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— ATTORNEYS —

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\*\*\* Also Licensed to Practice in Missouri

November 8, 2018

VIA FEDEX

PUBLIC SERVICE COMMISSION  
211 SOWER BLVD  
FRANKFORT, KY 40602

***Re: Paducah Water Works Rate Filing***

Dear Commission:

Enclosed please find Responses to Commission Staff's Initial Request for Information to Joint Applicants, Joann Estates Utilities, Inc. and Paducah-McCracken County Joint Sewer Agency.

I have enclosed an original of the Responses and 11 copies. I would ask that you file-stamp one copy and return it to me in the enclosed self-addressed, prepaid envelope. If you need any further information or have any questions, please do not hesitate to contact me.

Sincerely,

Robert W. Goff  
[rgoff@kkhblaw.com](mailto:rgoff@kkhblaw.com)  
222038

RECEIVED

NOV 09 2018

PUBLIC SERVICE  
COMMISSION

**Joann Estates Utilities, Inc./Paducah-McCracken Joint Sewer Agency**  
Case No. 2018-00347

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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

NOV 09 2018

PUBLIC SERVICE  
COMMISSION

In the Matter of:

JOINT PETITION OF JOANN }  
ESTATES UTILITIES, INC. AND }  
PADUCAH-McCRACKEN COUNTY }  
JOINT SEWER AGENCY TO APPROVE }  
THE TRANSFER OF WASTEWATER }  
COLLECTION SYSTEMS SERVING THE }  
WILMINGTON CHILES AND }  
JOANN ESTATES SUBDIVISIONS IN }  
McCRACKEN COUNTY, KENTUCKY }

CASE NO. 2018-00347

**RESPONSE BY JOANN ESTATES UTILITIES, INC. AND**  
**PADUCAH-MCCRACKEN JOINT**  
**SEWER AGENCY**  
**TO COMMISSION STAFF'S**  
**INITIAL REQUEST FOR INFORMATION**

Comes Joann Estates Utilities, Inc. ("Joann Estates") and the Paducah-McCracken County Joint Sewer Agency ("JSA"), through the undersigned counsel, and for their response to Commission Staff's Initial Request for Information, state as follows :

1. State whether notice of the proposed transfer of assets and subsequent rates was provided to customers of Joann Estates.

**Response: JSA has provided two notices to the Joann Estates' customers in the Joann Estates and Wilmington Chiles subdivisions. Copies of those notices is attached hereto as Exhibit "A".**

**Witness: John Hodges.**

**Joann Estates has provided no separate notice.**

**Witness: Brian Waid.**

2. Explain why Joann Estates' sewer facility serving the Timberland subdivision was not included in the proposed transfer.

**Response: The facilities serving the Timberland subdivision are approximately 3 miles from JSA's current facilities. The facilities serving the Joann Estates subdivision are approximately 1,000 feet from JSA's current facilities. The facilities serving the Wilmington Chiles subdivision are approximately 1/2 mile from JSA's current facilities. The cost of connecting to the facilities serving the Timberland subdivision would far exceed that to connect to the facilities serving the Joann Estates and Wilmington Chiles subdivisions.**

**Witness: John Hodges.**

3. Provide the effect upon the average bill for Joann Estates residential customers.

**Response: JSA estimates that the average bill for a Joann Estates customer will be reduced from the \$34.71 flat fee charged by Joann Estates to \$27.01 to be charged by JSA based upon average water usage for Joann Estates and Wilmington Chiles subdivisions for the months of July, August and September.**

**Witness: John Hodges.**

4. Refer to Exhibit A of the Application, Transfer Agreement, Item 2.3, Condition of Facilities and Operation; this section states among other things, that Joann Estates is in compliance, with the exception of those violations identified on Schedule 2.3 attached hereto. There was no Schedule 2.3 attached. Provide this attachment.

**Response: No Schedule 2.3 was attached to the Transfer Agreement. Joann Estates has provided JSA notice of the violations attached hereto as Exhibit "B."**

**Witnesses: Brian Waid, John Hodges**

5. Verify that the monthly flat rate of \$34.71 charged by Joann Estates is not based on water usage.

**Response: Joann Estates charges a \$34.71 flat monthly fee that is not based**

**on water usage.**

**Witness: Brian Waid.**

6. Provide the name of the current water provider for the customers of Joann Estates.

**Response: The current water provider is Paducah Water Works.**

**Witness: Brian Waid.**

7. State whether the current water provider will continue to provide water for the customers of Joann Estates if the proposed transaction is approved.

**Response: Paducah Water Works will continue to be the water provider for Joann Estates and Wilmington Chiles.**

**Witness: John Hodges.**

8. Provide the average monthly water usage of customers of Joann Estates.

**Response: In July 2018 the average monthly water usage for Joann Estates and Wilmington Chiles residents was 5,800 gallons. In August 2018 it was 4,200 gallons. In September it was 3,900 gallons.**

**Witness: John Hodges.**

9. Provide the calculation for the average monthly bill if the proposed transaction is approved, using the average water usage of customers of Joann Estates and the proposed new rate of \$5.83 per 1,000 gallons.

**Response: JSA computed the average water usage of 4,633 gallons for Joann Estates and Wilmington Chiles by averaging the average water usages for July, August and September 2018. JSA included all water bills in its calculation including unusually high bills and no usage bills. JSA's minimum residential billing amount is \$17.49, which includes up to 3,000 gallons. An additional \$5.83 is added for the next 1,000 gallons. The**

next 633 gallons are billed at \$3.69 or .00583 per gallon based on JSA's residential rate of \$5.83 per 1,000 gallons.

