

Commonwealth of Kentucky  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Case No. 2009-00483

JTB Real Estate, LLC dba Tarleton Crossings Apartments

Complainant

V.

Kentucky American Water Company

Defendant

RECEIVED

MAY 21 2010

PUBLIC SERVICE  
COMMISSION

RESPONSE TO INFORMATION REQUEST OF  
COMMISSION STAFF TO JTB REAL ESTATE, LLC.

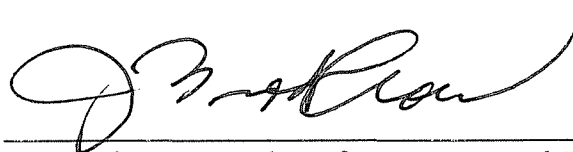
1. All letters, emails, and other correspondence sent to and received from Kentucky American Water Company that relate to the allegations of the Complaint have been provided by the attorney on record that had been representing JTB Real Estate, LLC in this matter, Katie Yunker.

2. See invoice and pictures that evidence repairs paid for by JTB that are at issue in this case.

3. Facilities served by account 522872, the street meter, are 36 two story, garden style apartments that are all one bedroom, one full bathroom apartments with 792 sq. ft. See attached floor plan.

4. Facilities served by account 522874, the laundry meter, are 64 two story, garden style apartments that are comprised of 36 two bedroom, 1.5 bathroom apartments with 1137 sq. ft. and 28 one bedroom, one bathroom apartments with 792 sq. ft. each. See attached floor plan.

Jeff Bradshaw:



Managing Member for JTB Real Estate, LLC

Date: 5/20/2010

# Kentucky American Water



P.O. Box 578, Alton IL 62002  
1-800-678-6301

07/02/2008

Jtb Real Estate, LLC  
1577 Walnut St.  
Clearwater FL 33755

Account Number: 12-0522872-7  
Premise Number: 120028340  
3640 Bold Bidder Dr

Dear Customer:

We have investigated your account and concluded that you are entitled to a credit adjustment. Your account was adjusted on Wednesday, July 2, 2008 in the amount of \$453.64, which represents 63,000 excess gallons of water.

We trust you will find this adjustment satisfactory. If you are served by a Public Service District or Sanitary Board, we will also communicate this adjustment to the appropriate company for their consideration of a sewer adjustment.

Should you have any questions, please feel free to contact our Customer Service Department at 1-800-678-6301. Associates are available 24 hours per day, 7 days a week for your convenience.

Sincerely,

Customer Service

# *Farleton Crossings Apts.*

*3640 Bold Bidder Drive*

*Lexington, KY 40517*

Yunker & Associates  
P.O. Box 21784  
Lexington, KY 40522-1784  
Ph: 859-255-0629  
Fax: 859-255-0746  
yunker@desuetude.com

Dear Katie;

November 19, 2009

This is a brief summary of events that have occurred in our business dealings with Kentucky American Water over the past two years.

1. Winter of 2007/2008 KAW replaces street meter. Faulty installation caused large water leak, which after three trips out to our property by KAW, they accept responsibility and credit given for approximately \$3500.

2. Winter 2009 KAW replaces street meter after water bill shows four times historical usage. Water bill immediately drops to normal usage with the replacement meter installed. After reinstallation of the original meter water usage remains normal. We feel that the faulty meter was repaired when it was removed and so now reads correctly. No credit as yet given for the one month's bill that was four times normal usage.

3. Summer 2009 KAW replaces laundry meter with new electronic sending unit. August 2009 water bill for laundry meter reads about 2 times normal amount. After doing two complete inspections of all apts. on this meter we, along with the plumbing company we hired to find our "water leak", determine there is no water leak at the property. We request KAW replace meter which they do. Water meter reading drop to a very high normal range

right away. We have now paid two plumbing companies a total of \$2890 to look for leaks that didn't actually exist and to repair damage to our plumbing lines caused by the KAW crew when replacing the water meter. We have not received any reimbursement for this expense.

