bullitt Hills, Brentwood and Farmdale.

7. In lieu of a third party beneficiary agreement, Coolbrook Utilities, Inc., is working to obtain the issuance of an Irrevocable Standby Letter of Credit by Old National Bank, and the original of same will be submitted to the Commission upon its receipt.

8. The proposed transfer of the assets of the Coolbrook Subdivision Wastewater Treatment Plant by Classic Construction, Inc., to Coolbrook Utilities, LLC, will be accomplished in accordance with law, for a proper purpose and, consistent with the public interest: (a) On or before closing, Coolbrook Utilities, LLC, will have all necessary permits for the operation of the Coolbrook Subdivision Wastewater Treatment System. (b) The public interest would be served

by the transfer of the sewer business to Coolbrook Utilities, LLC, as it has the technical expertise to operate the system in accordance with the requirements of the Kentucky Public Service Commission and the Kentucky Division of Water and will obtain the issuance of an Irrevocable Standby Letter of Credit. As stated in Paragraph 6 above, Coolbrook Utilities, LLC, has the requisite ability to provide adequate sewer services to the residents of the Coolbrook Subdivision in Franklin County consistent with the public interest.

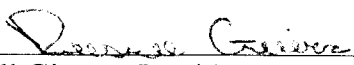
9. Coolbrook Utilities, LLC, will file a Notice of Adoption as described in 807 KAR 5:011. (See Exhibit G).

10. The journal entry of Coolbrook Utilities, LLC recording the transfer of the subject wastewater treatment plant will be provided.

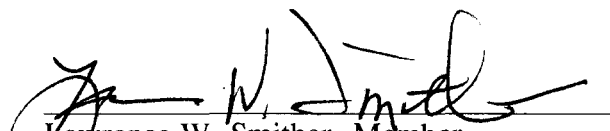
WHEREFORE, the undersigned Joint Applicants respectfully request the Public Service Commission to issue an Order finding that Coolbrook Utilities, LLC, has the financial, technical, and managerial abilities to provide reasonable service to the wastewater customers of the Coolbrook Subdivision Wastewater Treatment System; that the proposed transaction is in accordance with law, is for a proper purpose, and is consistent with the public interest; and that the proposed transfer of the sewer business by Classic Construction, Inc., to Coolbrook Utilities, LLC, is authorized and approved.

Respectfully submitted,

CLASSIC CONSTRUCTION, INC.

  
\_\_\_\_\_  
Russell Givens, President  
Date: 7-1-08

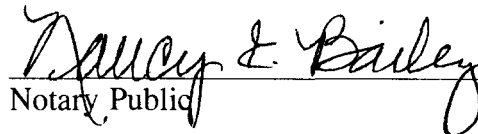
COOLBROOK UTILITIES, LLC

  
Lawrence W. Smither, Member  
Date: 7/2/08

STATE OF KENTUCKY )  
 )  
COUNTY OF FAYETTE )

Signed and sworn to before me by Russell Givens, as President of Classic Construction, Inc., this the 1st day of July, 2008.

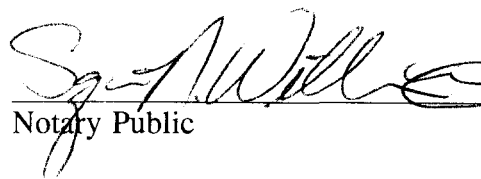
My commission expires: 3-11-10

  
Notary Public

STATE OF KENTUCKY )  
 )  
COUNTY OF FRANKLIN )

Signed and sworn to before me by Lawrence W. Smither, as a Member of Coolbrook Utilities, LLC, this the 2 day of July, 2008.

My commission expires: Nov. 3, 2010

  
Notary Public

**REAL ESTATE SALES AND  
ASSETS PURCHASE AGREEMENT**

This is an Assets Purchase Agreement ("Agreement") dated as of the 28<sup>th</sup> day of May, 2008, by and between Classic Construction, Inc., P.O. Box 4223, Frankfort, Kentucky 40604, Party of the First Part (hereinafter called the "Seller"), and Coolbrook Utilities, LLC, 1706 Bardstown Road, Louisville, Kentucky 40205-1212, Party of the Second Part (hereinafter called the "Buyer").

**RECITALS**

WHEREAS, the Seller owns and operates the wastewater treatment plant known as the Coolbrook Sewer Plant, a 170,000 gallon per day wastewater treatment plant, and associated sanitary sewer lines, force mains, and pump stations (hereinafter "Coolbrook Wastewater System"), all located within Franklin County, Kentucky.

WHEREAS, the Seller desires to sell and the Buyer desires to purchase the Coolbrook Wastewater System in accordance with and subject to the provisions of this agreement.

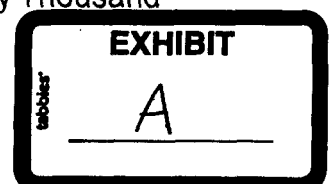
**SECTION I  
PURCHASE AND SALE**

Section 1.1 Sale of Assets. The Seller hereby agrees to sell to Buyer the Coolbrook Wastewater System for the sum of Sixty Thousand Dollars (\$60,000.00). The Coolbrook Wastewater System, including but not limited to the following assets, will be conveyed and transferred to Buyer at the closing which shall take place within thirty (30) days of the Public Service Commission's Order approving ownership of Buyer.

- a) Property. The Coolbrook Waste Water Treatment Plant, all sanitary sewer lines, pump stations, force mains, equipment, buildings, and sewer easements and site upon which the waste water treatment plant is located which shall include all associated easements.
- b) Records. Copies of all maps, annual reports and quarterly Discharge Monitoring Reports (DMR) and other records relating to the operation and maintenance of the plant that may exist.
- c) Governmental Approvals. Any KPDES discharge permit issued to Seller by the Kentucky Department for Environmental Protection, Division of Water, and as amended from time to time, and all other existing approvals, certificates of public convenience and necessity, permits, licenses, orders, tariffs and similar rights obtained from governmental and governmental agencies to the extent Seller's interest therein is transferrable and related to the ownership or operations of the Coolbrook Wastewater System.

Section 1.2 Term and Conditions of Sale.

- a) The purchase price to be paid by Buyer to Seller for the Coolbrook Wastewater System described in Section 1.1 above shall be Sixty Thousand



Dollars (\$60,000.00). A mortgage securing Buyer's promissory note to seller in this amount shall be held by Seller with an interest rate of 5%.

- b) The Mortgage provided by Seller, shall be prepared by Seller's attorney, Charlie Jones, and shall include remedies for holding Buyer responsible for making all payments, which will include late fees for payments and enforceable collection procedures should Buyer default in making payments.
- c) The Buyer shall pay the \$60,000.00 purchase price by making payments of \$1,132.27 per month with the first payment due at closing. All future payments shall be due by the tenth (10th) day of each month with a ten percent (10%) late fee if paid after the 15th day of the month.
- d) Should a municipality acquire the Coolbrook Sewer Plant through a purchase, the agreed upon sale price shall be paid to Classic Construction in full. Should the Coolbrook Sewer Plant lose customers to a municipality by force, the monthly payment due Seiler will be decreased based upon a percentage of customers revenue lost, but shall not change the purchase price to be paid in full. Both Buyer and Seller agree if a municipality forces a full takeover of the Coolbrook plant, Buyer shall provide Seller with copies of all legal and binding documents of proof and terms of the takeover, and payments to Classic Construction will continue until date of loss. Upon takeover, the total of all payments made to Classic Construction by Buyer up to the date the municipality takes ownership of the Coolbrook Plant will be considered payment in full of the purchase price.
- e) All revenues are presently collected by Farmdale Water District, and paid to Classic Construction by the 10th of the following month. Seller shall receive from Farmdale Water District all revenues paid for dates of service up to the day of closing. However, Buyer shall be entitled to receive all payments made on accounts more than 30 days delinquent that are received from Farmdale Water District more than 30 days after closing.
- f) Buyer shall transfer all utilities into their name by close of business on date of closing.
- g) All applicable property tax and other taxes and Public Service Commission Assessments due and payable for 2008 shall be pro-rated as of the date of closing.
- h) In the event Buyer continues to use Farmdale Water for billing and collection, Buyer shall have the option to allow Farmdale Water to forward Buyer's monthly payment directly to Seller.

## **SECTION II**

### **CLOSING**

Section 2.1 Closing. The purchase provided for in this Agreement will take place at the location in Franklin County of the Buyer's choosing within thirty (30) days after the entry of the Kentucky Public Service Commission's Order approving Buyer's ownership.