**Witness: John Hodges.**

10. Refer to Exhibit F of the Application, JSA Tariff. Verify that the minimum bill is calculated at \$17.49 for a customer whether they use the 3,000 gallons of water per month or less.

**Response: JSA's minimum monthly charge is \$17.49 for 3,000 gallons of water even if the customer uses less than 3,000 gallons of water during the month. If the customer only uses 1,000 gallons of water in a month the charge would be \$17.49.**

**Witness: John Hodges.**

Respectfully submitted,

KEULER, KELLY, HUTCHINS,  
BLANKENSHIP & SIGLER, LLP  
100 SOUTH 4<sup>TH</sup> STREET, SUITE 400  
PADUCAH, KY 42001  
Telephone: (270) 448-8888  
Facsimile: (270) 448-0998

By:

  
Robert W. Goff  
rgoff@kkhblaw.com

ATTORNEYS FOR JSA AND JOANN ESTATES WITH  
RESPECT TO THIS APPLICATION

I hereby certify that the foregoing has been served by sending a true and correct copy of the foregoing to via Federal Express to:

GWEN R. PINSON  
EXECUTIVE DIRECTOR  
KENTUCKY PUBLIC SERVICE COMMISSION  
211 SOWER BLVD.  
FRANKFORT KY 40602

on this 8th day of November, 2018.

By:   
Robert W. Goff

VERIFICATION

The undersigned states that he has read the foregoing and that same is true to the best of his knowledge, information and belief.



\_\_\_\_\_  
Brian Waid, President

STATE OF KENTUCKY    )

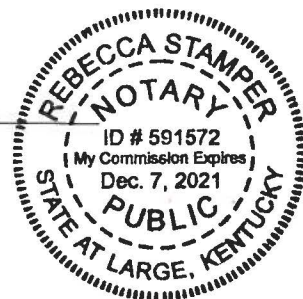
COUNTY OF MCCRACKEN    )

The foregoing instrument was acknowledged before me this 8 day of November, 2018, by Brian Waid, President of Joann Estates Utilities, Inc.

My commission expires: 12-07-2021



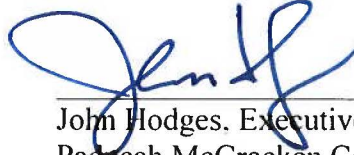
\_\_\_\_\_  
Notary Public, State at Large





VERIFICATION

The undersigned states that he has read the foregoing and that same is true to the best of his knowledge, information and belief.



John Hodges, Executive Director,  
Paducah McCracken County Joint  
Sewer Agency

STATE OF KENTUCKY    )

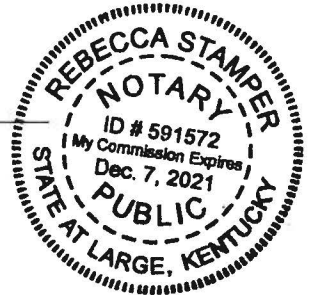
COUNTY OF MCCRACKEN    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of November, 2018, by John Hodges, Executive Director of McCracken County Joint Sewer Agency.

My commission expires: 12-7-2021



Notary Public, State at Large



# **EXHIBIT A**

## **Notices from JSA to Joann Estates Customers**

**P. 1 – Notice Dated June 1, 2018**

**P. 3 – Notice Dated October 1, 2018**



**June 1, 2018**

**Informational Notice  
Customers of JoAnn Estates Utilities  
Subdivisions Include JoAnn Estates/Wilmington Chiles**

Your sanitary sewer service provider, JoAnn Estates Utilities, has requested the Paducah McCracken County Joint Sewer Agency (JSA) assume ownership and maintenance responsibilities for the gravity sewer network associated with your neighborhood.

**Why is this happening?** The primary owner/operator of the private treatment facilities has passed away, leaving the system to the heirs. In addition, the treatment facilities have significant age and deterioration and will require significant rehabilitation or replacement in the near future. Treatment facilities of this size can cost around \$400,000 if replaced. If connected to the JSA network, those treatment facilities would be demolished, with the gravity system being connected to the JSA.

**When is this happening?** Currently JSA is obtaining funding and performing an engineering design for the project. JoAnn Estates Utilities and the JSA will file a transfer request to the Public Service Commission in the near future in order to obtain an approval for the transfer of the sanitary sewer network. The treatment plants will be shut down, and the sanitary sewer flow will be treated at the Paducah Wastewater Treatment Plant. JSA assumes a fall construction project, pending approvals. JoAnn Estate Utilities and JSA must file an application and receive approval from the Public Service Commission prior to any transfer.

**Who is JSA?** The JSA is the publicly owned sanitary sewer utility for Paducah and McCracken County. JSA is a non-profit municipality governed by a Board of Directors that are appointed by the Mayor of Paducah and Judge Executive of McCracken County.

**Will my bill change?** Yes, customers will be billed for sanitary sewer service on your Paducah Water bill. JSA does not charge a flat rate for sewer service. You will be charged the same rate as other JSA customers, which is currently \$5.83 per 1000 gallons of water usage. **JSA charges are based on your water usage, not a flat rate.** You are currently paying a flat rate of \$34.71 per month.

**Will my bill go up or down?** That depends on your water usage. Our current minimum bill is \$17.49 for 3000 gallons usage or less. While amounts may vary, we have generally

621 Northview Street ■ Paducah, Kentucky 42001 ■ 270-575-0056 ■ FAX 270-444-0206  
[www.jointsewer.com](http://www.jointsewer.com)

experienced residential usage to typically fall between 3,000 and 8,000 gallons per month, resulting in an approximate \$17 to \$46 sewer bill. Approximately 1/3 of current JSA accounts pay the minimum \$17.49 per month. You may determine your current water usage by looking on the middle of your Paducah Water bill, under "Summary of Your Usage and Account". There, you will find your water usage for the month. Please note, that usage is listed on the bill in hundreds of gallons. Multiplying that number by 100 will determine your actual usage.

