

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO THE FINANCIAL AND)	CASE NO.
OPERATING CAPACITY OF MORGAN COUNTY)	2024-00325
WATER DISTRICT)	

ORDER

The Commission, on its own motion, establishes this proceeding to investigate Morgan County Water District (Morgan District); its board of commissioners (Board), Chris Adams, Ellen Motley, Patty Cordeiro; and its Manager, John Coffey, to examine the financial and operational condition of Morgan District. The willful failure to comply with applicable statute, regulation or Commission Order may present prima facie evidence of incompetency; neglect of duty; gross immorality; or nonfeasance, misfeasance, or malfeasance in office sufficient to make Morgan District's Board and Manager subject to the penalties set forth in KRS 278.990.

LEGAL STANDARD

Under KRS 278.250 and KRS 278.260, the Commission is authorized to investigate and examine the condition of any utility subject to its jurisdiction, including any practice or act relating to the utility service. Under KRS 278.280, if the Commission finds that any practice or act is unjust, unreasonable, unsafe, improper, inadequate, or insufficient, then the Commission has the authority to determine the just, reasonable, safe, proper, adequate, or sufficient practice or method to be observed. Upon a finding that Morgan District, its Board, or Manager violated any provision of KRS Chapter 278,

Chapter 74, Commission regulations, or a Commission Order, KRS 278.990 authorizes the Commission to assess civil penalties not to exceed \$2,500 for each offense against a utility and against any officer, agent, or employee of a utility who willfully violates any provisions of KRS Chapter 278, Commission regulations, or Orders.

DISCUSSION

Morgan District is a water utility organized pursuant to KRS Chapter 74 that owns and operates a distribution system through which it provides retail water service to approximately 2,863 residential customers and 121 commercial that reside in Morgan County, Kentucky.¹

Morgan District filed an application for an alternative rate adjustment pursuant to 807 KAR 5:076 on March 22, 2024.² On March 22, 2024, Morgan District filed a motion requesting an emergency hearing to allow it to present evidence to show the need for an emergency interim rate increase. The Commission granted the motion on April 8, 2024,³ and a hearing was held on May 2, 2024.

During the May 2, 2024 hearing, there was testimony regarding the misuse of funds, numerous accounting issues, and Morgan District's inability to pay some of its bills. The Commission heard testimony that Morgan District's funds had been used for personal purchases⁴ and that funds from one account were regularly being moved to other

¹ *Annual Report of Morgan County Water District to the Public Service Commission for the Calendar Year Ended December 31, 2022* (2022 Annual Report) at 12 and 49.

² Case No. 2024-00010, *Electronic Application of Morgan County Water District for a Rate Adjustment Pursuant to 807 KAR 5:076* (filed Mar. 22, 2024), Application.

³ Case No. 2024-00010, Order (Ky. PSC Apr. 8, 2024) at 4.

⁴ Case No. 2024-00010, Hearing Video Transcript (HVT) of the May 2, 2024 Hearing, Alexis Franklin at 11:13:51 and Shannon Elam at 2:16:52.

accounts in order to pay bills and employee salaries.⁵ In its July 26, 2024 Order, the Commission noted concerns over use of Morgan District's funds for personal use without evidence of reimbursement and adding positions that it cannot afford.⁶ Additionally, in the Commission Staff's Report, Commission Staff noted serious concerns regarding Morgan District's accounting records along with difficulty tracing and reviewing transactions to determine their purpose and appropriateness.⁷ At this point, it is unclear to the Commission whether the rate increase has enabled the utility to fulfill its debt obligations and pay its employees while maintaining adequate, reliable and safe service.

For the past several years, Morgan District has also consistently reported water loss that exceeds 15 percent. The Commission Staff Report in Case No. 2024-00010 noted that the water loss for the test year was 32.4487 percent.⁸ The 2022 total annual cost of water loss to Morgan District was \$252,111, while the annual cost of water loss in excess of 15 percent was \$135,568.⁹ Morgan District has reported a consistently high water loss.¹⁰ Morgan District had its water system inspected in February 2024. The inspection noted three deficiencies: water loss exceeding 15 percent; one inch and

⁵ HVT of the May 2, 2024 Hearing, Alexis Franklin at 11:16:54.

⁶ Case No. 2024-00010, Order (Ky. PSC July 26, 2024) at 9.

⁷ Case No. 2024-00010, Commission Staff Report (issued Sept. 10, 2024) at 32.

⁸ Case No. 2024-00010, Commission Staff Report at 3.

⁹ Case No. 2024-00010, Commission Staff Report at 3.

¹⁰ *Annual Report of Morgan County Water District to the Public Service Commission for Year Ending December 31, 2023* at 57; *2022 Annual Report* at 57; *Annual Report of Morgan County Water District to the Public Service Commission for Year Ending December 31, 2021* at 57; *Annual Report of Morgan County Water District to the Public Service Commission for Year Ending December 31, 2020* at 57; and *Annual Report of Morgan County Water District to the Public Service Commission for Year Ending December 31, 2019* at 57.

smaller water meters having been in service for ten years without being tested; and no annual written inspection records.¹¹ Morgan District responded to that inspection report.

In its response to the inspection report, Morgan District first noted that, while its water loss is above 15 percent, it has made significant progress since Case No. 2019-00041,¹² such as: reduced water loss each year; utilized funds from the surcharge account to address leaks and procure necessary equipment; and hire expanded field staff. For water meter testing over ten years, Morgan District stated that it has expanded the staff, trained personnel and have established policies to commence testing upon completion of the annual calibration. The calibration scales were expected to arrive in May 2024. To address the annual written inspection records, Morgan District stated that it had developed and implemented the previously absent inspection report and now established a Chemical Feed Pump inspection report, and these inspections are conducted on a monthly basis. The Commission will incorporate both the inspection report and response into this opening Order as Appendix A.