Section 2.2 Closing Obligations.



- (a) Seller will deliver to Buyer:
  - (i) All documents necessary for the transfer of ownership as prepared by Seller's attorney, Charlie Jones, which shall include deed, mortgage, and copies of permits and bill of sale.
  - (ii) A resolution of the Seller authorizing the Seller to enter into this agreement.
- (b) Buyer will deliver to Seller:
  - (i) A resolution of the Buyer authorizing the Buyer to enter into this agreement.
  - (ii) A copy of the Kentucky Public Service Commission's Order approving ownership by Buyer.

### **SECTION III**

#### **REPRESENTATIONS AND WARRANTIES OF THE SELLER**

Section 3.1 Organization and Authority. The Seller is a duly organized and legal company in existence under the laws of the Commonwealth of Kentucky, and has absolute authority to execute and deliver the documents regarding the sale of the Coolbrook Sewer Plant. All documents described herein will constitute the legal valid and binding obligations of Seller.

Section 3.2 No Undisclosed Liabilities. Seller is not aware of any Company liabilities or obligations of any nature (whether known or unknown and whether absolute, accrued, contingent, or otherwise) except for current liabilities incurred in the ordinary course of business.

Section 3.3 Disclosure. No representation or warranty of Seller in this Agreement omits a material fact necessary to make the statements herein accurate.

Section 3.4 KPDES Permit. Seller agrees that it has a current KPDES Permit for the operation of the Coolbrook Wastewater System, having been issued in late 2007.

### **SECTION IV**

#### **COVENANTS OF SELLER**

Section 4.1 Operation of Business. Between the date hereof and the Closing Date, Seller will:

- (a) Conduct normal operating business practices. Seller agrees to continue to maintain the Coolbrook Wastewater System through the date of closing, including making any necessary repairs to same.
- (b) Use best effort to maintain the relations and good will with suppliers, customers, and employees and all others with whom it has a business relationship.
- (c) Seller will confer with Buyer regarding any changes or issues which may

- arise outside normal operating conditions.
- (d) The Buyer has the right to ~~expect~~ the Coolbrook Wastewater System prior to closing.

*inspect NGC DG*

**SECTION V**

**COVENANTS OF BUYER**

Section 5.1 Approvals of Governmental Bodies.

- (a) Within 30 days of signing the letter of intent and purchase agreement, Buyer will make all filings required with the Kentucky Public Service Commission for the transfer of ownership of the Coolbrook Sewer Plant.
- (b) Between the date of this agreement and the closing date, Buyer shall keep Seller advised of all stages and time lines regarding approval of ownership.

**SECTION VI**

**TERMINATION**

Section 6.1 Termination Event. This Agreement may, by notice given prior to or at the Closing, be terminated:

- (a) Buyer or Seller prior to closing may terminate this purchase agreement for good cause with written notice. Neither party will be held responsible for any expenses incurred by the other party legal or otherwise with the attempted purchase or termination of the sale of the Coolbrook Sewer Plant.
- (b) Buyer will have termination rights if approval of ownership is not obtained from the Kentucky Public Service Commission.
- (c) Seller will have termination rights if approval for ownership and closing does not occur within 6 months of the signing of this agreement.

**SECTION VII**

**GENERAL PROVISIONS**

Section 7.1 Notices. All notices, requests or other communications concerning this Agreement shall be made in writing and will be deemed to have been duly given if mailed through any postage service, Express Mail, or courier service and addressed as follows:

If to the Seller, to:  
Russell Givens  
Classic construction, Inc.  
P.O. Box 4113  
Frankfort, KY 40604

If to the Buyer, to:  
Martin Cogan  
Coolbrook Utilities, LLC  
1706 Bardstown Road  
Louisville, KY 40205

Section 7.2 Construction. The parties have participated jointly in the negotiations and drafting of this Agreement, and, in the event of an ambiguity, or a question of intent, or a need for interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

Section 7.3 Severability. If any provision of this Agreement is declared by any court or other governmental body to be null, void and unenforceable, this Agreement shall be construed so that the provisions at issue shall survive to the extent it is not so declared and that all of the other provisions of this Agreement shall remain in full force and effect.

Section 7.4 Entire Agreement. This Agreement contains the entire understanding between the parties to this Agreement with respect to the transactions contemplated by this Agreement and supersedes and replaces all prior and contemporaneous agreements and understanding, oral or written, with regard to those transactions.

Section 7.5 Amendments, Waivers. This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties, or conditions hereof may be waived, only by a written instrument executed by the parties to this Agreement, or in the case of a waiver, by the party waiving compliance.

Section 7.6 Governing Law, Jurisdiction. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Kentucky (without given effect to the principles of conflicts of laws thereof). The parties to this Agreement irrevocably agree and consent to the jurisdiction of the courts of the Commonwealth of Kentucky for the adjudication of any matters arising under or in connection with this Agreement.

Section 7.7 Survival of Representation and Warranties. All representations, warranties and covenants by any party to this Agreement contained in this Agreement or in any certificate or other instrument delivered by or on behalf of any party pursuant to this Agreement shall be continuous and shall survive the closing.

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement effected as of the date as signed below.

**SELLER**

Classic Construction, Inc.

By: *Russell Givens* *President*  
Russell Givens, President

Date: 5-28-08

**BUYER**

Coolbrook Utilities, LLC

By: *Martin G. Cogan*  
Martin G. Cogan, Member

Date: 6/6/08

By: *Lawrence W. Smither*  
Lawrence W. Smither, Member

Date: 6/6/08

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**ARTICLES OF INCORPORATION  
OF  
CLASSIC CONSTRUCTION, INC.**

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SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY ACF

The undersigned, acting as incorporator of a corporation organized under and pursuant to the provisions of Chapter 271B of the Kentucky Revised Statutes, states as follows:

**ARTICLE I**

The name of the corporation is Classic Construction, Inc., (hereinafter called the "Corporation").

**ARTICLE II**

The corporate existence shall be of perpetual duration, unless sooner dissolved in a manner provided by law.

**ARTICLE III**

The purpose or purposes for which the corporation is organized is the transaction of any and all lawful business for which a corporation may be incorporated under Chapter 271B of the Kentucky Revised Statutes, including the authority to acquire by purchase or otherwise, and to own, hold, buy, sell, convey, lease, manage, mortgage or encumber real estate, stocks and bonds or other real or personal property; and in general to do all things necessary or incidental to the conduct of said business.

EXHIBIT  
tabbies  
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#### ARTICLE IV

The aggregate number of shares which the Corporation shall have authority to issue is One Thousand (1000) shares of common capital stock with no par value.

#### ARTICLE V

A shareholder shall not be personally liable for any debt or liability of the Corporation, nor shall the private property of the shareholders be subject to the payment of corporate debts or liabilities, by reason of being a shareholder.

#### ARTICLE VI

The address of the initial registered and principle office of the Corporation is 5312 Steepy Hollow Drive, Frankfort, Kentucky 40601, and the name of the initial registered agent at such address is Russell Givens.

#### ARTICLE VII

The affairs and business of the Corporation are to be conducted (a) by a Board of Directors of such number as the shareholders may select at each annual meeting of the shareholders; (b) by a President, a Vice-President, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors at such time and in such manner as the Board of Directors may select, provided, however, that any two or more offices may be held by the same person, and (c) by such other officers, assistant officers and agent as the Board of Directors may authorize the President of the Corporation to appoint.

The first Board of Directors, consisting of two (2) Directors, who shall serve until the first annual meeting of shareholders or until their successors are elected and qualified, is as follows:

1. Russell Given
2. Ruth Ann Given

### ARTICLE VIII

A Director shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of his duties as a director to the fullest extent allowed pursuant to the provisions of Chapter 271B of the Kentucky Revised Statutes.

### ARTICLE IX

The name and address of the sole incorporator is Russell Given 5312 Sleepy Hollow Drive, Frankfort, Kentucky 40601

### ARTICLE X

The stock of the Corporation shall be issued pursuant to the provisions of Section 241 of the Internal Revenue Code of 1954, and all rules under the said Section shall be complied with so as to create this said corporation.

EXECUTED this the 16 day of January, 1992.