**Will any policies be changed?**

If the facilities transfer over:

- New houses and/or connections will be charged JSA connection fees in lieu of any JoAnn Estates Utilities connection fees. JSA will honor permits for connection issued by JoAnn Estates Utilities, but you must have written documentation from them.
- You still cannot connect any storm water connections to the sanitary sewers. Storm water connections include, but are not limited to, gutter downspouts, sump pumps, surface water drains, or air conditioner condenser lines.
- You are still responsible for ownership and maintenance of your service line from your house to the sewer main.
- If you are experiencing difficulty with proper drainage of your sanitary facilities, you may call our office at (270) 575-0056. One of our employees will check the main sewer line serving that portion of your neighborhood to ensure the public main is flowing correctly before you call a plumber.

**I have other questions concerning this change, who do I call?** You may call the JSA office at (270) 575-0056.

You may find other information about the JSA on the JSA website at [www.jointsewer.com](http://www.jointsewer.com).

Over the next few months and years, JSA will be performing work on the sewer system to properly identify and improve the reliability of the system and to ensure the system can be properly maintained.

Thank you

Paducah McCracken County Joint Sewer Agency  
621 Northview Street  
Paducah, KY 42001  
[www.jointsewer.com](http://www.jointsewer.com)  
(270) 575-0056

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[www.jointsewer.com](http://www.jointsewer.com)



**October 1, 2018**

**Informational Notice**

**Customers of JoAnn Estates Utilities**

**Subdivisions Include JoAnn Estates/Wilmington Chiles**

Your sanitary sewer service provider, JoAnn Estates Utilities, has requested the Paducah McCracken County Joint Sewer Agency (JSA) assume ownership and maintenance responsibilities for the gravity sewer network associated with your neighborhood.

**Why is this happening?** The primary owner/operator of the private treatment facilities has passed away, leaving the system to the heirs. In addition, the treatment facilities have significant age and deterioration and will require significant rehabilitation or replacement in the near future. Treatment facilities of this size can cost around \$400,000 if replaced. If connected to the JSA network, those treatment facilities would be demolished, with the gravity system being connected to the JSA.

**When is this happening?** JSA has obtained funding, completed design, and anticipates advertising for construction bids within the next month. JoAnn Estates Utilities and the JSA will soon file a transfer request to the Public Service Commission in order to obtain an approval for the transfer of the sanitary sewer network. The treatment plants will be shut down, and the sanitary sewer flow will be treated at the Paducah Wastewater Treatment Plant. JoAnn Estate Utilities and JSA must file an application and receive approval from the Public Service Commission prior to any transfer.

**Who is JSA?** The JSA is the publicly owned sanitary sewer utility for Paducah and McCracken County. JSA is a non-profit municipality governed by a Board of Directors that are appointed by the Mayor of Paducah and Judge Executive of McCracken County.

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621 Northview Street ■ Paducah, Kentucky 42001 ■ 270-575-0056 ■ FAX 270-444-0206

[www.jointsewer.com](http://www.jointsewer.com)

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**Will any policies be changed?**

If the facilities transfer over:

- New houses and/or connections will be charged JSA connection fees in lieu of any JoAnn Estates Utilities connection fees. JSA will honor permits for connection issued by JoAnn Estates Utilities, but you must have written documentation from them.
- You still cannot connect any storm water connections to the sanitary sewers. Storm water connections include, but are not limited to, gutter downspouts, sump pumps, surface water drains, or air conditioner condenser lines.
- You are still responsible for ownership and maintenance of your service line from your house to the sewer main.
- If you are experiencing difficulty with proper drainage of your sanitary facilities, you may call our office at (270) 575-0056. One of our employees will check the main sewer line serving that portion of your neighborhood to ensure the public main is flowing correctly before you call a plumber.

**I have other questions concerning this change, who do I call?** You may call the JSA office at (270) 575-0056.

You may find other information about the JSA on the JSA website at [www.jointsewer.com](http://www.jointsewer.com).

Over the next few months and years, JSA will be performing work on the sewer system to properly identify and improve the reliability of the system and to ensure the system can be properly maintained.

Thank you

Paducah McCracken County Joint Sewer Agency  
621 Northview Street  
Paducah, KY 42001  
[www.jointsewer.com](http://www.jointsewer.com)  
(270) 575-0056

# **EXHIBIT B**

## **Notices of Violations Provided by Joann Estates to JSA**

**P. 1 – Violations in Letter from Public Service  
Commission dated October 10, 2018**

**P. 3 – Joann Estates Responses to Violations in  
Letter to Public Service Commission**

**P. 4 – Division of Water Violations dated  
November 3, 2016**

**P. 6 – Division of Water Violations dated  
January 23, 2018**

**P. 8 – Division of Water Agreed Order**

**P. 19 – Division of Water Amended Order**



**Matthew G. Bevin**  
Governor

**Charles G. Snavelly**  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

**Michael J. Schmitt**  
Chairman

**Robert Cicero**  
Vice Chairman

**Talina R. Mathews**  
Commissioner

October 10, 2018

**Brian Waid**  
President  
JoAnn Estates Utilities, Inc.  
6550 US Hwy 60 W  
Paducah, KY 42001

Re: Periodic Waste Water Inspection  
JoAnn Estates Utilities, Inc. wastewater facilities  
McCracken County, KY

Dear Mr. Waid:

Public Service Commission staff performed a periodic inspection of the JoAnn Estates Utilities, Inc. waste water system on August 27 and 31, 2018, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, the following deficiencies were identified:

1. The utility is not conducting daily inspections on all mechanical equipment at each treatment facility as required by 807 KAR 5:071, Section 7(4).
2. At JoAnn estates wastewater treatment facility, the entrance gate to the plants has a gap between the fence post and gate large enough for animals and unauthorized persons to enter. This is contrary to 807 KAR 5:071, Section 7(1).
3. At JoAnn estates wastewater treatment facility, the gate behind the chlorine contact basin that allows utility personnel access to the effluent discharge was not locked or secured to keep unauthorized persons from entering the facility. This is contrary to 807 KAR 5:071, Section 7(1).
4. At Wilmington-Chiles, plant #2 has a leak at the effluent pipe that leads to one of the lagoons. This leak is before any type of disinfecting takes place.