Morgan District has had one formal complaint made by its customers this year. The complaint made allegations of a tariff violation of failing to notify a customer of an investigation of a leak. The complaint also alluded to high water pressures causing the leaks. Specifically, the complaint addressed alleged violations of Morgan District's Monitor Usage/Usage Investigation tariff which requires the utility to monitor customers usage using the billing report at least quarterly and if the usage is unduly high to test the

¹¹ See Appendix A, 2024 PSC Inspection Report Feb. 7, 2024.

¹² Case No. 2019-0041, *Investigation Into Excessive Water Loss by Kentucky's Jurisdictional Water Utilities*.

meter.¹³ If an investigation of a customer's usage is necessary, the tariff provision requires the utility to notify the customer by telephone or in person of the reasons for an investigation and the findings of an investigation either during or immediately after the investigation.¹⁴ The complaint also presented a possible violation of 807 KAR 5:066, Section 5(1). 807 KAR 5:066, Section 5(1) provides, in relevant part, that in no event shall the pressure at the customer's service pip under normal conditions fall below thirty (30) psig nor shall the static pressure exceed 150 psig.¹⁵ Additionally, Morgan District has a pressures tariff that mimics the language of 807 KAR 5:066, Section 5(1).¹⁶ The Commission incorporates that complaint into the record as Appendix B.

The PSC also notes that Morgan District received a notice of violation from the Division of Water for noncompliance with 401 KAR 8:020 and 8:150. Additionally, the Division of Water received a letter from Morgan District stating that sample results had been falsified for numerous days in February 2024. Notice of the violation and letter is incorporated and attached as Appendix C.

Pursuant to KRS 74.020(1), a water district shall be administered by a board of commissioners which shall control and manage the affairs of the district. Morgan District's Commissioners and Manager are subject to KRS 278.990, as an employee of the utility, and if it is found that they willfully aided and abetted in violations of statutes, regulations, or PSC Orders they may be subject to penalties pursuant to KRS 278.990 or removal

¹³ P.S.C Ky. No. 2, Sheet No. 26 (issued Sept. 13, 2019), effective Oct. 13, 2019.

¹⁴ P.S.C Ky. No. 2, Sheet No. 26 (issued Sept. 13, 2019), effective Oct. 13, 2019.

¹⁵ 807 KAR 5:066, Section 5(1).

¹⁶ P.S.C Ky. No. 2, Sheet No. 32 (issued Sept. 13, 2019), effective date Oct. 13, 2019, which states in relevant part that "In no event will the pressure at the customer's service pipe under normal conditions be allowed to fall below thirty (30) psi nor will the static pressure exceed 150 psi.

pursuant to KRS 74.025 for incompetency, neglect of duty, gross immorality, or nonfeasance, misfeasance, or malfeasance.

The PSC also incorporates the record of Cases No. 2024-00010 and 2024-00270¹⁷ into this matter by reference to reduce duplicative filings and increase efficiency in the processing of this matter. In addition, the Commission directs the Executive Director to serve both the Morgan County Judge Executive and the Environmental and Energy Cabinet's (EEC) Division of Water, as they have an interest in this matter.

IT IS THEREFORE ORDERED that:

1. Morgan District, and each individually named Board member as well as the Manager, shall submit to the Commission a written response to provide an update on the utility's financial status, operations, and progress to combat water loss within 20 days of the date of service of this Order.

2. Counsel for each party shall enter an appearance or appearances within 20 days of the date of service of this Order.

3. The Commission directs Morgan District to the Commission's July 22, 2021 Order in Case No. 2020-00852¹⁸ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

4. Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be

¹⁷ Case No. 2024-00270, *Henry Heston Lacy v. Morgan County Water District*.

¹⁸ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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.

5. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

6. The records of Commission Case Nos. 2024-00010 and 2024-00270 are made a part of the record by reference only.

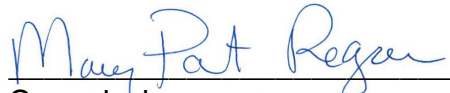
7. Morgan County Judge Executive, Jim Gazay, shall be served with a copy of this Order.

8. The EEC's Division of Water shall be served with a copy of the Order.

PUBLIC SERVICE COMMISSION


Chairman

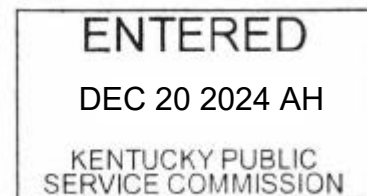
Commissioner


Commissioner

Commissioner John Stacy did not participate in the deliberations or decision concerning this case.

ATTEST:


Executive Director



Case No. 2024-00325

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2024-00325 DATED DEC 20 2024

NINETEEN PAGES TO FOLLOW

Kentucky Public Service Commission

Periodic Compliance Inspection

Utility: Morgan County Water District

Utility location: Morgan County, KY

Investigator: Taylor Stamper

Date(s) of inspection: 2/6/2024

Date(s) of last inspection: 10/24/2022

Deficiencies noted during last inspection:

1. Morgan County Water District is failing to operate its facilities so as to provide adequate and safe service to its customers as required in 807 KAR 5:066, Section 7, due to water loss exceeding 15 percent. (2021-40%)
2. Utility is not testing its 5/8 x 3/4 meters within 10 years of being put into service as stated in 807 KAR 5:066, Section 16(1) (approximately 2200 meters out of compliance)

Have deficiencies been corrected since last inspection: Yes ☐ No ☒ N/A ☐

Primary utility representative(s) involved with inspection:

Name: Shannon Elam

Title: General Manager

Who with the utility should receive the inspection report cover letter from the commission?