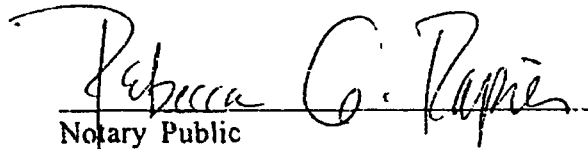
Russell Given  
Russell Given, Incorporator

STATE OF KENTUCKY        )  
  ) SS  
COUNTY OF FRANKLIN     )

I, the undersigned, a Notary Public for Kentucky, State-at-Large, do hereby certify that on this day the foregoing Articles of Incorporation of Classic Construction, Inc., were produced before me and were signed, acknowledged and delivered by Russell Givens, the Incorporator thereof, to be his act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my name and affixed my seal of office, this the 11<sup>th</sup> day of January, 1999.

My Commission expires: 5-15-02.

  
\_\_\_\_\_  
Notary Public

This Instrument Prepared By:



David H. Vance  
Walton & Vance  
113 West Main Street  
Frankfort, Kentucky 40601



**MINUTES OF MEETING OF BOARD OF DIRECTORS OF CLASSIC  
CONSTRUCTION, INC.**

A special meeting of the Board of Directors of Classic Construction, Inc., was held at Frankfort, Kentucky, at approximately 8:00 p.m., on May 26<sup>th</sup>. Present was Russell Givens constituting the full membership of the said Board. All members of the Board of Directors waived formal written notice of said Special Meeting. By unanimous consent, Russell Givens presided as Chairman and Secretary.

The Chairman discussed the negotiation of the sale of the Coolbrook Subdivision Wastewater System located in Franklin County, Kentucky and related assets to Coolbrook Utilities, LLC. On motion duly made, seconded and unanimously carried, the following resolution was adopted:

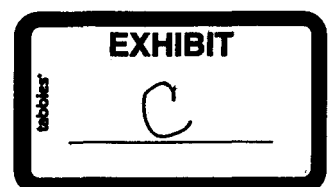
RESOLVED, that Classic Construction, Inc., is hereby authorized to negotiate and complete the sale of the Coolbrook Subdivision wastewater treatment plant, including but not limited to the real property, easements, and fixtures, machinery, equipment and other personal property related to same, to Coolbrook Utilities, LLC, to enter into and execute the documents necessary to consummate the sale of said Wastewater system, which will include an Asset Purchase Agreement, and deed conveying the treatment plant site to Coolbrook Utilities, LLC, and to take all actions necessary to consummate the sale of said Wastewater System to Coolbrook Utilities, LLC, including the signing of a Joint Application for Approval of Transfer to be submitted to the Public Service Commission.

BE IT FURTHER RESOLVED, Russell Givens is hereby authorized to enter into and execute any and all documents, including documents to be filed with the Public Service Commission, necessary to consummate the sale of the Coolbrook Subdivision Wastewater System, including the real property and related assets, to Coolbrook Utilities, LLC.

There being no further business to come before the meeting, the same was adjourned by unanimous consent.

Russell Givens Pres  
Russell Givens, President  
Date: 7-1-08

Russell Givens, Secretary  
Date: 7-1-08



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LAOO

Trey Grayson  
Secretary of State  
Received and Filed  
07/01/2008 2:36:48 PM  
Fee Receipt: \$40.00

**ARTICLES OF ORGANIZATION  
OF  
COOLBROOK UTILITIES, LLC**

The undersigned organizer, desiring to form a Limited Liability Company under the Kentucky Limited Liability Company Act hereby states as follows:

FRANKLIN COUNTY

**A72 PG 350**

**ARTICLE I**

The name of the Limited Liability Company is Coolbrook Utilities, LLC.

**ARTICLE II**

The name and address of the original registered agent is Robert C. Moore, 415 West Main Street, P.O. Box 676, Frankfort, Kentucky 40602-0676.

**ARTICLE III**

The mailing address of the initial principal place of business of the Limited Liability Company is: 1706 Bardstown Road, Louisville, Kentucky, 40205.

**ARTICLE IV**

The Limited Liability Company has two members.

**ARTICLE V**

The Limited Liability Company is to be managed by its members.


**ARTICLE VI**

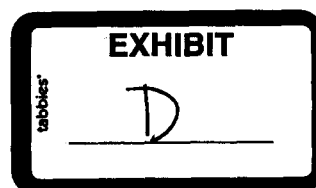
Unless earlier dissolved in accord with the Kentucky Limited Liability Company Act and the operating agreement of the Limited Liability Company, the duration of Coolbrook Utilities, LLC, is perpetual.

**ARTICLE VII**

Except as otherwise provided by Kentucky law, no member, manager, agent or employee of the Limited Liability Company shall be personally liable for the debts, obligations, or liabilities of the Limited Liability Company, whether arising in contract, tort or otherwise, or for the acts or omissions of any other member, manager, agent or employee of the Limited Liability Company.

**IN TESTIMONY WHEREOF**, the undersigned has duly executed these Articles of Organization this first day of July, 2008.

  
Robert C. Moore, Organizer



STATE OF KENTUCKY )  
 )SS  
COUNTY OF FRANKLIN )

SWORN TO AND ACKNOWLEDGED before me this 1<sup>st</sup> day of July, 2008, by  
Robert C. Moore, organizer.

My commission expires 4/9/11.

*Sarah K. Mello*  
NOTARY PUBLIC

CONSENT OF INITIAL REGISTERED AGENT FOR SERVICE OF PROCESS

I, Robert C. Moore, registered agent, having a principal place of business of 415 West Main Street, P.O. Box 676, Frankfort, Kentucky 40602-0676, hereby agree and consent to serve as registered officer and agent for service of process of Coolbrook Utilities, LLC.

*Robert C. Moore*  
Robert C. Moore

STATE OF KENTUCKY )  
 )SS  
COUNTY OF FRANKLIN )

SWORN TO AND ACKNOWLEDGED before me this 1<sup>st</sup> day of July, 2008, by  
Robert C. Moore.

My commission expires 4/9/11.

*Sarah K. Mello*  
NOTARY PUBLIC

This instrument prepared by:

*Sarah K. Mello*  
Sarah K. Mello  
Hazelrigg & Cox, LLP  
415 West Main Street  
P.O. Box 676  
Frankfort, Kentucky 40602-0676

FRANKLIN COUNTY CLERK  
RECORDED ON JUL 22 2008 09:27:53 PM  
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FRANKLIN COUNTY CLERK  
FRANKFORT, KY 40601  
2008 07 22 09:27:53 PM

**KPDES**



**KENTUCKY POLLUTANT  
DISCHARGE ELIMINATION  
SYSTEM**

**PERMIT**

PERMIT NO.: KY0044351  
AI NO.: 1380

**AUTHORIZATION TO DISCHARGE UNDER THE  
KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM**

Pursuant to Authority in KRS 224,

Classic Construction Incorporated  
P.O. Box 4113  
Frankfort, KY 40604

is authorized to discharge from a facility located at

Coolbrook Subdivision  
Clearwater Court  
Frankfort, Franklin County, Kentucky

to receiving waters of

an unnamed tributary at mile point 1.60 to South Benson Creek at mile point 8.78.

in accordance with effluent limitations, monitoring requirements and other conditions set forth in this permit. The permit consists of this Cover Sheet, a Subject Item Inventory Sheet, Effluent Limitations and Monitoring Requirements, and Facility Requirements.

This permit shall become effective on December 1, 2007.

This permit and the authorization to discharge shall expire at midnight, November 30, 2012.

A handwritten signature in black ink, appearing to read "Sandra L. Gruzesky".