Periodic Water Inspection  
JoAnn Estates Utilities, Inc. wastewater facilities  
October 10, 2018  
Page 2 of 2

5. At the Timberland wastewater treatment facility, there's untreated wastewater bypassing the chlorine contact chamber and entering the receiving stream. This is contrary to 807 KAR 5:071, Section 7(1).
6. The grating near the bar screen at the Timberland wastewater facility has deteriorated and appears to be unsafe to walk on. This is contrary to 807 KAR 5:071, Section 7(1).
7. The utility doesn't have a backup blower/motor unit nor do they have an immediate access to one for each of the three wastewater treatment facilities in case of emergencies as per 807 KAR 5:071, Section 7(1).
8. The utility is out of compliance with the Division of Water's regulations. This is contrary to 807 KAR 5:071, Section 5(1).

For the eight deficiencies listed above, an explanation of why these deficiencies occurred and how these deficiencies will be remedied and prevented in the future needs to be provided. A letter addressing the organization's actions regarding the deficiencies needs to be submitted by November 13, 2018.

The following deficiency was noted on the previous inspection on December 3, 2015. This deficiency from the previous inspection has not been addressed. This deficiency will need to be addressed within this inspection response.

1. The utility is not conducting annual inspections of their collecting sewers and manholes as required by 807 KAR 5:071, Section 7(4). (Repeat)

Several other issues were observed during this inspection and they are mentioned on pages 15 and 16 under observations/areas of concern. Unaddressed maintenance issues can lead to deficiencies in future inspections.

Please review the enclosed inspection report in its entirety as you will find further information noted in regard to the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,



Brian L. Rice  
Utility Inspector  
Kentucky Public Service Commission

Brian Waid  
6550 us Hwy 60 W  
Paducah, KY 42001

Mr. Brian Rice  
Utility Inspector  
Kentucky Public Service Commission

Dear Mr. Rice

**Corrective action plan for treatment plant deficiencies:**

1. We were conducting inspections on a every other day schedule, will start conducting daily inspections on all mechanical equipment at each treatment plant.
2. Entrance gate has gap do to separation and age of fence, added extra fence around entrance gate at Joann treatment plant.
3. Gate behind the chlorine contact basin had a latch but no lock will add a chain and lock to secure gate at Joann treatment plant.
4. Effluent plant has a small leak at Wilmington Chiles, will reseal our replace pipe.
5. Do to the age of Timberland plant the blocks of the chlorine contact chamber have deteriorated to a point that it needs to be replaced we have scheduled a contractor to replace the chamber in November of 2018.
6. Bar screen and walkway at Timberland plant, has deteriorated do to age and will be replaced.
7. The utility does have access to blower/motor unit from Warden electric if need in a timely mater. For future needs we will gain extra blower/motor and pumps when JSA takes Joann and Wilmington Chiles treatment plants.
8. Did have record of man holes that were inspected but each man hole did not have individual Identification. Will identify each manhole and have a map numbering each manhole.

Sincerely,

Brian Waid

A handwritten signature in black ink, appearing to be 'B. Waid', with a long horizontal flourish extending to the right.

Energy and Environment Cabinet  
Department for Environmental Protection  
Division of Water  
Wastewater Inspection Report

**AI ID:** 3080      **AI Type:** RESIDENCE- Subdivision (nec)  
**AI Name:** Wilmington Chiles Estate Subd  
**AI Address:** Craven Dr & Cairo Rd  
**City:** Paducah, **State:** Kentucky **Zip:** 42001  
**County:** McCracken **Regional Office:** Paducah Regional Office  
**Latitude:** 37.090103   **Longitude:** -88.737173  
**Site Contact:** Todd Teas  
**Title:** Operator      **Phone #:**  
**Inspection Type:** WW Routine-Min Nmun   **Activity #:** CIN20170001.  
**Incident IDs:**  
**Inspection Start Date:** November 3, 2016 **Time:** 12:00 AM **End Date:** November 3, 2016 **Time:** 12:00 AM  
**Site/Permit ID:** KY0078336

**Lead DEP Investigator:** Benjamin Allen  
**Persons Interviewed:** Todd Teas

**General Comments:** On October 26, 2017, a routine Waste Water inspection was conducted at Wilmington Chiles WWTP located at Craven Dr. West Paducah, KY. This facility is operating under permit # KY0078336. During this inspection the facility grounds were walked and I spoke with the operator Todd Teas, via telephone. The Plant was operating however the lift station that feeds the plant was not. There was a large amount of grease on the top of the water and water was leaking out of the side of the lift station. No pumps were running. I contacted Mr. Teas, he came out that afternoon pulled the pump and removed a mop head that had caused the pump to fail. I returned on October 27, and the lift station was back down to normal levels and operating properly. This effluent was also observed it appeared turbid, there is aeration in the chlorine contact Chamber and de chlorination area. The lagoons were observed and are both covered in duckweed. This facility is under an Agreed Order (Case No. DOW 130133). Please note that stipulated penalties, as explained in the Agreed Order, may be considered for violations of the KPDES permit or the Agreed Order. If there are any questions regarding this inspection please contact the Paducah Regional Office at 270-898-8468.