4. We have now been overcharged for water on these two meters, water that we did not receive due to faulty water meters. These charges total approximately \$8,000.

It is interesting to note that all KAW tests of their water meters have always shown their meters to be accurate. The street meter demonstrates that this just isn't so. After the water usage went up 4 times normal and the meter was replaced the usage immediately dropped to normal range. We have no external faucets on the buildings connected to this meter, only the apts. themselves are connected and they have been checked, thoroughly, 3 times, by myself personally, along with our maintenance staff.

I have included a summary sheet showing historical water usage & water bills along with the plumbing bills we have incurred and they are included with this fax. In addition, I have included other supporting documents.

I feel that KAW has been unwilling to accept responsibility for the damage they have caused to our property nor for the obvious overcharges on our water bills resulting from their faulty water meters.

As a result, I would like to file a formal complaint with the PSC for compensation for the water billing overcharges. In addition, I would like to file a civil lawsuit to recover all expenses, not related to actual water usage, that we have incurred as a result of the damage to our property by KAW repair crews.

Sincerely,

Jeff Bradshaw  
JTB Real Estate, LLC dba  
Tarleton Crossings Apts.

# *Tarleton Crossings Apts.*

*3640 Bold Bidder Drive*

*Lexington, KY 40517*

Kentucky American Water;

August 17, 2009

This letter is to report two water meters on our property that are reporting very inaccurate information on our water usage. These meters are numbered as follows: #060515279N (I will refer to this meter as the “street meter”) and #060468570N (I will refer to this meter as the “laundry building meter”).

The street side meter was originally replaced in early 2008 with the new updated sending capability. This meter began showing unusually high readings (well out of range of monthly historical usage) and after several rounds of apt. inspections to make sure we didn't have a leak in one or more apts., it was verified that the installation itself was causing the leak. We were fairly credited for about 5-6 months of over billing as a result.

This same meter is now showing unusually high usage again (about 3 times the normal usage) but apparently for a different reason this time. As a result the meter was pulled for testing and replaced about 10 days ago. Even though this meter evidently showed accurate readings upon testing, the readings on the replacement meter immediately settled down to a high normal usage range.

The laundry building meter has been showing very high readings (well out of normal range) as well. After inspecting all apts., again, we determined that a water line leak had to be the cause (the monthly bill went from around \$2000 to over \$4000). As a result, we had a plumbing company and a leak detection company come out to find the leak and dig up the pipes that we felt sure needed replacing.

It has now been determined that there is actually no leak ... the cause again being another faulty meter giving the high readings. We determined this after discovering that surface water was actually from a natural spring and also from the fact that middle of the night readings (3 – 4 AM) over several nights showed no movement on the red triangle for over 10 seconds.

As a result of all of this work, I am requesting that this meter be pulled and replaced as well.

We have now gone to considerable expense (flights up to the property, many man hours wasted on apt. inspections, paying the over charged bills, paying a plumbing company to dig up and try to find a leak that wasn't there, etc.). All of this was due to your faulty meters, either the installation or the meters themselves.

As such I am paying an amount for normal usage for these two meters until you have corrected this situation, permanently, as I don't want to have the stresses that this situation creates, both financial and maintenance.

In addition, I am expecting a credit for the past month's high bill and my attorney will discuss with you reimbursement for expenses we have incurred as a result, expenses that would not have been necessary if you meters worked correctly.

Jeff Bradshaw  
JTB Real Estate for  
Tarleton Crossings Apts

# *Tarleton Crossings Apts.*

*3640 Bold Bidder Drive*

*Lexington, KY 40517*

Yunker & Associates

Dear Katie;

February 10, 2010

Here is the minimum amount I am willing to settle for the case with KAW.

1. \$1500 - plumbing & leak detection bill to try and find water leaks after getting double the normal bills on the "laundry building meter" (after all apts. were checked for leaks).

2. \$1390 - plumbing bill to dig up the water main that comes directly off of the meter vault at the "laundry building meter", where the KAW crew that same day had removed the water meter for testing due to double the normal readings. Plumber states that the meter removal & replacement caused leak.