October 8, 2007  
Date Signed

Sandra L. Gruzesky, Acting Director  
Division of Water

Cheryl A. Taylor  
Commissioner

**EXHIBIT**

E

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd

Subject Item Inventory

Permit Number: KY0044351

Activity ID No.: APE20060001

**Subject Item Inventory:**

ID	Designation	Description
AIOO1380		
MNPPT1	KY0044351 001	sanitary wastewater

**Receiving Stream Relationships:**

Subject Item	Relationship	Receiving Stream
MNPPT1 sanitary wastewater	Discharges Into	Unnamed Tributary 1
	Then Into	South Benson Creek
	Then Into	Benson Creek
	Then Into	Kentucky River

**KEY**

- |                  |                          |
|------------------|--------------------------|
| ACTV = Activity  | AIOO = Agency Interest   |
| AREA = Area      | COMB = Combustion        |
| EQPT = Equipment | MNPPT = Monitoring Point |
| PERS = Personnel | PORT = Transport         |
| STOR = Storage   | STRC = Structure         |
| TRMT = Treatment |                          |

## EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Subject Item: sanitary wastewater

MNPT000000001: KY0044351 001

Such discharges shall be limited and monitored by the permittee as specified below:

Parameter	Discharge Limitations						Monitoring Requirements			
	Quantity / Loading Average	Quantity / Loading Maximum	Quantity / Loading Units	Conc. / Quality Minimum	Conc. / Quality Average	Conc. / Quality Maximum	Conc. / Quality Units	Frequency	Sample Type	Which Months
<i>Ammonia Nitrogen, Total (as N) effluent gross value</i>	14.2 Monthly average (AV)	21.3 Daily maximum (MX)	lbs/day	*****	10 Monthly average (AV)	15 Daily maximum (MX)	mg/L	weekly	composite sample	April-Oct
<i>Ammonia Nitrogen, Total (as N) effluent gross value</i>	5.67 Monthly average (AV)	8.50 Daily maximum (MX)	lbs/day	*****	4 Monthly average (AV)	6 Daily maximum (MX)	mg/L	weekly	composite sample	May - October
<i>BOD, Carbonaceous 05 Day, 20C effluent gross value</i>	28.4 Monthly average (AV)	42.5 Maximum weekly average	lbs/day	*****	20 Monthly average (AV)	30 Maximum weekly average	mg/L	weekly	composite sample	All Year
<i>Chlorine, Total Residual effluent gross value</i>	*****	*****	*****	*****	0.011 Monthly average (AV)	0.019 Daily maximum (MX)	mg/L	weekly	grab sampling	All Year
<i>E. Coli effluent gross value</i>	*****	*****	*****	*****	130 Monthly geometric mean	240 Maximum weekly geometric mean	#/100 mL	weekly	grab sampling	All Year
<i>Flow, In Conduit Or Thru Treatment Plant effluent gross value</i>	Report Monthly average (AV)	Report Daily maximum (MX)	MGD (MA)	*****	*****	*****	*****	weekly	continuous recorder	All Year
<i>Oxygen, Dissolved effluent gross value</i>	*****	*****	*****	7.0 Instantaneous minimum	*****	*****	mg/L	weekly	grab sampling	All Year
<i>pH effluent gross value</i>	*****	*****	*****	6.0 Minimum	*****	9.0 Maximum	standard units	weekly	grab sampling	All Year

## EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

**Subject Item:** sanitary wastewater

**MNPT000000001:** KY0044351 001

Such discharges shall be limited and monitored by the permittee as specified below:

Parameter	Discharge Limitations						Monitoring Requirements			
	Quantity / Loading Average	Quantity / Loading Maximum	Quantity / Loading Units	Conc. / Quality Minimum	Conc. / Quality Average	Conc. / Quality Maximum	Conc. / Quality Units	Frequency	Sample Type	Which Months
<i>Solids, Total Suspended (TSS) effluent gross value</i>	42.6 Monthly average (AV)	63.8 Maximum weekly average	lbs/day	*****	30 Monthly average (AV)	45 Maximum weekly average	mg/L	weekly	composite sample	All Year

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

**MNPPT1 (KY0044351 001) sanitary wastewater:**

**Submittal/Action Requirements:**

Condition  
No. Condition

- S-1 Duty to reapply: Any permittee with a currently effective permit shall submit permit application for renewal. Due 180 calendar days before permit expiration date of the existing permit, unless permission for a later date has been granted by the cabinet. The cabinet shall not grant permission for applications to be submitted later than the expiration date of the existing permit. [401 KAR 5:060 Section 1(5)]
- S-2 Discharge Monitoring Report (DMR): The permittee shall submit analytical results on monthly Discharge Monitoring Report (DMR) : Due monthly, by the 28th of the following month to the Division of Water. [401 KAR 5:065 Section 1(12)(d)]

**Narrative Requirements:**

**Part I A Effluent Limitations and Monitoring Requirements:**

Condition  
No. Condition

- T-1 Part I A Effluent Limitations and Monitoring Requirements: The average daily design capacity for this treatment plant is 0.170 mgd. [401 KAR 5:005 Section 24(4)(a)]
- T-2 Part I A Effluent Limitations and Monitoring Requirements: There shall be no discharge of floating solids or visible foam in other than trace amounts. [401 KAR 5:031 Section 2]
- T-3 Part I A Effluent Limitations and Monitoring Requirements: Effluent samples shall be taken at the following location: nearest accessible point after final treatment, but prior to actual discharge or mixing with receiving waters. [401 KAR 5:070 Section 3(1)]

**Part I B Schedule of Compliance:**

Condition  
No. Condition

- T-4 Part I B Schedule of Compliance: The permittee shall achieve compliance with all requirements on the effective date of this permit. [401 KAR 5:070 Section 2]



**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
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**MNPPT1 (continued):**

**Narrative Requirements:**

**Part II Standard Conditions for KPDES Permit:**

Condition No.	Condition
T-5	<p>Part II Standard Conditions for KPDES Permit: The permittee is also advised that all KPDES permit conditions in KPDES Regulation 401 KAR 5:065, Section 1, will apply to all discharges authorized by this permit.</p> <p>This permit has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet and other state, federal, and local agencies.</p> <p>It is the responsibility of the permittee to demonstrate compliance with permit parameter limitations by utilization of sufficiently sensitive analytical methods. [401 KAR 5:055 Section 1]</p>
T-6	<p>Part II Standard Conditions for KPDES Permit: Surface waters shall not be aesthetically or otherwise degraded by substances that: (a) Settle to form objectionable deposits; (b) Float as debris, scum, oil, or other matter to form a nuisance; (c) Produce objectionable color, odor, taste, or turbidity; (d) Injure, are chronically or acutely toxic to or produce adverse physiological or behavioral responses in humans, animals, fish and other aquatic life; or (e) Produce undesirable aquatic life or result in the dominance of nuisance species. [401 KAR 5:031 Section 2]</p>
T-7	<p>Part II Standard Conditions for KPDES Permit: Each wastewater system shall be operated under the supervision of an individual holding a Kentucky operator's certificate for at least the class of system supervised. [401 KAR 5:010 Section 2(1)]</p>
T-8	<p>Part II Standard Conditions for KPDES Permit: This treatment unit is temporary and in no way supersedes the need of a regional sewer system. The permittee will eliminate the discharge and treatment unit by connection to a regional sewer system when it becomes available as defined in 401 KAR 5:002. [401 KAR 5:005 Section 4(6)]</p>
T-9	<p>Part II Standard Conditions for KPDES Permit: Duty to Comply, General Requirement: The permittee shall comply with all conditions of this permit. Any permit noncompliance constitutes a violation of KRS Chapter 224, among which are the following remedies: enforcement action, permit revocation, revocation and reissuance, or modification; or denial of a permit renewal application. [401 KAR 5:065 Section 1(1)(a)]</p>
T-10	<p>Part II Standard Conditions for KPDES Permit: Duty to Reapply: If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee shall apply for and obtain a new permit as required in 401 KAR 5:060, Section 1. [401 KAR 5:065 Section 1(2)]</p>
T-11	<p>Part II Standard Conditions for KPDES Permit: Duty to Mitigate: The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment. [401 KAR 5:065 Section 1(4)]</p>

# Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

MNPPT1 (continued):

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## Narrative Requirements:

### Part II Standard Conditions for KPDES Permit:

Condition No.	Condition
T-12	<p>Part II Standard Conditions for KPDES Permit: Proper Operation and Maintenance: The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control and related appurtenances which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems that are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. [401 KAR 5:065 Section 1(5)]</p>
T-13	<p>Part II Standard Conditions for KPDES Permit: Permit Actions: The permit may be modified, revoked and reissued, or revoked for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition. [401 KAR 5:065 Section 1(6)]</p>
T-14	<p>Part II Standard Conditions for KPDES Permit: Duty to Provide Information: The permittee shall furnish to the cabinet, within a reasonable time, any information which the cabinet may request to determine whether cause exists for modifying, revoking and reissuing, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the cabinet, upon request, copies of records required to be kept by this permit. [401 KAR 5:065 Section 1(8)]</p>
T-15	<p>Part II Standard Conditions for KPDES Permit: Inspection and Entry: The permittee shall allow the cabinet, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:</p> <ul style="list-style-type: none"><li>(a) Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records pertinent to the KPDES program are or may be kept;</li><li>(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;</li><li>(c) Inspect at reasonable times any facilities, equipment, including monitoring and control equipment, practices, or operations regulated or required under this permit; and</li><li>(d) Sample or monitor at reasonable times, for the purposes of assuring KPDES program compliance or as otherwise authorized by KRS Chapter 224, any substances or parameters at any location. [401 KAR 5:065 Section 1(9)]</li></ul>
T-16	<p>Part II Standard Conditions for KPDES Permit: Monitoring and records: Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity. [401 KAR 5:065 Section 1(10)(a)]</p>