**Overall Compliance Status:** No Viol Obs- impend viol trend

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**Investigation Results**

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**SI:** AIOO3080

**SI Description:**

**Inspector Comment:**

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**Requirement:** Does the facility hold the proper KPDES permit?. [401 KAR 5:055 Section 2]

**Compliance Status:** C-No Violations observed

**Comment:**

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**Requirement:** Have all required permits been obtained from the Division of Water prior to the construction or modification of the facility? [401 KAR 5:005 Section 1]

**Compliance Status:** C-No Violations observed

**Comment:**

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**Requirement:** Is the facility being operated under the supervision of a properly certified operator? [401 KAR 5:010 Section 1]

**Compliance Status:** C-No Violations observed

---

**Comment:** Todd W Teas, WW Treatment III, #13178.

**Requirement:** Is the collection system under the primary responsibility of an individual who holds an active collection system certification at the level appropriate for the size of the treatment facility receiving the waste? [401 KAR 5:010 Section 2]

**Compliance Status:** C-No Violations observed

**Comment:**

**Requirement:** Is the permittee in compliance for the reporting of spills, bypasses, and non-compliance according 401 KAR 5:065 Section 2(1)

**Compliance Status:** C-No Violations observed

**Comment:**

**Requirement:** Is the facility being properly operated and maintained as specified in regulation 5:065? This includes: (a) proper operation and maintenance of all facilities, systems of treatment and control, and related appurtenances which are installed or used by the permittee to achieve compliance with permit conditions; (b) proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures; (c) this provision also requires the operation of back-up or auxiliary facilities or similar systems which 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 2(1)]

**Compliance Status:** I-No Violations obs-but impending viol trends obs

**Comment:** The facility is not being properly operated and maintained as required. The Chlorine contact chamber walls are deteriorating. The lift station was over flowing and the pump was clogged. Mr. Teas came out and fixed the pump that evening and the next day i returned the lift station was operating properly. It appears the plant is also leaking from the clarifier..

**Requirement:** Are the disinfection unit(s) maintained and operated properly to allow for compliance with permit conditions? [401 KAR 5:005 Section 11]

**Compliance Status:** C-No Violations observed

**Comment:** The chlorine contact chamber was being aerated and was turbid. Chlorine and dechlor tablets were present.

**Requirement:** Have pollutants entered the waters of the Commonwealth? [KRS 224.70-110]

**Compliance Status:** I-No Violations obs-but impending viol trends obs

**Comment:** The final effluent discharges to a small shallow pool just beyond the chlorine contact chamber and may not flow to the receiving stream through a pipe. The receiving stream was not observed during this inspection; however, the discharge to the ditch was slightly turbid.

**Requirement:** Have surface waters been aesthetically or otherwise degraded? [401 KAR 10:031 Section 2]

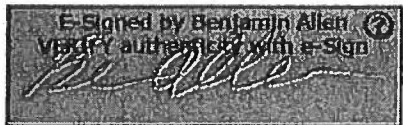
**Compliance Status:** I-No Violations obs-but impending viol trends obs

**Comment:** The final effluent discharges to a small shallow pool just beyond the chlorine contact chamber and may not flow to the receiving stream through a pipe. The receiving stream was not observed during this inspection; however, the discharge to the ditch was slightly turbid.

**Documentation**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Photos taken             | <input type="checkbox"/> Record of visual determination of opacity |
| <input type="checkbox"/> Documents obtained from facility    | <input type="checkbox"/> Samples taken by DEP                      |
| <input type="checkbox"/> Samples taken by outside source     | <input type="checkbox"/> Regional office instrument readings taken |
| <input type="checkbox"/> Request for Submission of Documents | <input type="checkbox"/> Other documentation                       |

**Inspector:**



**Date:** October 31, 2017

**Received By:** \_\_\_\_\_ **Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Delivery Method:** USPS

Energy and Environment Cabinet  
Department for Environmental Protection  
Division of Water  
Wastewater Inspection Report

**AI ID:** 3070      **AI Type:** RESIDENCE- Subdivision (nec)  
**AI Name:** Timberland Subd  
**AI Address:** Timberland Rd  
**City:** Heath, **State:** Kentucky **Zip:** 42086  
**County:** McCracken **Regional Office:** Paducah Regional Office  
**Latitude:** 37.07756    **Longitude:** -88.77024  
**Site Contact:** Todd Teas  
**Title:** Operator **Phone #:**  
**Inspection Type:** WW CEI-Minor Mun **Activity #:** CIN20180001  
**Inspection Start Date:** January 23, 2018 **Time:** 09:11 AM **End Date:** January 23, 2018 **Time:** 09:11 AM  
**Site/Permit ID:** KY0083755

**Lead DEP Investigator:** Benjamin Allen  
**Persons Interviewed:** Todd Teas

**General Comments:** On January 23, 2018, a Compliance Evaluation inspection was conducted at Timberland WWTP, located in West Paducah, KY. This inspection was conducted to observe compliance with KPDES Permit No. KY0083755. During this inspection the plant was in operation. The Aeration basin had good color and mixing, the return sludge and clarifier were operating properly and looked well maintained. The discharge to the lagoon appeared clear and free of solids. The levee around the lagoon is need of repair as there are holes from animals as well as low spot by the contact chamber. The levee is barely over the water line potential overflow and bypass of disinfection at this spot. Effluent was observed, photos were taken on site. There is significant beaver activity around the plant and lagoon, several large trees have fallen onto the plant or lagoon. Also the creek where the discharge enters has been dammed up. Mr. Teas is aware of the issue and working on possible solutions. Mr. Teas, the certified operator, presented his license and field certification to perform field analysis. Also chain of custody forms for sampling were observed. Field meter calibration logs and sampling logs were always reviewed. If you have any questions regarding this inspection please contact the Paducah Regional Office at 270-898-8468.  
**Overall Compliance Status:** Out of Comp- Viol documented