3. Attorney bills as follows:

\$350 - Sherrow, Sutherland, & Associates

\$131.25 - Sherrow, Sutherland, & Associates

\$2460 - Katie Yunker & Associates

\$1094.42 - Katie Yunker & Associates

4. \$4480.57 - over billing due to faulty meters

Total Credit required for Settlement: \$11,406. This credit can be paid directly to JTB or applied as a credit to our water accounts with KAW.

Sincerely,

Jeff Bradshaw

JTB Real Estate, LLC dba

Tarleton Crossings Apts.

# INSPECTION SUMMARY

**Apts 1 - 100**

**8/12/09 & 8/17/09**

The following water leaks were found in apts. 1 – 100 while doing our inspections on 8/12/09 and 8/17/09. None of these leaks were enough to cause concern regarding causing the water bill to increase.

## **Water Leaks:**

#3: needs new toilet flush valve

#16: toilet runs intermittently – replace flapper valve

#30: master bath toilet leaking intermittently (needs new flapper)

#31: toilet leak – Mike fixed

#57: tub faucet drip leaking

#58: leaking water line in ½ bath (seep type leak – cabinet floor was wet, not soaked or flooding)

**Update:** at 3:30 AM on Tuesday morning, 8/18/09, both Ron, the part time maintenance man, and myself opened up the manhole covers for both the street meter and the laundry building meter and inspected them for movement. The following is what we observed.

**Street meter:** watching for exactly 19 minutes we saw a movement of from exactly 3 to exactly 7 on the dial. Ron saw the red triangle on the meter stop moving for a count of 56 just prior to my arriving at the meter.

**Laundry Building meter:** watched for a total of 6 minutes and the meter had a total movement of from 6.0 to 6.3. We both also observed the red triangle to completely stop for about 10 seconds several times during the 6 minutes we were observing the meter.

At the time of writing this update, we have fixed the leaks in apts. #3, #16, and #30 only. As it took all day to inspect 70 apts. yesterday (8/17/09) we have not repaired the water leaks found (toilets) in apts. #31, #57, and #58.



In addition, the maintenance crew has inspected all buildings to see if there are water faucets that a tenant could connect up a hose to and inadvertently run up the water bill that way. We have one that is keyed to water the entrance sign flower bed. Another was found behind apt. #29 and was closed off. I will walk all buildings myself to confirm this tomorrow, 8/18/09.

We also have a laundry building with 16 laundry machines. We have not water leaks in this building and electricity and income are both within normal range. That eliminates the laundry building as a possible source for the high meter readings.

Further, we have had a water leak detection company come out, mark the water lines, and tell us that we had a water leak. I found out upon my arrival at the property that they had to use a water witch for all this as the leak detection company couldn't find a water leak themselves. So we contracted with a local plumbing company to dig up the water lines in the area of surface water we noticed and also where the leak was indicated to be. No leaks were found in these areas.

**Conclusion:** Apartments 1 – 100 and the laundry building are connected to the street side and laundry building meters, that's all. Due to the small number of water leaks found in apts. 1 – 100 (all relatively minor leaks) and due to the very small usage when checked in the middle of the night I believe that is more than sufficient evidence that the meters are at fault. I base this conclusion on the fact that these meters have both been replaced within the past year or so and are new but more importantly we have established now that there are no leaks in the apts., the laundry building, or the water lines that would justify our water bill doubling or tripling or more as the bills from these two meters have shown. In fact, the overage in usage alone (over the past two months) is more than the entire property uses which points to something being VERY wrong. Now we have established that no leaks in either the water lines or the apartments themselves could account for anything but a fraction of this overage. I believe it is reasonable to conclude that the meters themselves are causing the incredibly high readings.

**Recent Bills:** I have enclosed a copy of the most recent water bills for these two meters. I am sending along a check to Kentucky American Water for a total of \$2,000 for meter #060468570N and \$1,000 for meter #060515279N. These payments are in line with normal usage.