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

**MNPT1 (continued):**

**Narrative Requirements:**

**Part II Standard Conditions for KPDES Permit:**

Condition No.	Condition
T-17	<p>Part II Standard Conditions for KPDES Permit: Monitoring and records:</p> <p>The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three (3) years from the date of the sample, measurement, report, or application. This period may be extended by request of the cabinet at any time. [401 KAR 5:065 Section 1(10)(b)]</p>
T-18	<p>Part II Standard Conditions for KPDES Permit: Monitoring and records:</p> <p>Records of monitoring information shall include:</p> <ol style="list-style-type: none"><li>1. The date, exact place, and time of sampling or measurements;</li><li>2. The individuals who performed the sampling or measurements;</li><li>3. The dates analyses were performed;</li><li>4. The individuals who performed the analyses;</li><li>5. The analytical techniques or methods used; and</li><li>6. The results of the analyses. [401 KAR 5:065 Section 1(10)(c)]</li></ol>
T-19	<p>Part II Standard Conditions for KPDES Permit: Monitoring and records:</p> <p>Monitoring shall be conducted according to test procedures approved under 40 CFR Part 136, unless other test procedures have been specified in the permit. [401 KAR 5:065 Section 1(10)(d)]</p>
T-20	<p>Part II Standard Conditions for KPDES Permit: Monitoring and records:</p> <p>Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under the permit shall, upon conviction, be subject to penalties under KRS 224.99-010(4). [401 KAR 5:065 Section 1(10)(e)]</p>
T-21	<p>Part II Standard Conditions for KPDES Permit: Signatory Requirement:</p> <p>All applications, reports, or information submitted to the cabinet shall be signed and certified as indicated in 401 KAR 5:060, Section 9. Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be subject to penalties under KRS 224.99-010(4). [401 KAR 5:065 Section 1(11)]</p>

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

**MNPPT1 (continued):**

**Narrative Requirements:**

**Part II Standard Conditions for KPDES Permit:**

Condition No.	Condition
T-22	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Planned changes: The permittee shall give notice to the cabinet as soon as possible of any physical alteration or additions to the permitted facility. Notice is required only when:</p> <ol style="list-style-type: none"><li>1. The alteration or addition to a permitted facility may meet one (1) of the criteria for determining whether a facility is a new source in 401 KAR 5:080, Section 5; or</li><li>2. The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject either to effluent limitations in the permit, or to notification requirements under 401 KAR 5:080, Section 5. [401 KAR 5:065 Section 1(12)(a)]</li></ol> <p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Anticipated Noncompliance: The permittee shall give advance notice to the cabinet of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements. [401 KAR 5:065 Section 1(12)(b)]</p>
T-24	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Transfers: The permit is not transferable to any person except after notice to the Cabinet. The cabinet may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary under KRS Chapter 224. [401 KAR 5:065 Section 1(12)(c)]</p>
T-25	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Monitoring Reports: Monitoring results shall be reported at the intervals specified in the permit. [401 KAR 5:065 Section 1(12)(d)]</p>
T-26	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Monitoring Reports: Monitoring results shall be reported as follows: Monitoring results shall be reported on a Discharge Monitoring Report (DMR). [401 KAR 5:065 Section 1(12)(d)1]</p>
T-27	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Monitoring Reports: Monitoring results shall be reported as follows: If the permittee monitors any pollutant more frequently than required by the permit, using test procedures approved under 40 CFR Part 136 or as specified in the permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the DMR. [401 KAR 5:065 Section 1(12)(d)2]</p>
T-28	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Monitoring Reports: Monitoring results shall be reported as follows: Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified by the Cabinet in the permit. [401 KAR 5:065 Section 1(12)(d)3]</p>

## Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System

Coolbrook Subd  
Facility Requirements  
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MNPPT1 (continued):

### Narrative Requirements:

#### Part II Standard Conditions for KPDES Permit:

Condition No.	Condition
T-29	<p>Part II Standard Conditions for KPDES Permit: Reporting Requirements - Compliance Schedules: Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit shall be submitted no later than fourteen (14) days following each schedule date. [401 KAR 5:065 Section 1(12)(e)]</p>
T-30	<p>Part II Standard Conditions for KPDES Permit: Twenty-four (24) hour reporting. The permittee shall follow the provisions of 401 KAR 5:015 and shall orally report any noncompliance which may endanger health or the environment, within 24 hours from the time the permittee becomes aware of the circumstances. This report shall be in addition to and not in lieu of any other reporting requirement applicable to the noncompliance. [401 KAR 5:065 Section 1(12)(f)]</p>
T-31	<p>Part II Standard Conditions for KPDES Permit: Twenty-four (24) hour reporting. A written submission shall also be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance. The cabinet may waive the written report on a case-by-case basis if the oral report has been received within 24 hours. [401 KAR 5:065 Section 1(12)(f)]</p>
T-32	<p>Part II Standard Conditions for KPDES Permit: Twenty-four (24) hour reporting. The following shall be included as events which shall be reported within 24 hours: 1. Any unanticipated bypass which exceeds any effluent limitation in the permit, as indicated in subsection (13) of this section; 2. Any upset which exceeds any effluent limitation in the permit; or 3. Violation of a maximum daily discharge limitation for any of the pollutants listed by the cabinet in the permit to be reported within 24 hours, as indicated in Section 2(7) of this administrative regulation. [401 KAR 5:065 Section 1(12)(f)]</p>
T-33	<p>Part II Standard Conditions for KPDES Permit: Any person having knowledge in advance of the necessity to bypass a sewage system shall notify the Division of Water before such bypass is commenced. Notification shall be given as far in advance as possible. [401 KAR 5:015 Section 1]</p>
T-34	<p>Part II Standard Conditions for KPDES Permit: Whenever by reason of emergency or accident a spill or discharge occurs from a sewage system or from a container or pipeline used to transport or store substances which would result in or contribute to the pollution of the waters, the person in charge of such activity shall immediately notify the Division of Water by the most rapid means available at 1-800-928-2380. [401 KAR 5:015 Section 2]</p>

# Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

MNPPT1 (continued):

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## Narrative Requirements:

### Part II Standard Conditions for KPDES Permit:

Condition No. Condition

T-35 Part II Standard Conditions for KPDES Permit: Reporting Requirements - Other Noncompliance:  
The permittee shall report all instances of noncompliance not reported under paragraphs (d), (e), and (f) of 401 KAR 5:065, Section 1 (12), (Monitoring Reports, Compliance Schedules, and Twenty-four (24) hour reporting) when monitoring reports are submitted. The reports shall contain the information listed under Compliance Schedules. [401 KAR 5:065 Section 1(12)(g)]

T-36 Part II Standard Conditions for KPDES Permit: Reporting Requirements - Other information: Where the permittee becomes aware that it failed to submit any relevant fact in a permit application, or submitted incorrect information in a permit application or in any report to the Cabinet, it shall promptly submit these facts or information. [401 KAR 5:065 Section 1(12)(h)]

T-37 Part II Standard Conditions for KPDES Permit: Occurrence of a Bypass - Notice:  
Anticipated bypass. If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass. Compliance with this requirement constitutes compliance with 401 KAR 5:015, Section 1. [401 KAR 5:065 Section 1(13)(b)1]

T-38 Part II Standard Conditions for KPDES Permit: No person shall construct, modify, or operate a facility without having received a permit from the cabinet. A construction or modification permit is not required for maintenance replacement for components of an existing facility or for changes which do not affect the treatment processes of the facility, but is required for replacement of an entire wastewater treatment plant. The operational permit provisions of 401 KAR 5:005, Section 27, shall be satisfied by those facilities which have a valid KPDES permit issued pursuant to 401 KAR 5:050 to 5:080. [401 KAR 5:005 Section 1]

### Part III Other Requirements:

Condition No. Condition

T-39 Part III Other Requirements: KPDES Permit Reopener Clause:  
This permit shall be modified, or alternatively revoked and reissued, to comply with any applicable effluent standard or limitation issued or approved under 401 KAR 5:050 through 5:080 and KRS 224.70-120, if the effluent standard or limitation so issued or approved:  
Contains different conditions or is otherwise more stringent than any effluent limitation in the permit; or  
Controls any pollutant not limited in the permit.  
The permit as modified or reissued under this paragraph shall also contain any other requirements of KRS Chapter 224 when applicable. [401 KAR 5:070 Section 6]

