

Tarleton Crossings Apts.

3640 Bold Bidder Drive

Lexington, KY 40517

RECEIVED

AUG - 6 2010

PUBLIC SERVICE
COMMISSION

Todd Osterloh
Staff Attorney
Kentucky Public Service Commission
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Frankfort, KY 40602-0615
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Dear Todd;

August 6, 2010

I called my previous attorney on record, Katie Younger, several times and did not get a return phone call. I did not have sufficient time, even with the extension granted by the PSC, to take time out from running my business and find another attorney and get them up to speed on this case. As a result, I have had to prepare the responses to KAW's interrogatories myself. I hope they are sufficient for the purposes of the informal conference.

I will be representing myself at the informal conference as well. If this matter is not settled at the conference and we go to a formal hearing I will of course find another attorney to represent JTB Real Estate.

Thank you again for you help and consideration.

Sincerely,


Jeff Bradshaw
JTB Real Estate, LLC

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

COMPLAINANT'S RESPONSES TO
DEFENDANT'S INTERROGATORIES

GENERAL OBJECTIONS: Plaintiff objects to KAW's interrogatories as they ask for information which KAW already has in their possession, are unduly burdensome, and seek in part information protected by the attorney - client, work product, party communications, investigative, and consulting expert privileges.

RESPONSES

Interrogatory #1:

Jeff Bradshaw, Carl Sitler, Ken Boyce, Mike Williams, and Rita Pendencygraft all have knowledge of one or more of the allegations contained in the complaint. All of these persons have some knowledge relating to all of the allegations contained in the complaint, however, Jeff Bradshaw has knowledge of all matters contained in the complaint. No statements have been taken as of the present time. Jeff Bradshaw has all documents relating to this complaint, all of which have been turned over to the PSC and are available.

Interrogatory #2:

As of yet we have made no decision as to who we expect or intend to call as witnesses in this complaint.

Interrogatory #3:

Water Meter over billings for the street meter and the laundry meter which total \$6620.29. We concluded that the excessive water bills were the result of faulty meters, faulty meter readings, and/or faulty installations of the new electronic meters. The documents relevant to this claim are the monthly water meter readings & bills and the installation and repair records of the faulty installation of the street meter by KAW bills, all of which KAW has in their possession already, and the results of JTB's inspections of the water lines and the apartments serviced by the street and laundry meters which are included along with this response.

Interrogatory #4:

See copy of our water readings book.

Interrogatory #5:

Facts & Circumstances:

a. water readings were extremely high during the time of meter change outs to the new electronic meters and/or meter replacements. We had no such problems either immediately before or immediately after replacement meters were installed.

b. all apartments were thoroughly inspected and water lines checked for leakage and nothing was found to justify the extremely high water bills.

Documents:

a. KAW has all water billing documents for the periods involved in the complaint.

Interrogatory #6:

- a. See #5a above.
- b. KAW has the records for the credit they issued and the repair that was done to the street meter.

Interrogatory #7:

Jeff Bradshaw flew up to the property from Florida to personally inspect the apts that were on the street meter several times, the third such time a detailed inspections report was made (see included report). The expenditures related to this were airline and hotel bills.

Interrogatory #8:

See #6b above.

Interrogatory #9:

KAW has the records for this time period

Interrogatory #10:

See #7

Interrogatory #11:

KAW has records of the readings for the replacement meter

Interrogatory #12:

It appears that this statement was made in error by the previous attorney on record as the street meter showed no evidence of unusually high meter readings after the meter had been replaced.

Interrogatory #13:

KAW has the meter readings and is aware of the periods where extremely high readings were obtained.

Interrogatory #14:

Jeff Bradshaw flew up to the property from Florida to personally inspect the apts that were on the street meter several times, the third such time a detailed inspections report was made (see included report). The expenditures related to this were airline and hotel bills.

Interrogatory #15:

See our weekly water meter readings booklet for data on this time period.

Interrogatory #16:

This information has already been supplied to KAW.