Name: Ashley Mason

Title: Compliance Officer

Mailing address: 1009 HWY 172, West Liberty 41472

Email address: Phone number: .

Current Commissioners and term exp.

Name: Brain Wells 2028

Name: Zachary Engle 2028

Name: Steven Gunnell 2025

Name: Steve Clark 2024

Name: Raina Helton 2024

Kentucky Public Service Commission

Periodic Compliance Inspection

General Questions

Treatment Facility

Source Water:

Plant Capacity:

Avg. Amount Produced:

Distribution Facility

Source Water: City of West Liberty, Cave Run Water Commission

Area of Operation: Morgan

Miles of Water Line: 400

Avg. Amount Purchased: 21,000,000

Water sold at wholesale rate to other water systems: Campton

Emergency Connections: Magoffin, Frenchburg

Utility Information

Number of Employees: 16

Number of Office Employees: 5

Number of Certified Water Treatment Employees: 0

Number of Certified Distribution Employees: 4

Number of Certified Meter Testers: 1

Utility Chairperson/President: Brian Wells
Address: 198 Revis Road, West Liberty, KY 41472

Metering System:

Number of Customers: 3000

Meter Reading:

AMR ☒

AMI ☐

Other ☐

Manual ☐

Type of meter used for customers: Sensus Sr2

Kentucky Public Service Commission

Periodic Compliance Inspection

Does the Utility Test Meters No Replace Meters Yes Meter Testing
Deviation? No

Contractor(s): Employed by Utility

Review Current Emergency Response Plan (ERP):

Has the utility made any revisions to the ERP in the past 24 months?
Yes ☐ No ☒ N/A ☐

When the last year construction was performed? 2023

What did the construction project consist of? Line replacement on HWY 191

Future Construction Projects? 2 projects bidding this year. Waterline extensions, Water line replacement project

807 KAR 5:006 (General Rules)

Section 4: Reports

Has the utility filed its gross annual operating revenue report?
Yes ☐ No ☒ N/A ☐

Does the utility file Quarterly Meter Reports (QMR) indicating meter tested, number of customers, and amount of refunds?
Yes ☒ No ☐ N/A ☐

Section 7: Billings, Meter Readings, and Information

Does each bill for utility service, issued periodically by a utility, clearly show the following?

The date the bill was issued: Yes ☒ No ☐ N/A ☐

Class of service: Yes ☒ No ☐ N/A ☐

Present and last preceding meter readings: Yes ☒ No ☐ N/A ☐

Date of the present reading: Yes ☒ No ☐ N/A ☐

Number of units consumed: Yes ☒ No ☐ N/A ☐

Meter constant, if applicable: Yes ☒ No ☐ N/A ☐

Kentucky Public Service Commission

Periodic Compliance Inspection

Net amount for service rendered:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
All taxes:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Adjustments, if applicable:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The gross amount of the bill:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The date after which a penalty may apply to the gross amount:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
If the bill is estimated or calculated:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Also furnished by one (1) of the following methods, by:			
Printing it on the bill:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Publishing it in a newspaper of general circulation once each year:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Mailing it to each customer once each year; or:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Does the utility (except if prevented by reasons beyond its control) read customer meters at least quarterly?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Is each customer-read meter read manually, at least once during each calendar year?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Does the utility maintain the information required by this subsection, and is it available to the commission and any customer requesting this information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
If, due to reasons beyond its control, a utility is unable to read a meter in accordance with this subsection, does the utility record the date and time the attempt was made, if applicable, and the reason the utility was unable to read the meter?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Section 9: Non-recurring Charges

Is a charge assessed if a customer requests the meter be tested pursuant to Section 19 of this administrative regulation and the tests show the as-found meter accuracy is within the limits established by 807 KAR 5:066, Section 15(2)(a)?

Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
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Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?

Kentucky Public Service Commission

Periodic Compliance Inspection

Yes ☒ No ☐ N/A ☐

Does the utility keep a record of all written complaints concerning the utility's service?

Yes ☒ No ☐ N/A ☐

Does the record include the following?

The customer's name and address:

Yes ☒ No ☐ N/A ☐

The date and nature of the complaint:

Yes ☒ No ☐ N/A ☐

The disposition of the complaint:

Yes ☒ No ☐ N/A ☐

Does the utility maintain these records for two (2) years from the date of resolution of the complaint?

Yes ☒ No ☐ N/A ☐

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?

Yes ☒ No ☐ N/A ☐

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?

Yes ☒ No ☐ N/A ☐

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?

Yes ☒ No ☐ N/A ☐

Section 11: Bill Adjustment

Does the utility monitor a customer's usage at least quarterly?

Yes ☒ No ☐ N/A ☐

Are the utility's procedures designed to draw the utility's attention to unusual deviations in a customer's usage?

Yes ☒ No ☐ N/A ☐

If a customer's usage is unduly high and the deviation is not otherwise explained, will the utility test the customer's meter?

Yes ☒ No ☐ N/A ☐

If a utility's procedure for monitoring usage indicates that an investigation of a customer's usage is necessary, does the utility notify the customer in writing?

Yes ☒ No ☐ N/A ☐

If knowledge of a serious situation requires more expeditious notice, does the utility notify the customer by the most expedient means available?

Yes ☒ No ☐ N/A ☐

If the meter shows an average meter error greater than two (2) percent fast or slow, does the utility maintain the meter in question at a secure location under the utility's control, for a period of six (6) months from the date the customer is notified of the finding of the investigation and the time frame the meter will be secured by the utility or if the customer has filed a formal complaint?

Yes ☒ No ☐ N/A ☐

Section 14: Utility Customer Relations

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Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?