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

**MNPPT1 (continued):**

**Narrative Requirements:**

**Part III Other Requirements:**

Condition No.	Condition
T-40	<p>Part III Other Requirements: A permit to construct a facility shall be effective upon issuance unless otherwise conditioned. Construction shall be completed within twelve (12) months unless additional time is requested. If construction is not commenced within the twelve (12) months following a permit's issuance, a new permit shall be obtained before construction may begin. The cabinet may allow a single twelve (12) month extension to begin construction if site conditions have not changed. [401 KAR 5:005 Section 24(1)]</p>
T-41	<p>Part III Other Requirements: Applicability. Any person responsible for conducting any of the following activities shall prepare and implement a groundwater protection plan: [List 1 of 2] storing or related handling of bulk quantities of pesticides or fertilizers for commercial purposes or distribution to a retail sales outlet; applying of pesticides or fertilizers for commercial purposes or for public right-of-way maintenance or institutional lawn care; land treatment or land disposal of a pollutant; storing, treating, disposing, or handling of hazardous waste, solid waste, or special waste in landfills, incinerators, surface impoundments, tanks, drums, other containers, or in piles; commercial or industrial storing or related handling in bulk quantities of raw materials, intermediate substances or products, finished products, substances held for recycling, or other pollutants held in tanks, drums, other containers, or in piles; transmission in pipelines of raw materials, intermediate substances or products, finished products, or other pollutants; installation or operation of on-site sewage disposal systems. [401 KAR 5:037 Section 2(2)]</p>
T-42	<p>Part III Other Requirements: Applicability. Any person responsible for conducting any of the following activities shall prepare and implement a groundwater protection plan: [List 2 of 2] storing or related handling of road oils, dust suppressants, or deicing agents at a central location; application or related handling of road oils, dust suppressants or deicing materials; mining and associated activities; installation, construction, operation, or abandonment of wells, bore holes, or core holes; collection or disposal of pollutants in an industrial or commercial facility through the use of floor drains which are not connected to on-site sewage disposal systems, closed-loop collection or recovery systems, or a waste treatment system permitted under KPDES; impoundment or containment of pollutants in surface impoundments, lagoons, pits, or ditches; or commercial or industrial transfer, including loading and unloading, in bulk quantities of raw materials, intermediate substances or products, finished products, substances held for recycling, or other pollutants. [401 KAR 5:037 Section 2(2)]</p>

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
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**MNPPT1 (continued):**

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**Narrative Requirements:**

**Part III Other Requirements:**

Condition No.	Condition
T-43	Part III Other Requirements: The permit is issued to the applicant and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 24(3)]
T-44	Part III Other Requirements: The permittee shall ensure that the effluent is of satisfactory quality to prevent violations of the standards in 401 KAR Chapter 5. If violations of the standards of 401 KAR Chapter 5 result from the discharge of the treated effluent, the owner shall provide additional treatment or an extension of the effluent line. [401 KAR 5:005 Section 24(4)(c)1]
T-45	Part III Other Requirements: Applicants shall keep records of all data used to complete permit applications and any supplemental information submitted under this section for a period of at least three (3) years from the date the application is signed. [401 KAR 5:060 Section 6]
T-46	Part III Other Requirements: All wastewater treatment plants shall have a disinfection process which meets one of the four following requirements: (a) An ultraviolet disinfection system designed to treat the anticipated peak hourly flow; (b) a chlorination system with a flow or demand proportional feed system. The chlorine contact tank shall have a minimum detention time of thirty (30) minutes based on the average flow, or fifteen (15) minutes based on the peak hourly flow, whichever requires the larger tank size. Wastewater treatment plants shall also have a dechlorination system with a flow or demand proportional feed system if necessary to meet the effluent limits; or (c) a chlorination system with a manually controlled feed system and a flow equalization basin designed to eliminate the diurnal flow variations. (d) Other disinfection processes providing equivalent treatment as approved by the cabinet. [401 KAR 5:005 Section 11(1), 401 KAR 5:065 Section 1(5)]
T-47	Part III Other Requirements: The flow measuring device shall measure all flow received at the wastewater treatment plant. An indicating, recording, and totalizing flow measuring device shall be installed at each large wastewater treatment plant. [401 KAR 5:005 Section 12, 401 KAR 5:065 Section 1(5)]
T-48	Part III Other Requirements: Flow equalization basins shall have an emergency overflow to an appropriate point in the treatment scheme. [401 KAR 5:005 Section 17(1)(c), 401 KAR 5:065 Section 1(5)]
T-49	Part III Other Requirements: Wastewater treatment lagoons shall be at least 200 feet from any present or future residence. [401 KAR 5:005 Section 18(3), 401 KAR 5:065 Section 1(5)]
T-50	Part III Other Requirements: A water supply shall be provided to facilitate cleaning and maintenance of the wastewater treatment plant. If a potable source is provided, backflow preventers shall be installed to protect the water supply. [401 KAR 5:005 Section 10(6), 401 KAR 5:065 Section 1(5)]



**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
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**MNPT1 (continued):**

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**Narrative Requirements:**

**Part III Other Requirements:**

Condition No.	Condition
T-51	Part III Other Requirements: Fencing and/or other adequate protection shall be provided around the wastewater treatment plant. [401 KAR 5:005 Section 10(7), 401 KAR 5:065 Section 1(5)]
T-52	Part III Other Requirements: An all-weather access road shall be provided to the wastewater treatment plant. [401 KAR 5:005 Section 10(8), 401 KAR 5:065 Section 1(5)]
T-53	Part III Other Requirements: No bypass or overflow structure of any type shall be constructed in any sewer line or pump station or at any wastewater treatment plant unless specifically approved by the cabinet in writing. [401 KAR 5:005 Section 7(5), 401 KAR 5:065 Section 1(5)]
T-54	Part III Other Requirements: Sharp crested weirs shall be used for measuring effluent flow only and shall have the following characteristics: the weir shall be installed perpendicular to the axis of flow and there shall be no leakage at the weir edges or bottom; the weir plate shall be level and adjustable; the sides of a rectangular contracted weir shall be vertical; the angles of V-notch weirs shall be cut precisely; the thickness of the weir crest shall be less than one-tenth (0.1) of an inch; the distance from the weir crest to the bottom of the approach channel shall be more than one foot or two times the maximum weir head, whichever is greater; the distance from the sides of the weir to the sides of the approach channel shall be more than one foot or two times the maximum weir head, whichever is greater. This does not apply to suppressed rectangular weirs; air shall circulate freely under, and on both sides of, the nappe; the measurement of head on the weir shall be made at least four times the maximum weir head upstream from the weir crest; the cross-sectional area of the approach channel shall be at least eight times the area of the nappe. The approach channel shall be straight and uniform upstream from the weir for a distance of fifteen times the maximum weir head; the minimum acceptable weir head is two-tenths (0.2) foot; the maximum downstream pool level shall be at least two-tenths (0.2) foot below the crest elevation; the weir length for a rectangular, suppressed, or Cipolletti weir shall be at least three times the maximum weir head; and a reference staff gauge shall be provided. [401 KAR 5:005 Section 12(2), 401 KAR 5:065 Section 1(5)]
T-55	Part III Other Requirements: Parshall flumes may be used to measure influent or effluent flows and shall have the following characteristics: the approach channel upstream of the flume shall be straight and have a width uniform for the length required by the following: if the flume throat width is less than one-half (1/2) the width of the approach channel, the straight upstream channel length shall be twenty times the throat width; if the flume throat width is equal to or larger than one-half (1/2) the width of the approach channel, the straight upstream length shall be greater than ten times the approach channel width; and if the cross-sectional area of the inlet to the approach channel is smaller than the cross-sectional area of the approach channel, additional straight upstream channel length may be required to dissipate the velocity; the throat section walls shall be vertical; the head measuring point shall be at two-thirds (2/3) the length of the converging sidewall; the flow shall be evenly distributed across the channel, shall be free of turbulence or waves, and shall not be located after transition sections; the longitudinal and lateral axes of the converging crest floor shall be level; free flow conditions shall be maintained; and a reference staff gauge shall be provided for Ha and Hb to determine if submergence occurs. [401 KAR 5:005 Section 12(3), 401 KAR 5:065 Section 1(5)]

**Authorization to Discharge Under the Kentucky Pollutant Discharge Elimination System**

Coolbrook Subd  
Facility Requirements  
Permit Number: KY0044351  
Activity ID No.: APE20060001