Interrogatory #17:

Paragraph #5 does not address the matter of "readings reported thereafter on the laundry meter are above historic levels".

Interrogatory #18

There is no paragraph #9 in the complaint that was filed by our attorney on record at the time the complaint was filed.

Jeff Bradshaw: 

Managing Member for JTB Real Estate, LLC

Date: 8/6/10

INSPECTION SUMMARY

Apts 31-100

8/17/09

Water Leaks:

- #31: toilet leak – Mike fixed
- #57: tub faucet leaking - have Ken fix this
- #58: leaking water line in ½ bath

Repairs:

- #31: needs new toilet flush lever (large nut); shower controls – left handle is loose after you turn on water
- #32: pull both toilets - install new wax rings - reseal toilets - grout them in; vinyl flooring damage from cats; tighten front door deadbolt
- #37: replace toilet float assembly
- #38: ½ bath flush valve seal – replace; master bath toilet tank leak
- #39: ½ bath toilet flapper not sealing – replace it
- #40: ½ bath needs new aerator in faucet; caulk tub; shower controls wobbly (have Ken fix this)
- #41: corroded water heater – have Ken check for possible replacement
- #42: needs new kitchen faucet (use a good brand such as Delta); master bath float seal – replace it
- #43: replace ½ bath toilet flapper; master bath shower controls leaking; tile damage in tub area
- #48: ½ bath slow flush + needs new flush valve assembly
- #49: master bath flush valve seal – replace it
- #51: a/c water leak
- #55: needs new flush handle (large nut) in ½ bath
- #59: slow drain in full bath toilet – snake it out
- #58: needs new flush valve seal in master bath
- #65: needs a/c panel; remove window unit
- #66: needs fluidmaster seal – slow fill; needs a/c recharged
- #68: needs fluidmaster seal – slow fill
- #70: kitchen faucet aerator; bath sink needs replacing (has hole in it); needs flush valve assembly; bathroom sink has hole and is leaking water into cabinet

- #72: needs handles for tub faucets (Delta); needs smoke alarm
- #73: kitchen faucet needs seals
- #74: needs kitchen faucet; caulk tub
- #75: needs kitchen faucet aerator
- #78: bathroom sink doesn't drain very well
- #86: needs bath faucet aerator
- #88: toilet needs new flapper and fluidmaster seal
- #89: toilet flush valve needs replacing
- #93: drippy tub faucet
- #95: needs new flush valve
- #96: needs new flapper for toilet; needs vinyl strip in kitchen; a/c
leaks sometimes – check drain pan and drain line
- #97: needs new front door
- #100: toilet needs flapper & fluidmaster seal

INSPECTION SUMMARY

Apts 1-30

8/12/09

Water Leaks:

#3: needs new toilet flush valve

#16: toilet runs intermittently – replace flapper valve

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

Repairs:

#3: dripping kitchen faucet (replace please); check hot water heater as they only get 3-5 minutes of hot water; leaking shower head (tighten connection & re Teflon tape it)

#4: needs a tub stopper

#8: repair kitchen cabinet (under sink) so it will shut properly

#10: a/c runs continually – apt. was freezing cold; need new a/c thermostat as the a/c was running but the thermostat was set to HEAT; ceiling vibrating from a/c running

#14: check hot water heater only getting 5-10 minutes of hot water; repair and paint a/c ceiling cover in entry way

#18: toilet runs continuously (Jeff repaired & it's OK now)

#28: pull toilet and install new wax ring (it's leaking under the toilet now & grout in the toilet when finished); try & save vinyl flooring

#29: repair sliding door

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

Date: 2/10/09

Month	Meter #	Usage*	Bill Amount
Aug, 2008			\$3107
Sept, 2008			\$3648
Oct, 2008			\$3413
Nov, 2008			\$3302
Dec, 2008	060271637A	48	\$353
	060515279N	143	\$884
	060365996J	242	<u>\$1490</u>
		Total:	\$2880
Jan, 2009	060271637A	51	\$371
	060515279N	220	\$1335
	060365996J	296	<u>\$1807</u>
		Total:	\$3666
Feb, 2009	060271637A	45	\$336
	060515279N	221	\$1341
	060365996J	364	<u>\$2205</u>
		Total:	\$4034