Yes ☒ No ☐ N/A ☐

What are the Utility's business hours? 8-4

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?

Yes ☒ No ☐ N/A ☐

If the utility has annual operating revenues of \$250,000 or more does it make a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?

Yes ☒ No ☐ N/A ☐

If the utility has annual operating revenues of less than \$250,000 does it make a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) days per week?

Yes ☐ No ☐ N/A ☒

Does the utility provide the following?

Maintain a telephone: Yes ☒ No ☐ N/A ☐

Publish the telephone number in all service areas: Yes ☒ No ☐ N/A ☐

Permit all customers to contact the utility's designated representative without charge:

Yes ☒ No ☐ N/A ☐

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes ☒ No ☐ N/A ☐

Does the utility inspect the condition of its meter and service connections before making service connections to a new customer so that prior or fraudulent use of the facilities shall not be attributed to the new customer?

Yes ☒ No ☐ N/A ☐

Section 17: Meter Testing

Does the utility maintain meter standards and test facilities, as more specifically established in 807 KAR 5:066?

Yes ☐ No ☒ N/A ☐

Meter Test Bench Cert Exp.

Before being installed for use by a customer, are all meters tested and in good working order (and adjusted as close to the optimum operating tolerance as possible) as more specifically established in 807 KAR 5:066, Section 15(2)(a)-(b)?

Yes ☒ No ☐ N/A ☐

Does the utility have all or part of its testing of meters performed by another utility or agency?

Yes ☒ No ☐ N/A ☐

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Who performs testing of meters for Utility? Sandy Hook

Does the utility or agency employ apprentices in training for certification as meter testers?

Yes ☒

No ☐

N/A ☐

Are all tests performed during this period by an apprentice witnessed by a certified meter tester?

Yes ☒

No ☐

N/A ☐

Section 18: Meter Test Records

Does the utility maintain a complete record of all meter tests and adjustments and data sufficient to allow checking of test calculations?

Yes ☒

No ☐

N/A ☐

Do the records include the following?

Information to identify the unit and its location:

Yes ☒

No ☐

N/A ☐

Date of tests:

Yes ☒

No ☐

N/A ☐

Reason for the tests:

Yes ☒

No ☐

N/A ☐

Readings before and after test:

Yes ☒

No ☐

N/A ☐

Statement of "as found" and "as left" accuracies sufficiently complete to permit checking of calculations employed:

Yes ☒

No ☐

N/A ☐

Statement of repairs made, if any:

Yes ☒

No ☐

N/A ☐

Identifying number of the meter:

Yes ☒

No ☐

N/A ☐

Type and capacity of the meter:

Yes ☒

No ☐

N/A ☐

Does the utility maintain a complete record of tests of each meter continuous for at least two (2) periodic test periods and shall in no case be less than two (2) years?

Yes ☒

No ☐

N/A ☐

Does the utility maintain numerically arranged and properly classified records for each meter that it owns, uses, and inventories?

Yes ☒

No ☐

N/A ☐

Do these records include the following?

Identification number:

Yes ☒

No ☐

N/A ☐

Date of purchase:

Yes ☒

No ☐

N/A ☐

Name of manufacturer:

Yes ☒

No ☐

N/A ☐

Serial number:

Yes ☒

No ☐

N/A ☐

Type:

Yes ☒

No ☐

N/A ☐

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Periodic Compliance Inspection

Name and address of each customer on whose premises the meter has been in service with date of installation and removal: Yes ☒ No ☐ N/A ☐

Do these records contain condensed information concerning all tests and adjustments including dates and general results of the adjustments? Yes ☒ No ☐ N/A ☐

Do these records reflect the date of the last test and indicate the proper date for the next periodic test? Yes ☒ No ☐ N/A ☐

Section 19: Request Tests

Does the utility make a test of a meter upon written request of a customer if the request is not made more frequently than once each twelve (12) months? Yes ☒ No ☐ N/A ☐

Does the utility afford the customer the opportunity to be present at the requested test? Yes ☒ No ☐ N/A ☐

If the tests show the as-found meter accuracy is within the limits allowed by 807 KAR 5:066, Section 15(2)(a), does the utility may make a reasonable charge for the test?

Yes ☒ No ☐ N/A ☐

Has the utility filed a tariff (commission approved) establishing a meter test charge? Yes ☒ No ☐ N/A ☐

Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes ☒ No ☐ N/A ☐

Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve? Yes ☒ No ☐ N/A ☐

Is the map or maps available in electronic format as a PDF file or as a digital geographic database? Yes ☒ No ☐ N/A ☐

Is following data available on the map or maps?

Operating districts: Yes ☒ No ☐ N/A ☐

Rate districts Yes ☒ No ☐ N/A ☐

Communities served: Yes ☒ No ☐ N/A ☐

Kentucky Public Service Commission

Periodic Compliance Inspection

Location and size of distribution lines, and service connections:

Yes ☒ No ☐ N/A ☐

Section 24: Location of Records

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours?

Yes ☒ No ☐ N/A ☐

Section 25: Safety Program

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes ☒ No ☐ N/A ☐

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees:

Yes ☒ No ☐ N/A ☐

Instruct employees in safe methods of performing their work? Yes ☒ No ☐ N/A ☐

(Utility has monthly safety meetings) Yes

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration: (cpr exp 7/2024)

Yes ☒ No ☐ N/A ☐

Section 26: Inspection of Systems

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes ☒ No ☐ N/A ☐

Have these inspection procedures been filed with the commission for review?