**MNPT1 (continued):**

Page 11 of 11

**Narrative Requirements:**

**Part III Other Requirements:**

Condition No.	Condition
T-56	Part III Other Requirements: A positive sludge return shall be provided for the extended aeration package wastewater treatment plant. [401 KAR 5:005 Section 10(5), 401 KAR 5:065 Section 1(5)]
T-57	Part III Other Requirements: Tablet type chlorination equipment shall not be used in intermediate or large wastewater treatment plants. [401 KAR 5:005 Section 11(2), 401 KAR 5:065 Section 1(5)]
T-58	Part III Other Requirements: An audible and visible alarm shall be provided at the wastewater pump station. [Ten States (WW) 45, 401 KAR 5:065 Section 1(5)]
T-59	Part III Other Requirements: If the discharge from the wastewater treatment plant enters a sinkhole directly or enters a disappearing stream, the applicant shall submit a proposal for a groundwater tracer study or results from a previously conducted study to the cabinet for approval. [401 KAR 5:005 Section 4(5)]
T-60	Part III Other Requirements: The permittee shall comply with Requirements for Recording and Reporting of Monitoring Results: (1) Requirements concerning the proper use, maintenance, and installation, when appropriate, of monitoring equipment or methods, including biological monitoring methods when appropriate; (2) Required monitoring including type, intervals, and frequency sufficient to yield data which are representative of the monitored activity including, when appropriate, continuous monitoring; and (3) Applicable reporting requirements based upon the impact of the regulated activity and as specified in 401 KAR 5:065, Sections 1 and 2. Reporting shall be no less frequent than specified in 401 5:070, Section 2, Schedules of Compliance. [401 KAR 5:070 Section 3]



ERNIE FLETCHER  
GOVERNOR

**ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
14 REILLY ROAD  
FRANKFORT, KENTUCKY 40601-1190  
www.kentucky.gov

TERESA J. HILL  
SECRETARY

**FACT SHEET**

**KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM  
PERMIT TO DISCHARGE TREATED WASTEWATER  
INTO WATERS OF THE COMMONWEALTH**

KPDES No.: KY0044351    Permit Writer: Diana Davidson    Date: October 8, 2007  
AI No.: 1380

1. **SYNOPSIS OF APPLICATION**

a. Name and Address of Applicant

Classic Construction, Incorporated  
P.O. Box 4113  
Frankfort, Kentucky 40604

b. Facility Location

Coolbrook Subdivision  
Clearwater Court  
Frankfort, Franklin County, Kentucky

c. Description of Applicant's Operation

Subdivision

d. Design Capacity

0.170 MGD

e. Description of Existing Pollution Abatement Facilities

Facility has one discharge of sanitary wastewater which is treated by activated sludge, sedimentation, disinfection, and aerobic digestion.

f. Permitting Action

This is a reissuance of a minor KPDES permit for a wastewater treatment plant serving a subdivision.

mt

2. RECEIVING WATER

a. Name/Mile Point

Facility discharges to an unnamed tributary at mile point 1.60 to South Benson Creek at Mile Point 8.78.

b. Stream Segment Use Classification

Warmwater Aquatic Habitat, Primary/Secondary Contact Recreation, and Domestic Water Supply

c. Stream Segment Categorization

This stream is categorized as High Quality Water.

d. Stream Low Flow Condition

The 7-day, 10-year (7Q10) low flow condition of the receiving stream is 0.00 cfs.

**3. REPORTED DISCHARGE AND PROPOSED LIMITS - SANITARY FACILITY**

Serial Number 0011 - Sanitary Wastewater

Effluent Characteristics	Reported Discharge		Proposed Limits		Applicable Water Quality Criteria and/or Effluent Guidelines
	Monthly Average	Daily Maximum	Monthly Average	Daily Maximum	
Flow (MGD) (Design Flow = 0.170 MGD)	0.1264	0.2785	Report	Report	401 KAR 5:065, Section 2(8)
CBOD <sub>5</sub> (mg/l)	4.95	9.10	20	30	401 KAR 5:031, Section 4 401 KAR 5:045, Sections 3 and 5
Total Suspended Solids (mg/l)	9.58	16.82	30	45	401 KAR 5:031, Section 4 401 KAR 5:045, Sections 2 and 3
Fecal Coliform (N/100 ml)	16.57	82.64	Removing from permit		401 KAR 5:080, Section 1(2)(c)2
Escherichia Coli (N/100 ml)	NR	NR	130	240	401 KAR 5:031, Section 7 401 KAR 5:045, Section 4 401 KAR 5:080, Section 1(2)(c)2
Ammonia Nitrogen (as mg/l N)					
May 1 - October 31	1.16	2.25	4	6	401 KAR 5:031, Section 4
November 1 - April 30	1.05	2.02	10	15	401 KAR 5:045, Sections 3 and 5
Dissolved Oxygen (mg/l) (minimum)					
	7.62	NR	Not less than 7.0		401 KAR 5:031, Section 4 401 KAR 5:045, Sections 3 and 5
pH (standard units)					
	7.07	8.9	6.0 (min)	9.0 (max)	401 KAR 5:031, Section 4 401 KAR 5:045, Section 4
Total Residual Chlorine, mg/l					
	0.02	0.06	0.011	0.019	401 KAR 5:031

The data contained under the reported discharge columns is not from the renewal application, but rather from the analysis of the DMR data that has been reported during the term of the previous permit.

The abbreviation CBOD<sub>5</sub> means Carbonaceous Biochemical Oxygen Demand (5-day).

The abbreviation NR means not reported on the Discharge Monitoring Report (DMR).

The effluent limitations for CBOD<sub>5</sub> and Total Suspended Solids are Monthly Averages and Weekly Averages.

The effluent limitations for Escherichia Coli are 30 day and 7 day Geometric Means.

4. METHODOLOGY USED IN DETERMINING LIMITATIONS

a. Serial Number

Outfall 0011 Sanitary Wastewater

b. Effluent Characteristics

Flow, Carbonaceous Biochemical Oxygen Demand (5-day), Total Suspended Solids, Fecal Coliform Bacteria, *Escherichia Coli*, pH, Ammonia Nitrogen, Dissolved Oxygen, and Total Residual Chlorine (TRC).

c. Pertinent Factors

The Coolbrook Subdivision and its wastewater treatment plant are located within the regional facility planning area of city of Frankfort. Existing are not available within one mile of the facility and the regional facility is not available for connection as defined in regulation 401 KAR 5:002, Section 1(21).

d. Monitoring Requirements

Flow shall be monitored instantaneously once per week.

Carbonaceous Biochemical Oxygen Demand (5-day), Total Suspended Solids, *Escherichia Coli*, pH, Ammonia Nitrogen, Dissolved Oxygen and Total Residual Chlorine shall be monitored once per week.

e. Justification of Conditions

The Kentucky regulations cited below have been duly promulgated pursuant to the requirements of Chapter 224 of the Kentucky Revised Statutes.

*Escherichia Coli* and Fecal Coliform Bacteria

The limits for *Escherichia Coli* are consistent with the requirements of 401 KAR 5:031, Section 7, 401 KAR 5:045 Section 4 and 401 KAR 5:080, Section 1(2)(c) 2. The removal of Fecal Coliform Bacteria is consistent with the requirements of 401 KAR 5:080k Section 1 (2) (c)2. Although Fecal Coliform Bacteria has been used as an indicator of fecal contamination, it does contain other species that are not necessarily fecal in origin. EPA recommends *Escherichia Coli*, which is specific to fecal material from warm-blooded animals, as the best indicator of health risk from contact with recreational waters. Therefore, it is the "Best Professional Judgment "BPJ" of the Division of Water that *Escherichia Coli* replace Fecal Coliform Bacteria on this permit.

Flow and Total Residual Chlorine

The monitoring requirements for these parameters are consistent with the requirements of 401 KAR 5:065, Section 2(8).

CBOD<sub>5</sub>, Ammonia Nitrogen, and Dissolved Oxygen

The limits for these parameters are consistent with the requirements of 401 KAR 5:031, Section 4, and 401 KAR 5:045, Sections 3 and 5. Section 4 of 5:031 establishes water quality criteria for the protection of Kentucky's waters. Section 5 of 5:045 requires biochemically degradable wastewaters to receive treatment in excess of secondary treatment if the Cabinet determines that the receiving water would not satisfy applicable water quality standards as a result of a facility discharge or discharges from multiple facilities.