180 - 336 - 1382 (laundry bldg meter) 7/01/09

* usage X 7.50 = number of gallons used (usage is actually the number of cubic feet and there are 7.50 gals. per cubic foot)

	A	B	C	D
1				
2	water meter reading			
3				
4	date	office	laundry	main
5	4/6/10	153300	435540	472010
6	5/15/10	154950	442550	476440
7	4/21/10	156120	448810	479930
8	5/5/10	157780	455110	4871220
9	4/28/10	158020	456190	483750
10	5/5/10 5/5/10	159150	463110	487220
11	5/12/10	159960	468340	490210
12	5/19/10	161050	475170	493260
13	5/26/10	162080	480850	496320
14	6/2/10	164050	487850	506000 506000
15	6/9/10	164310	494370	509400
16	6/16/10	165560	500900	512520
17	6/23/10	167100	506810	515900
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				

Rent Payment Receipt for Tarleton Crossings - Studio Apts Unit ##124

Paid by: Logan moore
 Date Received: 9/14/2009
 Applied to: September 2009
 Amount Paid: 449.00
 Payment Type:
 Reference No.:

	A	B	C	D
1				
2	water meter reading			
3				
4	date	office	laundry	main
5	10/7/09	110200	191450	365700
6	10/14/09	111740	200780	368950
7	10/21/09	113280	210300	372730
8	10/28/09	115180	219680	375410
9	11/4/09	116820	228910	380310
10	11/11/09	118500	237530	384250
11	11/18/09	120730	247370	387870
12	11/25/09	121830	257350	391360
13	12/02/09	123600	267400	394740
14	12/09/09	125150	277400	398520
15	12/16/09	126800	289250	402910
16	12/23/09	128490	299330	405320
17	12/30/09	130150	310670	410550
18	1/6/10	132050	322150	415000
19	1/13/10	134560	339560	419470
20	1/21/10	136220	350350	424310
21	1/28/10	137770	360020	428570
22	2-3-10	139280	370240	434100
23	2/10/10	140700	382250	439000 439000
24	2/17/10	142880	388680	443500
25	2/24/10	143860	394700	447870
26	3/3/10	145470	407000	452400
27	3/10/10	146870	409400	456400
28	3/17/10	148480	419700	460420
29	3/24/10	150280	422300	464360
30	3/31/10	151940	428730	468140

write - back
laundry 12/31/09
318400

5530

	A	B	C	D
1				
2	water meter reading			
3				
4	date	office	laundry	main
5	. 2/25/09	69600	1653000	236400
6	. 3/4/09	70680	1658900	240030
7	. 3/11/09		1672300	242710
8	. 3/18/09	74360	1679400	251250
9	. 3/25/09	75210	1684500	253670
10	. 4/9/09	76110	1691100	256280
11	. 4/16/09	77070	1697740	2581670
12	. 4/23/09	78080	1703500	260940
13	. 4/29/09	79075	1716150	263505
14	. 5/6/09	80100	1719440	265980
15	. 5/13/09	81030	1727420	268420
16	. 5/20/09	82020	7320 *	279940
17	. 5/27/09	83110	116000	282500
18	. 6/4/09	84450	23250	285870
19	.	85972	32682	288574
20	.	87250	42570	291250
21	.	89050	54250	294710
22	.	90310	63930	297060
23	.	91500	74560	299600
24	.	93200	86150	302950
25	.	94406	96978	306879
26	.	95960	108800	313010
27	. 9/3/09	102620	112490	348870
28	. 9/9/09	104130	156830	352700
29	. 9/16/09	105430	162800	355600
30	. 9/30/09	108540	181520	362240