Please note our last month's water bill was the highest ever, by far, in the amount of \$5029.94 total for all four meters. A normal month's usage for our property is from approximately \$2900 to a high of \$3650.

Our current bill actually totals to \$8653.50 for all four meters to give you an idea of the magnitude of the problem we have here.

Jeff Bradshaw  
Tarleton Crossings Apts.

# *Tarleton Crossings Apts.*

*3640 Bold Bidder Drive*

*Lexington, KY 40517*

Fax: 618-433-4499

Phone: 1-800-678-6301

KAW;

May 14, 2010

This fax is confirmation of the PSC formal complaint we have filed regarding an overdue balance for account #12-0522874-3. The overdue amount is what we are disputing and we have kept all other bills with KAW current, including the current amount due on this particular account.

Please see that your customer service is advised of this matter so we do not continue to receive water shut off notices while our PSC formal complaint is being processed.

My direct cell phone is 859-983-6795 should you need to discuss this matter further.

Thank you for your attention in this matter.

Jeff Bradshaw

JTB Real Estate, LLC

# DISPONETTE

SERVICE COMPANY, INC.

717 East Loudon Avenue  
Lexington, Kentucky 40505

**DAY**  
252-6349 or 255-7157

**NIGHT**  
252-6349

DATE 8-31-09  
WORKSHEET NO. \_\_\_\_\_  
INVOICE NO. \_\_\_\_\_  
VISA ACCT. NO. \_\_\_\_\_  
MASTER CHARGE NO. \_\_\_\_\_  
CUSTOMER P.O. NO. \_\_\_\_\_

JOB NAME Tarleton Crossings PHONE \_\_\_\_\_  
STREET \_\_\_\_\_ CITY Lexington STATE KY ZIP \_\_\_\_\_  
INVOICE TO: \_\_\_\_\_  
STREET \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_ PHONE \_\_\_\_\_

DESCRIPTION OF EQUIPMENT	OUR TRAINED SERVICEMAN RECOMMENDS THE FOLLOWING:
CONDENSER UNIT	NATURE OF PROBLEM
MAKE _____ MODEL _____ SER. # _____ VOLTS _____ PHASE _____ SUCTION _____ PSIG HEAD _____ PSIG UNIT FLA _____ READING _____	
FURNACE, BOILER, OR AIR HDLR.	DESCRIPTION OF WORK PERFORMED:
MAKE _____ MODEL _____ SER. # _____ VOLTS _____ PH. _____ RETURN AIR TEMP. _____ SUPPLY AIR TEMP. _____ WATER TEMP. _____ IN _____ OUT MOTOR AMPS _____ FLA _____ READ. _____ TYPE _____ SYSTEM _____	
REFRIG. _____ QTY. _____ RECOVERED? <input type="checkbox"/> YES <input type="checkbox"/> NO QTY. _____ RECYCLED? <input type="checkbox"/> YES <input type="checkbox"/> NO QTY. _____ RECLAIMED? <input type="checkbox"/> YES <input type="checkbox"/> NO QTY. _____ RETURNED TO THE SYSTEM <input type="checkbox"/> YES <input type="checkbox"/> NO QTY. _____ DISPOSAL _____ NON USEABLE <input type="checkbox"/> YES <input type="checkbox"/> NO QTY. _____	

*Dug up 2" water main out side of vault. Found 2" PVC pipe broke out of female Adpt. Cut out and replaced bad part of pipe.*

I have authority to order the work, which has been satisfactorily performed, as outlined above. It is agreed that the seller will retain title to any equipment or material that may be furnished until final payment is made, the Buyer hereby grants the Seller a security interest in all equipment and material furnished by Seller to secure all sums due to Seller from Buyer and also the right to enter Buyer's property to remove all or any portion of the materials covered by this worksheet/invoice if the invoice is not paid in full within 30 days of its due date, and the Seller will be held harmless for any damages resulting from the removal thereof. Furthermore, the Seller shall be entitled to recover all of its costs and expenses incurred exercising any of Seller's rights and remedies in connection with the enforcement and attempted enforcement of Seller's rights and remedies, including without limitation, court costs and attorney's fees (including expert witness fees), whether or not such is prosecuted to judgment.