Yes ☒ No ☐ N/A ☐

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report? Yes ☒ No ☐ N/A ☐

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes ☒ No ☐ N/A ☐

Water utility inspections. Each water utility shall make systematic inspections of its system as established in paragraphs (a) through (c) of 807 KAR 5:006 Section 26(6) to insure that the commission's safety requirements are being met. These inspections shall be made as often as necessary but not less frequently than as established in paragraphs (a) through (c) of 807 KAR 5:006 Section 26(6) for various classes of facilities and types of inspection.

Kentucky Public Service Commission

Periodic Compliance Inspection

The utility shall annually inspect all structures pertaining to source of supply for their safety and physical and structural integrity.

Does the utility inspect the structures listed below?

Dams	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Intakes	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Traveling screen	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>

Does the utility semiannually inspect the structures listed below?

Wells	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Well motors and structures	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electric power wiring and controls	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

The utility shall annually inspect all structures pertaining to purification for their safety, physical and structural integrity, and for leaks.

Does the utility annually inspect the structures listed below?

Sedimentation basins	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Filters	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Clear Wells	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Chemical feed equipment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Pumping equipment	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Water storage facilities	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Hydrants	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Mains	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Meters	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Meter settings	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Valves	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Does the utility monthly inspect the equipment listed below for defects, wear, operational hazards, lubrication, and safety features?

Construction equipment	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Vehicles	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 27: Reporting of Accidents, Property Damage, or Loss of Service

Within two (2) hours following discovery does the utility notify the commission by telephone or electronic mail of a utility related accident that results in the following:

Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization: Yes ☒ No ☐ N/A ☐

Actual or potential property damage of \$25,000 or more: Yes ☒ No ☐ N/A ☐

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less: Yes ☒ No ☐ N/A ☐

Are summary written reports submitted by the utility to the commission within seven (7) calendar days of the utility related accident? Yes ☒ No ☐ N/A ☐

Section 28: Deviations from Administrative Regulation:

Has the utility been permitted by the commission to deviate from these administrative regulations? Yes ☐ No ☒ N/A ☐

807 KAR 5:011 (Tariffs)

Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes ☒ No ☐ N/A ☐

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes ☒ No ☐ N/A ☐

Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes ☐ No ☒ N/A ☐

If yes has the utility filed, the special contracts with the PSC? Yes ☐ No ☐ N/A ☒

807 KAR 5:066 (Water)

Section 2: Information Available to Customers:

Does the utility provide the information listed below to any customer upon request?

Kentucky Public Service Commission

Periodic Compliance Inspection

A description in writing of chemical constitutes and bacteriological standards of the treated water as required by the Division of Water

Yes ☒

No ☐

N/A ☐

Schedule of rates for water service

Yes ☒

No ☐

N/A ☐

Method of reading meters

Yes ☒

No ☐

N/A ☐

Past readings of a customer's meter for a period of two (2) years

Yes ☒

No ☐

N/A ☐

Section 3: Quality of Water

Is the utility in compliance with the Division of Water?

Yes ☒

No ☐

N/A ☐

Section 4: Continuity of Service

Does the utility immediately notify the fire chief if an emergency interruption of service affects service to any public fire protection device?

Yes ☒

No ☐

N/A ☐

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes ☒

No ☐

N/A ☐

Does the utility have standby pumps capable of providing the maximum daily pumping demand?

Yes ☒

No ☐

N/A ☐

Does the utility's minimum storage capacity equal the average daily consumption?

Yes ☒

No ☐

N/A ☐

Does the utility keep a record of all interruption?

Yes ☒

No ☐

N/A ☐

Does the record contain the information listed below?

Cause of interruption

Yes ☒

No ☐

N/A ☐

Date

Yes ☒

No ☐

N/A ☐

Time

Yes ☒

No ☐

N/A ☐

Duration

Yes ☒

No ☐

N/A ☐

Remedy and steps taken to prevent recurrence

Yes ☒

No ☐

N/A ☐

Section 5: Pressure

Kentucky Public Service Commission

Periodic Compliance Inspection

Does the customer's service pipe under normal conditions fall below thirty (30) psig or static pressure exceed 150 psig? Yes ☒ No ☐ N/A ☐

Does the utility have one (1) or more recording pressure gauges to make pressure surveys? Yes ☒ No ☐ N/A ☐

(Does the Utility have scada/Telemetry to monitor their pressures throughout system?)

Is the utility maintaining one (1) or more of these recording pressure gauges at some representative point on the utility's mains at a minimum of one (1) week per month in continuous service? Yes ☒ No ☐ N/A ☐

Is the utility, at least once annually, making a survey of pressures in its distribution system? Yes ☒ No ☐ N/A ☐

Section 6: Water Supply Measurement

Has the utility installed a measuring device at each source of supply? Yes ☒ No ☐ N/A ☐

Section 7: Standards of Construction

Is the utility failing to operate its facilities so as to provide adequate and safe service to its customers due to water loss exceeding 15 percent? Yes ☒ No ☐ N/A ☐
(Water Loss 34.05%)

Section 8: Distribution Mains

Are dead ends provided with a hydrant, flushing hydrant, or blowoff for flushing purpose? Yes ☒ No ☐ N/A ☐

Section 9: Service Lines

Does the utility inspect the customer's service line? Yes ☐ No ☒ N/A ☐

Does the utility substitute its inspection for the proof of an inspection done by the appropriate state or local plumbing inspector? Yes ☒ No ☐ N/A ☐

Section 13: Measurement of Service

Does the utility meter all water sold? Yes ☒ No ☐ N/A ☐

Does the utility have any flat water rates? Yes ☐ No ☒ N/A ☐

Has the utility adopted a standard method of installing meters and service lines? Yes ☒ No ☐ N/A ☐

Section 15: Accuracy requirement of Water Meters

Kentucky Public Service Commission

Periodic Compliance Inspection

Are all new meters, and any meter removed from service for any cause tested for accuracy prior to being placed into service?