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**Investigation Results**

**SI:** AIOO3070

**SI Description:**

**Inspector Comment:**

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**Requirement:** Does the facility hold the proper KPDES permit?. [401 KAR 5:055 Section 2]

**Compliance Status:** C-No Violations observed

**Comment:** KY0083755 issued on November 1, 2014

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**Requirement:** Is the facility being operated under the supervision of a properly certified operator? [401 KAR 5:010 Section 1]

**Compliance Status:** C-No Violations observed

**Comment:** Todd W Teas, WW Treatment III, #13178.

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**Requirement:** Is the collection system under the primary responsibility of an individual who holds an active collection system certification at the level appropriate for the size of the treatment facility receiving the waste? [401 KAR 5:010 Section 2]

**Compliance Status:** C-No Violations observed

**Comment:** Jimmy E. Waid, WW Collection II, #19366.

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**Requirement:** Is the facility being properly operated and maintained as specified in regulation 5:065? This includes:  
(a) proper operation and maintenance of all facilities, systems of treatment and control, and related appurtenances which are installed or used by the permittee to achieve compliance with permit conditions;  
(b) proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures;  
(c) this provision also requires the operation of back-up or auxiliary facilities or similar systems which 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 2(1)]

**Compliance Status:** D-Out of Compliance-Violations Documented

**Comment:** The facility is not being properly operated and maintained as required. Lagoon levee adjacent to the contact chamber is eroding and lagoon could over flow to chamber or past chamber. Also there is a lots of beaver activity around the lagoon and plant. Several large trees have been chewed and fallen onto the lagoon levee, and around the discharge and contact chamber. Mr. Teas has been in contact with a trapper to try and address the issue before further damage is done.

**Requirement:** Are the disinfection unit(s) maintained and operated properly to allow for compliance with permit conditions? [401 KAR 5:005 Section 11]

**Compliance Status:** C-No Violations observed

**Comment:** Chlorine and de-chlorination tablets were present and the tank was being aerated. Turbid water was discharging. Contact chamber has been leaking looks like foam sealant has been used to seal the chamber.

**Requirement:** Have pollutants entered the waters of the Commonwealth? [KRS 224.70-110]

**Compliance Status:** C-No Violations observed

**Comment:** The discharge was clear and disinfection is unit is in operation.

**Requirement:** Have surface waters been aesthetically or otherwise degraded? [401 KAR 10:031 Section 2]

**Compliance Status:** C-No Violations observed

**Comment:**

#### Documentation

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Photos taken             | <input type="checkbox"/> Record of visual determination of opacity |
| <input type="checkbox"/> Documents obtained from facility    | <input type="checkbox"/> Samples taken by DEP                      |
| <input type="checkbox"/> Samples taken by outside source     | <input type="checkbox"/> Regional office instrument readings taken |
| <input type="checkbox"/> Request for Submission of Documents | <input type="checkbox"/> Other documentation                       |

Inspector:

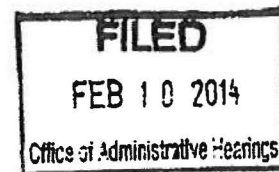


Date: January 30, 2018

Received By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
Delivery Method: USPS

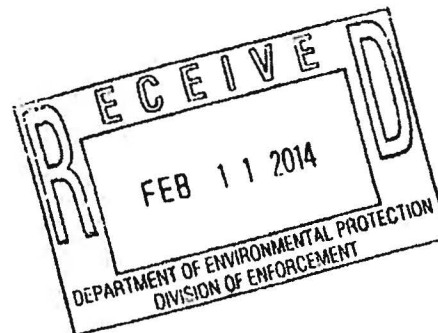
J. Cummins

DOW 130131



COMMONWEALTH OF KENTUCKY  
ENERGY AND ENVIRONMENT CABINET  
DIVISION OF ENFORCEMENT  
CASE NO. DOW 130131

IN RE: Joann Estates Subdivision  
Connie Sue Drive  
Paducah, Kentucky 42001  
AI No. 3047  
Activity ID No. ERF 20130001



**AGREED ORDER**

\*\*\*\*\*

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Joann Estates Utilities, Inc (hereinafter "Joann") state:

**STATEMENTS OF FACT**

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. Joann owns and operates the Joann Estates Subdivision wastewater treatment plant (hereinafter "facility"), located on Connie Sue Drive in Paducah, Kentucky.
3. Joann holds Kentucky Pollutant Discharge Elimination System (hereinafter "KPDES") permit number KY0045250 for wastewater discharges, issued by the Cabinet's Division of Water, for the facility described in paragraph 2.
4. On or about December 10, 2010, an authorized representative of the Cabinet conducted an inspection of the facility described in paragraph 2, and identified violations of KRS Chapter 224 and the regulations promulgated pursuant thereto. On January 6, 2011, the Cabinet issued Joann a Notice of Violation for the following violations:

TJN

DOW 130131

- a) 401 KAR 10:031, Section 2: Degradation to the waters of the Commonwealth. Excessive solids were discharging at the time of this inspection.
- b) 401 KAR 5:065: Failure to comply with the effluent limitations contained in KPDES Permit Number KY0045250. Joann's Discharge Monitoring Reports (hereinafter "DMR's") were reviewed by the Cabinet's Division of Water Paducah Regional Office. Nitrogen/Ammonia exceedances were reported.
- c) KRS 224.70-110: Contribution to the pollution of the waters of the Commonwealth.