Customer's Signature \_\_\_\_\_

QUANTITY	MAKE PART NO. - DESCRIPTION
4	PO # 12808 1" PVC SCH 80 - 90°
1	3" " " Female Adpt
1	Cement
1	Flanker
3'	2" SCH 80 Pipe

<input type="checkbox"/> INCOMPLETE	<input checked="" type="checkbox"/> COMPLETE	TOTAL MATERIAL	306.34
DATE	INITIAL	R.T.	O.T.
8-31-09	A.D.	8	
8-31-09	C.S.	8	
8-28-09	A.D.	1	
SERVICEMAN		TOTAL LABOR	1024.00
Abner C.S.		TOTAL MAT.	306.34
		TRUCK CHARGE	
		TOTAL	1390.34



PLUMBING INC.

COMPLETE EXPERT REPAIR SERVICE

P.O. Box 25668 22838

Lexington, KY 40524-5668

66951

Phone (859) 269-8800 • (859) 543-0746 • Fax (859) 543-0347

Bill To TAR/John Apt  
Address 3640 Bold Bidder  
City Lexington, Ky

Date 8-11-09

Lic. # 5618

Work To Be Done: MARKINGS FOR water line location  
were not accurate - Did spot dig  
and tried to find lines - WAS NOT successful  
in locating lines

Rapid Plumbing, Inc. is not responsible for any damage incurred to any plumbing fixtures, fittings, parts, piping or any other structure due to the age or structural integrity of said items that may occur during or after the job performed. By paying for this invoice the homeowner or other responsible parties agree that all work is complete and done to their satisfaction and relieves Rapid Plumbing, Inc. from any liability other than the warranty for that completed job. Plumbing repairs are warranted for 30 days. Drain clogs are warranted for 7 days. There is NO WARRANTY for restaurant drains due to public tampering or sewer lines with tree roots.

Work Authorized by: [Signature] Location of work: 710

Materials Used	Unit	Per	Total	
8-10-09 Backhoe			250	00
Concrete Saw			200	00
Labor - 9:30am - 5pm - 7.5 HR @ 90.00			675	00
Helper - 2 HR - @ 60.00			120	00
8-11-09 Backhoe			250	00
Labor - 10am - 4pm - 6.0 HR @ 90.00			540	00
Time Start	Time Stop			
Plumber's Time	HRS. @ \$			
Laborer's Time	HRS. @ \$			
<b>TOTAL AMOUNT DUE</b>			2035	00

Payment Method:  Cash  Check - #  Credit Card. Returned Checks will be charged a \$25.00 service fee.

Work completed: Date \_\_\_\_\_ By [Signature]

# *Farleton Crossings Apts.*

*3640 Bold Bidder Drive*

*Lexington, KY 40517*

August 27, 2009

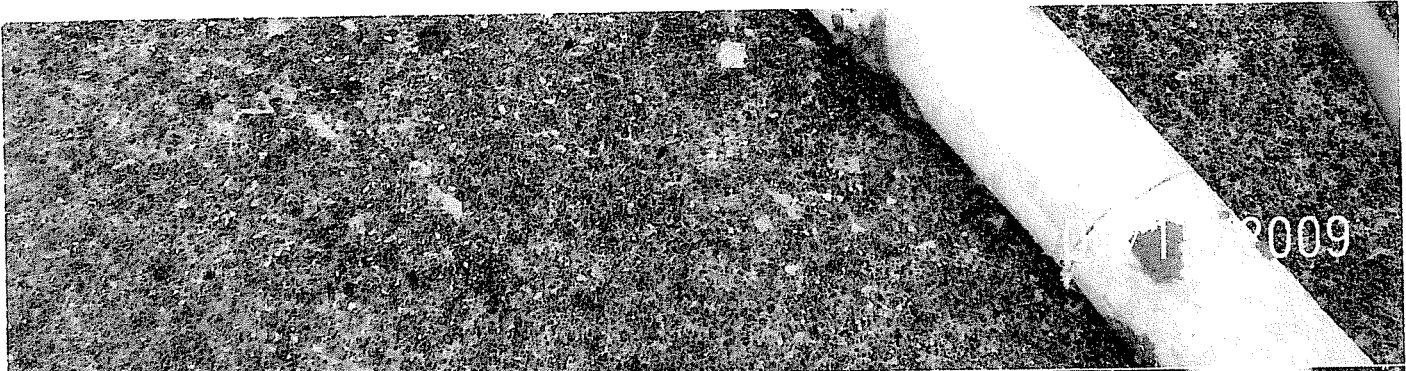
It is agreed that \$1500 will settle the recent plumbing bill in full from Rapid Plumbing. It is also agreed that Rapid Plumbing will not be responsible for filling back in the holes that were dug nor in repairing the asphalt.