Yes ☒ No ☐ N/A ☐

Do the meters tested register within the accuracy limits specified in 807 KAR 5:066, Section 15 (2)(a)?

Yes ☒ No ☐ N/A ☐

Section 16: Periodic Tests

Is the utility testing all water meters so that no meter remains in service without testing for a period longer than specified by the table in 807 KAR, Section 16 (1)?

Yes ☐ No ☒ N/A ☐

(How many meters are out of compliance? 2400)

Section 17: Water Shortage Response Plan

Has the utility submitted a copy of its Water Shortage Response Plan with the Commission?

Yes ☒ No ☐ N/A ☐

Section 18: Deviations from Administrative Regulation:

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes ☐ No ☒ N/A ☐

807 KAR 5:095

(Fire Protection Service for Water Utilities)

Section 9

Does the utility allow a utility to withdraw water from its distribution system for fire protection and training purposes at no charge?

Yes ☒ No ☐ N/A ☐

Does the utility require a fire department to submit quarterly reports demonstrating its water usage?

Yes ☒ No ☐ N/A ☐

Does the utility's tariff state the penalty to be assessed for failure to submit water usage reports?

Yes ☒ No ☐ N/A ☐

What is the Fire Departments Usage on Annual Report? 86,000

Are all buildings, pump stations, and tanks properly labeled? Yes

List of Cases currently at Commission. Rate Case

Kentucky Public Service Commission

Periodic Compliance Inspection

Last rate case? 2024

How is the district notified of line locates? 811

Kentucky Public Service Commission

Periodic Compliance Inspection

Review of Facilities:

1.

Tank:

Capacity:

Condition:

2.

Tank:

Capacity:

Condition:

3.

Tank:

Capacity:

Condition:

4.

Pump Station:

Condition:

5.

Pump Station:

Condition:

6.

Pump Station:

Condition:

Total Storage Capacity: 932,000

Total Daily Consumption: 500,000

Kentucky Public Service Commission

Periodic Compliance Inspection

Deficiency(ies)

Utility is failing to operate its facilities so as to provide adequate and safe service to its customers as required by 807 KAR 5:066, Section 7, due to water loss exceeding 15 Percent

Utility has customers with one inch and smaller meters that have been in service for 10 years without being tested as required by 807 KAR 5:066 Section 16 (1)

Utility did not have annual written inspection records as required by 807 KAR 5:006, Section 26 (6) (a), (6)(b), (6)(c), (Chemical Feed Equipment)

Additional Inspector Comments

Water loss
2024: 34.05%
2022: 40%

Comment: During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

Report by:

Date: 2/7/2024

Taylor Stamper

Taylor Stamper

Utility Inspector

Kentucky Public Service Commission

Attachment(s):

Deficiency #1: Water Loss above 15%

The Morgan County Water District has made significant progress since the 2019-00041 Case. We have consistently reduced water loss each year and utilized funds from the surcharge account to address leaks and procure necessary equipment. Additionally, we have expanded our field staff to facilitate night flow meter testing and valve turning operations. These efforts led to the identification and repair of a 900,000-gallon leak in March 2024. The April water loss report indicates a decrease to 28%, marking the lowest recorded level since 2019.

Water Usage over the last four years

	GALLONS (Omit 000's)				PROJECTED
	2020	2021	2022	2023	2024
Purchased Water	243,851	235,275	233,433	249,099	228,000
Metered Water Sales	115,696	120,233	126,109	143,954	155,000
Flushing	41,157	20,891	31,578	20,322	6,500
Unaccounted Water	86,736	94,151	75,746	84,823	66,500
NET WATER LOSS	35.57%	40.02%	32.45%	34.05%	29.17%

Deficiency #2 Water Meter Testing over 10 Years

The Morgan County Water District has acquired a Ford Meter Test Bench; however, due to insufficient field staff, we have been unable to utilize it thus far. Additionally, we have been awaiting the arrival of calibration scales required for conducting yearly calibration tests by a third party. We anticipate these scales to arrive in May 2024. To address this issue, we have expanded our field staff and trained personnel, and we have established policies to commence testing promptly upon completion of the annual calibration.

Deficiency #3

The Morgan County Water District, following the PSC audit, has developed and implemented the previously absent inspection report. We have now established a Chemical Feed Pump inspection report, and these inspections are conducted on a monthly basis. Please find attached the inspection report for your reference.

Morgan County Water District

Chlorine Station Inspection Sheet

Month: _____

Location: _____

1. Any visible signs of wear and tear or problems? () Yes () No

If yes, explain: _____

2. Are all pipes and Valves Secure and Tight? () Yes () No

3. Are dosing head screws tightened to the specified torque ? () Yes () No

4. Are all electrical connection to specifications? () Yes () No

5. Motor rotaion? () Yes () No

6. Are there any abnormal noises ? () Yes () No

7. Is pump operating at normal temperature? () Yes () No

8. Are there any visible signs of corrosion? () Yes () No

9. Are all lines in working order without holes? () Yes () No

10. Are there any defects present that this inspection for does not cover??

() Yes () No

If Yes, Explain:

11. Is there a written inspection record of the chlorine pump station? () Yes () No

If yes, explain: _____

Inspected by: _____

Date: _____

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2024-00325 DATED DEC 20 2024

FORTY FOUR PAGES TO FOLLOW

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

Henry Heston Hacy
(Your Full Name)
COMPLAINANT

VS.