5. On or about November 21, 2012, an authorized representative of the Cabinet conducted an inspection of the facility described in paragraph 2, and identified violations of KRS Chapter 224 and the regulations promulgated pursuant thereto. On December 27, 2012, the Cabinet issued Joann a Notice of Violation for the following violations:

- a) 401 KAR 5:065, Section 2(1): Failure to properly operate and maintain the facility. The mixed liquor was dark and foamy, indicating an old sludge requiring wasting. At the time of this inspection, an accumulation of old rags stuck in the aeration basin was removed, which indicated a lack of regular maintenance.
- b) 401 KAR 5:005, Section 12: Failure to properly operate and maintain the facility. The effluent flow meter/recorder was inoperable at the time of this inspection.
- c) 401 KAR 5:065, Section 2(1): Failure to comply with the effluent limitations contained in KPDES Permit Number KY0045250. Joann's DMR's were reviewed by the Cabinet's Division of Water Paducah Regional Office.



Nitrogen/Ammonia, Phosphorus, Biochemical Oxygen Demand, and Total Suspended Solids exceedances were reported.

d) 401 KAR 5:065, Section 2(1): Failure to collect samples in accordance with the monitoring requirements outlined in KPDES Permit Number KY0045250.

6. On or about March 15, 2013, an authorized representative of the Cabinet conducted an inspection of the facility described in paragraph 2, and identified a violation of KRS Chapter 224 and the regulations promulgated pursuant thereto. On May 2, 2013, the Cabinet issued Joann a Notice of Violation for the following violation:

a) 401 KAR 5:065, Section 2(1): Failure to properly operate and maintain the facility. Excessive solids were observed discharging at the time of this inspection.

7. Representatives of Joann participated in a telephonic conference with the Cabinet's Division of Enforcement (hereinafter "DENF") in Frankfort, Kentucky on August 14, 2013. Representatives of Joann admitted to the violations listed above, and agreed to the entry of this Agreed Order to resolve the violations.

**NOW THEREFORE**, in the interest of settling all civil claims and controversies involving the violations described above, the parties hereby consent to the entry of this Agreed Order and agree as follows:

**REMEDIAL MEASURES**

8. Joann shall perform the following remedial measures by the dates specified herein:

a) Within thirty (30) days of execution of this Agreed Order, submit to DENF a written Corrective Action Plan (CAP), detailing the steps Joann has taken, and

DOW 130131

will continue to take, in order to return the facility to compliance and to maintain compliance.

- b) Within thirty (30) days of execution of this Agreed Order, submit to DENF a Best Management Practices (BMP) plan.
- c) Within ninety (90) days of execution of this Agreed Order, return to full compliance with all of the terms and conditions of KPDES Permit Number KY0045250.
- d) By July 1, 2015, connect the Joann Estates Subdivision wastewater treatment plant to the Paducah-McCracken County Joint Sewer Agency sewer system. At such time, the Joann Estates Subdivision wastewater treatment plant shall be properly closed and/or decommissioned.
- e) All submittals required by the terms of the Agreed Order shall be sent to:

Division of Enforcement  
Attention: Director  
300 Fair Oaks Lane  
Frankfort, KY 40601

**CIVIL/STIPULATED PENALTIES**

9. Joann shall pay the Cabinet a civil penalty in the amount of two thousand dollars (\$2,000) for the violations described in paragraph 4 through 6 above. The penalty shall be paid within thirty (30) days of execution of this Agreed Order.

10. Joann shall pay the Cabinet a stipulated penalty in the amount of one thousand dollars (\$1,000) within thirty (30) days of receipt of written notice from the Cabinet for each failure to comply with any remedial measures in paragraph 8 above. This penalty is in addition to, and not in lieu of, any other penalty that could be assessed. The stipulated penalty will be waived upon termination of this Agreed Order, if Joann has complied with the requirements of

paragraph 8.

11. If Joann believes the request for payment of the stipulated penalty is erroneous or contrary to law, Joann may request a hearing in accordance with KRS 224.10-420(2). The request for hearing does not excuse timely payment of the penalty. If an order is entered pursuant to KRS 22.10-440 that excuses payment, the Cabinet will refund the payment. Failure to make timely payment shall constitute an additional violation.

12. Payments of the civil and stipulated penalties shall be by cashier's check, certified check, or money order, made payable to "Kentucky State Treasurer" and sent to the attention of the Director, Division of Enforcement, Department for Environmental Protection, 300 Fair Oaks Lane, Frankfort, Kentucky 40601; note DOW 130131 on the instrument of payment.

#### **MISCELLANEOUS PROVISIONS**

13. This Agreed Order addresses only the violations specifically mentioned above. Other than those matters resolved by entry of this Agreed Order nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and Joann reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and Joann reserves its defenses thereto.

14. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to Joann. Joann reserves its defenses thereto, except that Joann shall not use this Agreed Order as a defense.

15. Joann waives its right to any hearing on the matters admitted herein. However, failure by Joann to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224, and the regulations promulgated pursuant thereto.

16. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. Joann may request an amendment by writing the Director of the Division of Enforcement at 300 Fair Oaks Lane, Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

17. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that Joann's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224, and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, Joann shall remain solely responsible for compliance with the terms of KRS Chapter 224, and the regulations promulgated pursuant thereto, this Agreed Order and any permit and compliance schedule requirements.

18. Joann shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of its now-existing facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory and regulatory requirements for a transfer. Whether or not a transfer takes place, Joann shall remain fully responsible for payment of all civil penalties and response costs and for performance of all remedial measures identified in this

Agreed Order.