*Robert L Seckare*  
Rapid Plumbing

*9-1-09*  
Date

*[Signature]*  
JTB Real Estate

*8-27-09*  
Date



From: rita p <rbp32005@yahoo.com>  
Subject: **pics of water leak**  
Date: August 31, 2009 2:11:20 PM EDT  
To: JEFF BRADSHAW <jbradsh1@tampabay.rr.com>  
5 Attachments, 5.2 MB [Save](#) [Slideshow](#)

I have lots more











Billing STATEMENT  
 119 Bowmar Street • Versailles, KY 40383  
 Phone 859-619-5589

0769

P.O. No. \_\_\_\_\_ Date JAN-6-09

Name TANLETON CROSSING

Address 3640 BOLD BILDER DR LEXINGTON, KY 40517

Phone 859-272-0392

Cash	Check# _____	<input type="checkbox"/> Billing <input checked="" type="checkbox"/>
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Description	Price	Amount
MAIN sewer line AT APT#45, CAMERA AND LOCATE ROOT Filled sewer line, LOCATED ALL ROOTS IN PIPE		185.00
RETURN CAMERA ON APTS # 27 AND 65, KITCHEN SINK LINES. CALL FROM MAINTENANCE ON JOB SITE RETURN CAMERA IS BY THE HOUR. X ONE HOUR		60.00
<p>This is the Bill/INVOICE please send payment          to the Address ABOVE, MADE OUT TO RIGHT ON          LEAK AND LINE</p> <p>THANK YOU</p>		

Sign <u>Reta B. Pendergast</u> <b>PLEASE PAY FROM THIS INVOICE WITHIN 30 DAYS.</b>	Subtotal	
	Tax	
	Total	245.00

TAN

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY 21 2010

PUBLIC SERVICE  
COMMISSION

In the Matter of:

JTB REAL ESTATE, LLC D/B/A TARLETON )  
CROSSING APARTMENTS )  
 )  
COMPLAINANT )  
 )  
V. )  
 )  
KENTUCKY-AMERICAN WATER COMPANY )  
 )  
DEFENDANT )

CASE NO.  
2009-00483

INFORMATION REQUEST OF COMMISSION  
STAFF TO JTB REAL ESTATE, LLC

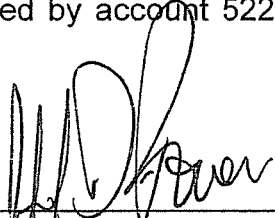
JTB Real Estate, LLC ("JTB"), pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of issuance of this Request. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

JTB shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which JTB fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Provide all letters, e-mails, and other correspondence sent to and received from Kentucky-American Water Company that relate to the allegations of the Complaint.
2. Provide all documentation, including work orders, invoices, diagrams, and other materials, that evidence repairs paid by JTB that are at issue in this case.
3. Describe JTB's facilities that are served by account 522872, the street meter.
4. Describe JTB's facilities that are served by account 522874, the laundry meter.



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Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED: APR - 8 2010

cc: Parties of Record