* new meter

2009	S	W	W
26 Jan	0065400	0213940	1626000 880
5 Feb	Buried 114 in	Share	1634880 780
9 Feb	0067000	0226000 718	1638700
11 Feb	-	227400 700	-
16 Feb 1:30 PM	-	0231260 812	-
18 Feb 9 AM	68600 177	232000 740	1646600 877
19 Feb 2 PM	68820 181	232500 500	1647600 826
25 Feb	69600 130	233070 471	1653000 900
		236400 555	

Water Meter Log

Ned

South

West

North

1169

Sept 5	0345170		0610310		1092230	2455	
Sept 26	0350820		0618170		1116780	722	
Oct 3	0352200		0620500		1124000	430	
Oct 10	0353430		0622520		1128700	844	
Oct 17	0354050		0625080		1137140	8220	
29	0354050	1380	7860	2330	1140	8220	
13	01230	1620	2020	2560	4700	8440	
42							
					Nov 02	1152100	54000
					Dec 13	1206100	12270
							1164
Dec 19	0368340	1330	0648300	2340	1213710	813	
Dec 26	0369670	1970	0650640	3380	1221890	1067	
Jan 4	0371640	1770	0654020	2320	1232510	1143	
Jan 10	0373410		0656340	3560	1238800	1144	
Jan 17	0376040		0659900		1246200		
Jan 30	0378100		0008290		1261510		
Feb 7	0379770		0013550	5260	1269160		
Feb 13	0381000		0017640	4960	1277110		
Feb 20	0382480		0022600	4440	1282700	4988	
Feb 27	0061130	450	0027040	9500	1289680	6720	
Mar 5	0002610	370	0031540	4880	1296600		
Mar 12	0003880	1330	0036420		1308600		
Mar 21	0005710		0042770	4330	1320600	6700	
Mar 27	0007120		0047100		1327300		
Apr 2	0008520		0051400		1334000		
Apr 9	0009930		0055780		1340760		
Apr 16	0011280		0059880		1351300		

'08

	South	West	North
May 7	0016070	0067650 417	1372120 1170
May 18	0018380 210	0072460 366	1385100
May 22	0019280 220	0074200 447	1386400
May 29	0020890 230	0077250 508	1394300 1130
June 4	0022336 241	0084548 677	1399970 945
June 19	0025956 241	0094700 410	1412550 838
June 23	0026900 236	0096340 428	1415000 762
July 7	0030040 224	0102340	1426650 789
July 16	0032257	0107204	1434738
July 24	0033810 221	0110610 486	1440400 808
Aug 6	0036280 160	0116730 598	1452210 1570
Aug 13	0037400 135	0120500 503	1460400 1228
Aug 20	0038700 171	0124000 484	1469000 1221
3 Sept	0041100 194	0130800 500	1486100 1228
10 Sept	0042460 192	0134300 487	1494700 1012
18 Sept	0044000 183	0138200 500	1502800 1016
24 Sept	0045100 186	0141200 538	1508200 871
15 Oct	0049000	0152500	1527200
22 Oct	0050230	0156465	1532987
29 Oct	0051430	0160408	158744
5 Nov	0052690 164	164395 529	1544561
12 Nov	0053920	0168360 518	1550350 772
19 Nov	54550	171990 518	1556290
26 Nov	0055190	0175620 517	1562220
3 Dec	0055815 160	0179240 520	1568180 850
10 Dec	0058370	0182900 750	1574130