Morgan County Water District
(Name of Utility)
DEFENDANT

RECEIVED

AUG 14 2024

PUBLIC SERVICE
COMMISSION

COMPLAINT

The complaint of Henry Heston Hacy respectfully shows:
(Your Full Name)

(a) Henry Heston Hacy
(Your Full Name)

2048 Highway 905, West Liberty, KY 41472
(Your Address)

(b) Morgan County Water District
(Name of Utility)

10209 Hwy 172, West Liberty, KY 41472
(Address of Utility)

(c) That: See Attachment: Nature of Concern
(Describe here, attaching additional sheets if necessary,

the specific act, fully and clearly, or facts that are the reason

and basis for the complaint.)

Continued on Next Page

Formal Complaint

Henry Heston hacy vs. Morgan County Water District

Page 2 of 2

Wherefore, complainant asks Drop current/remaining \$298.22
(Specifically state the relief desired.)

owed on this account. Information on how to
download an App to use with the recently installed
smart meter/gage at this site. Assure all
water customers are better informed about PRVs
not just in this water district but all districts
across the commonwealth.

Dated at West Liberty, Kentucky, this 10th day
(Your City)

of August, 2024
(Month)

Henry Heston Hacy
(Your Signature*)

(Name and address of attorney, if any)

Date

*Complaints by corporations or associations, or any other organization having the right to file a complaint, must be signed by its attorney and show his post office address. No oral or unsigned complaints will be entertained or acted upon by the commission.

Nature of Concern:

Utility Service/Charges from July 21, 2023 to August 10, 2024 servicing one (1) rental house and three (3) cattle water tanks at 2315 Highway 705, West Liberty, KY 41472. Account # [REDACTED] (see photos).

Customer has repaired numerous water leaks from mid-August 2023 to mid-June 2024 thinking leaks were the fault of the customers equipment as the water district never informed the owner/customer of any issues. These leaks were not the fault of the customer but that of the water districts faulty water connection equipment and personnel failing to follow the rules of regulations of the Morgan County Water District.

In August and September of 2023, the customer began experiencing water leaks from each of the three cattle water tanks. These were not simutantious leaks and each tank required new water shut off valve seals replaced until all three were repaired. After the three tanks were repaired we continued to have some leakage from all three tanks and we also tried adjusting water levels in the tanks to better regulate leakage as suggested by the manufacturer (Ritchie). This was an uphill battle as we did not know at the time we were working against water district faulty equipment. We did continue to receive high water bills but threw the blame to cattle wasting water while drinking-what stupid thinking! (Side effects of cancer and cancer treatments).

The water bill for the period of November 27, 2023 to December 15, 2023 arrives. Again, high as in previous months but we had just vaccinated all cattle and removed them from the property where the three cattle water tanks were leaking. The cattle were moved to pasture where water is provided by ponds and eventually sold. The water tanks were completely turned off from the MCWD water source on November 15, 2023 because of the leaking and cattle being moved. The only entity using water from this meter was the rental house which normally uses between \$35.00 to \$45.00 per month and the new bill is \$243.01. We now know we have a more serious problem than three cattle water tanks leaking.

We start looking for various water line leaks and found around the back of the rental house soggy soil and upon looking under the house we find a blown incoming water line. We made three attempts to repair the line over two days with each repair causing a new line burst within inches of the previous repair. The plumber helping blamed the water line as probably damaged/weakened during the original installation (see photos). The following work day, January 9, 2024 I requested a one-time water usage adjustment (see leter). On that day MCWD Office Manager, Chemell Holbrook informed me that the water leak had begun in August 2023, and that a service technician was sent out to investigate. This was done without the owner/customer being notified or given the findings of the investigation as per rules/regulations of the MCWD.

We made another plumbing repair (see receipt) in early February, 2024 as the shower faucet was leaking. I also requested a water usage leak extension on February 6, 2024 because the

water leak extended into the next billing cycle (see letter). This letter brought to the attention of Manager, Shannon Elam that a service technician was sent out to investigate the leak without my awareness. Had I been informed we could have figured out that there was something causing all the leaks!

The March 2024 water usage statement arrives for the period of January 18, 2024 to February 17, 2024. Again high usage and a charge of \$164.83 with no cattle and only the rental house using water and all leaks repaired on January 8, 2024. Again, we go to the back of the house expecting to find the same incoming water line leaking but found the hot water tank pressure relief valve overflow tube leaking (see photos). We repaired the hot water tank with a new pressure relief valve (see receipt and photos) and the new valve was also leaking. We now call two professional plumbers and explain the history of the leaks. Both plumbers immediately said MCWD probably had a faulty Pressure Regulator Valve (PRV) and ask that we test the pressure on the incoming water line. One plumber loaned us the test meter and we found the pressure to be almost 150 pounds (see photo). The following day March 4, 2024 I informed the MCWD that we probably had a faulty PRV. I requested to be informed this time when the service technician would arrive so I could witness the results. Sure enough the PRV was faulty. I explained to the technician (Jesse-I think?) that the MCWD had sent out a technician to investigate possible water leaks back in August of 2023 and the district had not informed me of any leaks, as I was desperately trying to stop over flowing cattle water tanks. He said it was not surprising, as they had technicians that would drive out to possible leak sites and never get out of their trucks to investigate. This is pure laziness and contempt of their duties! Had the technician tested the PRV we would not be making this complaint. Later the water district reduced the March statement to \$71.76 after learning about the faulty PRV.

To me this confirmed that the MCWD faulty PRV had indeed lead to the numerous water leaks at the three cattle water tanks, three incoming water line bursts, shower faucet leak, and now the pressure relief valve on the hot water tank. All the fault of the MCWD not following their own rules and regulations as listed in the MCWD Rates & Charges and Rules & Regulations for Furnishing Water Service in Morgan County, Kentucky, Section II. Rules and Regulations, Letter R. Usage Investigation, Monitor Usage/Usage Investigation which reads:

- The utility at least quarterly monitors the customer's usage using its billing report. If a customer usage is unduly high and deviation cannot be explained the utility shall test the customer's meter to determine if the meter shows an average meter error greater than 2 (two) percent fast or slow.
- If an investigation of a customer's usage is necessary, the utility will notify the customer by telephone or in person either during or immediately after the investigation of the reasons for the investigation, and of the findings of the investigation.