4. METHODOLOGY USED IN DETERMINING LIMITATIONS - CONTINUED

Total Suspended Solids

The limits for this parameter are consistent with the requirements of 401 KAR 5:031, Section 4 and 5:045, Sections 2 and 3. Section 4 of 5:031 establishes water quality criteria for the protection of Kentucky's waters. Sections 2 and 3 of 5:045 require biochemically degradable wastewaters to receive secondary treatment.

pH

The limits for these parameters are consistent with the requirements of 401 KAR 5:031, Section 4 and 5:045, Section 4. Section 4 of 5:031 establishes water quality criteria for the protection of Kentucky's waters. Section 4 of 5:045 establishes the acceptable levels of these parameters for biochemically degradable wastewaters.

Daily Maximum vs Weekly Average Limitations

This facility is not a publicly owned treatment works (POTW) as defined under KRS 224.01-10. For non-POTW's, 401 KAR 5:065 Section 3(4) requires monthly average and daily maximum limitations unless impractical. The limitations under 401 KAR 5:045 for those facilities treating biochemically degradable wastes are not expressed in terms of a daily maximum; therefore, it is impractical to establish a daily maximum limitation. It is in the best professional judgment of the Division of Water that the limitations for those parameters specifically referenced in 401 KAR 5:045 should be expressed in terms of monthly average and weekly average.

5. ANTIDegradation

The conditions of 401 KAR 5:029, Section 1 has been satisfied by this permit action. Since this permit action involves reissuance of an existing permit, and does not propose an expanded discharge, a review under 401 KAR 5:030 Section 1 is not applicable.

6. PROPOSED COMPLIANCE SCHEDULE FOR ATTAINING EFFLUENT LIMITATIONS

The permittee will comply with all effluent limitations by the effective date of the permit.

7. PROPOSED SPECIAL CONDITIONS WHICH WILL HAVE A SIGNIFICANT IMPACT ON THE DISCHARGE

This treatment unit is temporary and in no way supersedes the need of a comprehensive sewer system. The permittee will eliminate the discharge and will connect to a comprehensive sewer system when it becomes available as defined in 401 KAR 5:002, provided such system can adequately treat the wastes.

8. PERMIT DURATION

Five (5) years. This facility is in the Kentucky River Basin Unit as per the Kentucky Watershed Management Framework.

9. PERMIT INFORMATION

The application, draft permit, fact sheet, public notice, comments received, and additional information is available from the Division of Water at 14 Reilly Road, Frankfort Office Park, Frankfort, Kentucky 40601.

10. REFERENCES AND CITED DOCUMENTS

All material and documents referenced or cited in this fact sheet are a part of the permit information as described above and are readily available at the Division of Water Central Office. Information regarding these materials may be obtained from the person listed below.

11. CONTACT

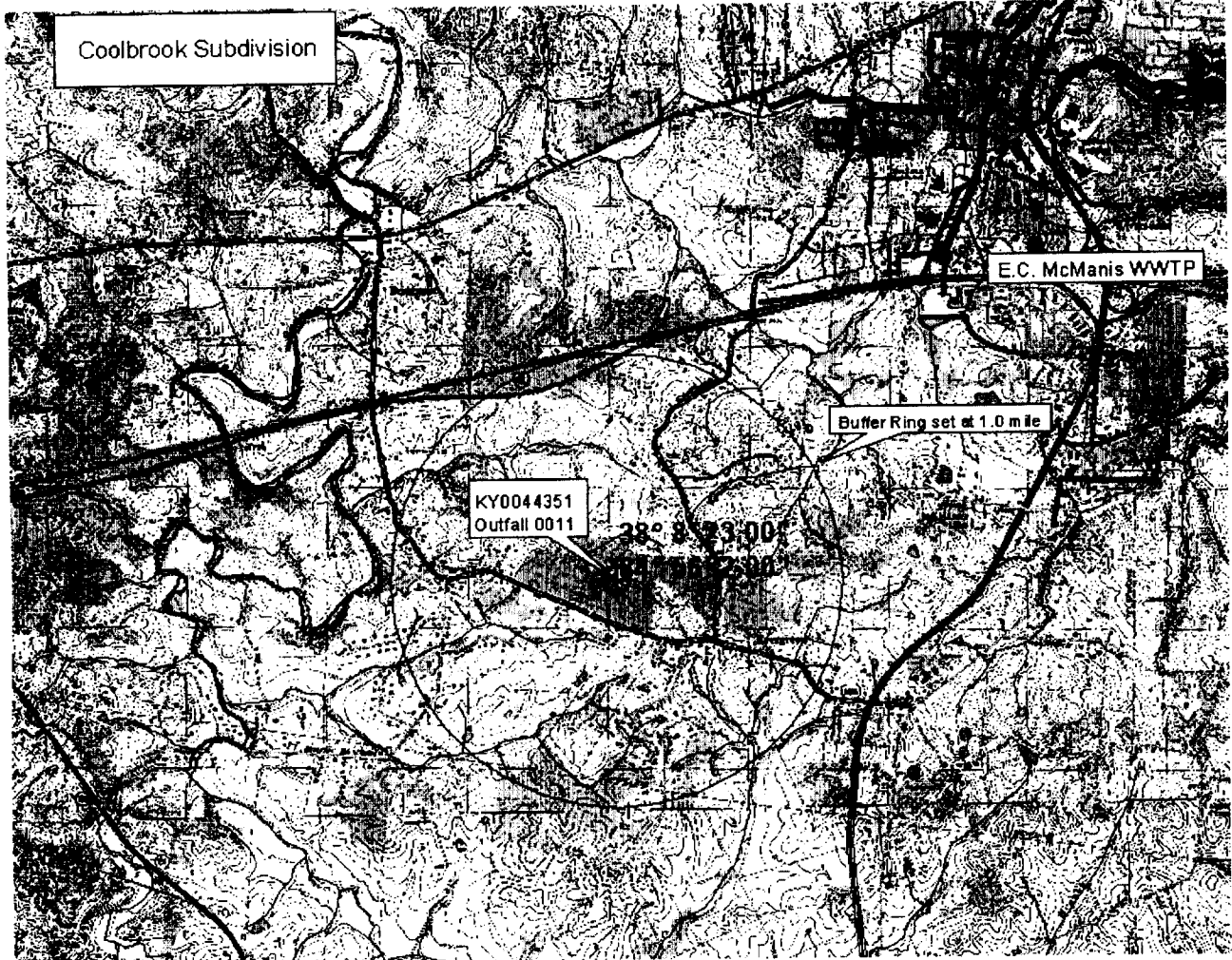
For further information on the draft permit or comment process, contact the individual identified on the Public Notice or the Permit Writer - Diana Davidson at (502) 564-8158, extension 341, or email Diana.Davidson@ky.gov.

12. PUBLIC NOTICE INFORMATION

Please refer to the attached Public Notice for details regarding the procedures for a final decision, deadline for comments and other information required by 401 KAR 5:075, Section 4(2)(e).



Permit No.: KY0044351  
AI No.: 1380  
Fact Sheet Page 7



Agency Interest # 26425

ENVIRONMENTAL AND  
PUBLIC PROTECTION CABINET  
Certifies that

**Lawrence W Smither**

IS A DULY LICENSED OPERATOR BY THE  
COMMONWEALTH OF KENTUCKY  
WW Treatment II 13390

Expiration Date:

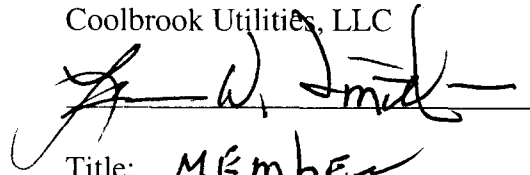


**ADOPTION NOTICE**

The undersigned, Coolbrook Utilities, LLC of Louisville, Kentucky, hereby adopts, ratifies, and makes its own in every respect as if the same had been originally filed and posted by it, all tariffs and supplements containing rates, rules and administrative regulations for furnishing Wastewater Treatment Collection and Treatment Service at Coolbrook Subdivision in Franklin County, in the Commonwealth of Kentucky, filed with the Public Service Commission by Classic Construction, Inc. of Frankfort, Franklin County, Kentucky, and in effect on the \_\_\_ day of \_\_\_\_\_, 2008, the date on which the public service business of the said Classic Construction, Inc. was taken over by Coolbrook Utilities, LLC.

This Notice was issued on the \_\_\_ day of \_\_\_\_\_, 2008, in conformity with Section 11 of 807 Kentucky Administrative Regulation 5 adopted by the Public Service Commission.

Coolbrook Utilities, LLC



Title: MEMBER

Date: 7/2/08