9/14/09	193	1488 ↑	875
9/30/09	office = 222 ↑	laundry = 1337 ↓	man = 474
10/7/09	237 ↑	1418 ↑	494
10/14/09	220 ↓	1333 ↓	464
10/21/09	220 =	1360 ↑	540 ↑
10/28/09	291 ↑	1340 ↑	382 ↓
11/4/09	234 ↓	1318 ↓	700 ↑
11/11/09	240 ↑ (10)	1231 ↓ (80)	562 ↓ (138)
11/18/09	247 ↑	1045 ↓	517 ↑
11/25/09	^{228.5} 229 ↓	^{1422.8} 1423 ↑	^{498.5} 498 ↓
12/2/09	253 ↑	1438 ↑	483 ↓
12/9/09	221 ↓	1508 ↑ 70°	537 ↑ 54°
12/16/09	241 ↑	1613 ↑	573 ↑
12/23/09	230 ↓	1511 ↓	430 ↓
12/30/09	243 ↑	1549 ↑	719 ↑ water dripping
1/6/10	271 ↑	1392 ↓	635 ↓
1/13/10	398 ↑	1628 ↑	638 ↑
1/21/10	208 ↓ (100)	1350 ↓ (270)	605 ↓ (83)
1/28/10	194 ↓ (14)	1209 ↓ (141)	533 ↓ (12)
2/3/10	215	¹²⁷⁷ 1400	694
2/10/10	202	1716	711

Meter Reading

Meter # Office
Param 930-250

MAIN
400-550

Laundry
800-1250

Date	Param	Main	Laundry	Notes
2/25	69600	236100	1653500	
3/4	70680 (154)	240030 (518)	1653900 (842)	
3/11	(17)	242770 (542)	1672300 (837)	
3/18	74360 (102)	251250 (505)	1679400 (1014)	
3/25	75210 (102)	253670 (515)	1684500 (768)	2985
4/1	76110 (102)	256280 (510)	1691100 (912)	
4/16	77070 (102)	258670 (341)	1697400 (919)	207.100000
4/23	78080 (144)	260970 (324)	1708500 (822)	
4/20	78080 (144)	260970 (324)	1708500 (822)	current
4/29	79075 (142)	263505 (366)	1716150 (1054)	(1054)
5/6	80100 (146)	265980 (353)	1719440 (1138)	14 day (420) 7 days
5/13	81030 (132)	268420 (348)	1727420 (1140)	3:30 pm
5/20	82020 (141)	279740 (360)	177370	New meter
5/20	82020 (141)	279740 (360)	0007370	
5/21	83110 (155)	282500 (334)	0016000 (1240)	
4/1	84450 (191)	285870 (481)	0023250 (1035)	
5/21	84450 (191)	285870 (481)	0023250 (1035)	
85972 (217)	288574 (386)	0032682 (1347)		
87250 (182)	291250 (382)	42570 (1413)	←	
89050 (182)	294710 (423)	54250 (1430)	←	

7/15/09
night
visit

office	mean	laundry
90310 (180) ↓ 40	2970600 (334) ↓ 87	639300 (1382) ↓ 48
91500 (170) ↓	299600 (362) ↑ 26	74560 (1518) ↑ 136
93200 (243) ↑	302950 (478)	86150 (1655) ↑
94406 (172) ↓	336879	96978 (1547) ↓
95760 (193) ↑	343010 (875)	108800 (1688) ↑

4847

Problem

$$\begin{array}{r} 3770 \\ \times 2 \\ \hline 7540 \end{array}$$

$$\begin{array}{r} 336879 \\ \times 2 \\ \hline 673758 \end{array}$$

Remember
to
Date all
Readings!

1,000
10,000

	262 (166)	1716	711
	office	laundry	main
2/17/10	368 240	918	640
2/24/10	211	860	616
3/3/10	230 ↓ (30)	1757 ↓ (1414)	644 ↓ (13)
3/10/10	200	343 ↓	571
3/17/10	230 ↑ (30)	900 ↑ (557)	574 ↑ (3)
3/24/10	259 ↑ (29)	843 ↓ (57)	(763)
3/28/10	237	918	540
4/6/10	194	973	552
4/19/10	200	876	628
4/21/10	206	876	581
4/28/10	274	1054	546
5/5/10	158	860	495
5/12/10	116	747	427
5/19/10	156	976	436
5/26/10	147	811	437
6/2/10	281	1000	251
6/9/10	37	931	485 (Pool)
6/16/10	178 16560	932	446
6/23/10	220	844	483
7/1/10	143	497	542