19. The Cabinet agrees to allow the performance of the above-listed remedial measures and payment of civil penalties by Joann to satisfy Joann's obligations to the Cabinet generated by the violations described above.

20. The Cabinet and Joann agree that the remedial measures agreed to herein are facility-specific and designed to comply with the statutes and regulations cited herein. This Agreed Order applies specifically and exclusively to the unique facility referenced herein and is inapplicable to any other facility.

21. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

22. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which Joann is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then Joann is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

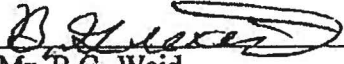
#### TERMINATION

23. This Agreed Order shall terminate upon Joann's completion of all requirements described in this Agreed Order. Joann may submit a written request for termination to the Cabinet when it believes all requirements have been performed. The Cabinet reserves its right to enforce this Agreed Order, and Joann reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

DOW 130131

CASE NO. DOW 130131


**AGREED TO BY:**

  
\_\_\_\_\_  
Mr. B.G. Waid  
Owner/President  
Joann Estates Utilities, Inc.

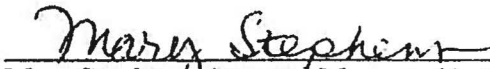
1-21-2014  
Date

CASE NO. DOW 130131


**APPROVAL RECOMMENDED BY:**

  
Jeffrey A. Cummins, Director  
Division of Enforcement

1/27/2014  
Date

  
Mary Stephens, Attorney Manager (Acting)  
Office of General Counsel

1/29/14  
Date

  
C. Michael Haines, General Counsel  
Energy and Environment Cabinet

2-4-14  
Date

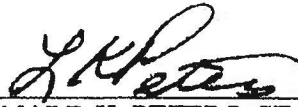
DOW 130131

CASE NO. DOW 130131

**ORDER**

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 10<sup>th</sup> day of February, 2014..

ENERGY AND ENVIRONMENT CABINET



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LEONARD K. PETERS, SECRETARY



DOW 130131

CASE NO. DOW 130131

**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 12<sup>th</sup> day of February, 2014.

Mr. B.G. Waid  
Owner/President  
Joann Estates Utilities, Inc.  
6500 US 60 W  
Paducah, Kentucky 42001

And mailed, messenger to:

Jeffrey A Cummins, Director  
Division of Enforcement  
300 Fair Oaks Lane  
Frankfort, Kentucky 40601

Mary Stephens, Attorney Manager (Acting)  
Office of General Counsel  
200 Fair Oaks Lane, First Floor  
Frankfort, Kentucky 40601

  
\_\_\_\_\_  
DOCKET COORDINATOR

LTS  
BGD  
FBT  
BB  
SH

imms

COMMONWEALTH OF KENTUCKY  
ENERGY AND ENVIRONMENT CABINET  
DIVISION OF ENFORCEMENT  
CASE NO. DOW 130131

FILED  
JUL 30 2015  
Office of Administrative Hearings

IN RE: Joann Estates Subdivision  
Connie Sue Drive  
Paducah, Kentucky 42001  
AI No. 3047  
Activity ID No. ERF 20130001

RECEIVED  
AUG - 3 2015  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF ENFORCEMENT

**AMENDED AGREED ORDER**

\*\*\*\*\*

Whereas, Joann Estates Utilities, Inc (hereinafter "Joann"), and the Energy and Environment Cabinet (hereinafter "Cabinet") entered into Agreed Order "DOW 130131" on February 10, 2014, which required Joann to connect the Joann Estates Subdivision wastewater treatment plant to the Paducah-McCracken County Joint Sewer Agency sewer system by July 1, 2015; and properly close and/or decommission the wastewater treatment plant.

**STATEMENTS OF FACT**

1. On June 29, 2015, Joann, pursuant to paragraph 16 of Agreed Order "DOW 130131", submitted a written request to the Director of the Division of Enforcement to allow for an extension of time in which to connect the Joann Estates Subdivision wastewater treatment plant to the Paducah-McCracken County Joint Sewer Agency sewer system.

**NOW THEREFORE**, the parties hereby agree to amend paragraph 8 of Agreed Order "DOW 130131" as follows:


2. By August 31, 2015, connect the Joann Estates Subdivision wastewater treatment plant to the Paducah-McCracken County Joint Sewer Agency sewer system. At such time, the

Joann Estates Subdivision wastewater treatment plant shall be properly closed and/or decommissioned.


3. All other terms and conditions of Agreed Order "DAQ 130245" shall remain in full force and effect.

CASE NO. DOW 130131

**APPROVAL RECOMMENDED BY:**

  
\_\_\_\_\_  
Jeffrey A. Cummins, Director  
Division of Enforcement

7/20/2015  
Date

  
\_\_\_\_\_  
C. Michael Haines, Executive Director  
Office of General Counsel

7.22.15  
Date

**ORDER**

Wherefore, the foregoing Agreed Order Amendment is entered as the final Order of the Energy and Environment Cabinet this 30<sup>th</sup> day of July, 2015.

ENERGY AND ENVIRONMENT CABINET



LEONARD K. PETERS, SECRETARY

**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 30<sup>th</sup> day of July, 2015.

Mr. B.G. Waid  
Owner/President  
Joann Estates Utilities, Inc.  
6500 US 60 W  
Paducah, Kentucky 42001

And mailed, messenger to:

Jeffrey A Cummins, Director  
Division of Enforcement  
300 Fair Oaks Lane  
Frankfort, Kentucky 40601

C. Michael Haines, Executive Director  
Office of General Counsel  
500 Mero Street  
12<sup>th</sup> Floor Capital Plaza Office Tower  
Frankfort, Kentucky 40601

Kathy McDonald  
DOCKET COORDINATOR

FBY  
SH