This also explains the continuation of high water bills with additional water lines being damaged by high water pressure.

On April 9th I spoke to Mr. Elam about the issues I was having at the rental house and that I could not continue to pay high water bills because of the districts faulty PRV causing damage to my water lines and leaking water excessively. He said he understood and I did not have to pay any future water bills until we meet and resolve the issue. He said he would get back with me in a few days to set up a meeting. I never heard back from Mr. Elam, so I called him back on April 25th to set a meeting. He was reluctant to the meeting and said there was no more he could do and I needed to pay my bills and if I needed a payment plan he could help me with that. I told him absolutely not, and demanded a meeting.

On April 30th I finally meet with Mr. Elam after a very difficult time to get him to agree to discuss this complaint. I believe he thought if he avoided me, I would just go away and pay my bills. I refused and demanded a meeting. I explained the unfairness of having to pay high water bills due to his office not informing me of the leak detected in August 2023. I also provided information showing I had overpaid nearly \$500.00 in water bills and with more statements showing high water usage not yet paid, all because of the districts faulty PRV and the lack of employees not following through with their duties when the leak was detected. We also discussed the cost of plumbing repairs and damage the leaks were causing to the foundation of the house. I informed him that several plumbers had explained to me that when the water pressure reached the 148 pounds in this house, that I could see additional damage to water lines not yet detected. Mr. Elam agreed and said everything in the house would blow out at 150 pounds. Not much difference between 148 pounds and 150 pounds when the pressure should not exceed 50 pounds. I agreed and said this is exactly what his office has caused!

Mr. Elam said the water district was no longer responsible once the new PRV was installed on March 4, 2024. He said he had given me three water usage adjustments and he would not give any more, and he also indicated he was not responsible for his office employees not doing their jobs. I found Mr. Elam to be somewhat rude and disrespectful as I was questioning his office neglect of responsibilities. However, he said he would call the KY Public Service Commission and check to see if there was anything he could do as I had provided him good notes (see attachments) and he would let me know what they said. The following week (June 7), he informed me that the Public Service Commission would not allow the MCWD to adjust my water bills any further and that I could make a complaint to them and he gave me Rosemary Tutt's phone number to call. I immediately make the call to Ms. Tutt and start an informal complaint which she said she would contact MCWD to get information from Mr. Elam concerning the complaint. She also informed me that we could hopefully settle this complaint informally without doing this formal complaint that I am now doing. I made a return call to Ms. Tutt on June 23rd to explain the water district was threatening to turn off my water if she did call to let them know I had made an informal complaint. She did take care of that. However, she said Mr. Elam had not sent any information concerning my complaint. I explained to her that she needed to ask for a copy of the letters requesting water usage adjustments and leakage information/notes that I shared with Mr. Elam on April 30th. We further discussed a few updates about my additional leaks and MCWD employee (Donna) providing her some information about water bills going up and down and that my renters had called the MCWD complaining about me questioning them about water usage. The renters informed the district

that it was probably my cattle causing my water bills to go up. But we all now know that it was a faulty PRV and employees not doing their jobs! Ms. Tutt informed me on June 28th there was nothing from Mr. Elam that would support any assistance for me. I wonder what Mr. Elam provided, after all the shady actions he has admitted to and reported on in the ~~county~~ newspaper. I therefore informed her that I would make the formal complaint and ~~she said she~~ would send me the form and instructions. She also asks me to make payments on the ~~past four~~ months of water usage that was being questioned by me. We agreed on a fair price (\$40.00) for each month and I made the payment.

Things settle down for one month (3/18/24 to 4/17/24) with water usage about normal ~~with~~ only the rental house using water, but high water bills return again in May. My renters moved out of the rental house at the end of May and while cleaning the house for new renters on June 12, 2024, I could hear spewing water coming from underneath the house and it sounded like it was coming from multiple breaks. I shut off the water and I called a professional plumber to come in as there was lots of water standing under the house and the foundation was starting to shift and settle more. Things are getting worse and I need a better understanding of ~~what~~ water damage has been done to this rental house. On June 15th the plumbers arrive ~~and I~~ explain all that has happened to the house before and after finding out about the ~~districts~~ faulty PRV. The head plumber said he had heard about numerous complaints concerning the water district faulty PRVs and other issues. The plumbers find an additional two leaks from under the house and said they were in the soldered fittings on the copper pipe. They would return on June 17th to make the repairs at a charge of \$179.00 (see receipt). They also ~~said it~~ was caused by the high pressure finding a weakened spot in the solder. They informed me ~~this~~ could be the end of the leaks but could also just be the beginning of more leaks to come. What a nightmare!

How can a person retired and on a somewhat fixed income afford to pay these expenses that should have never occurred if people had done their jobs! So much contempt! This is unreasonable that a utility company can destroy someone's property with their inactions.

I have personally delayed the submission of this complaint as I needed to find out if we would have any more leaks after the June 17th repairs and to be sure the last billing statement (6/21/24 to 7/19/24) due August 10th would show normal water usage. It is again back to normal with use of 940 gallons and a charge of \$32.85 which I paid. I also checked under the house on Saturday, August 10th for leaks and found none. Therefore, I am hopeful the end is near as far as the leaking goes. Now, if we can settle this complaint as everyone should ~~see~~ I have been wronged by the MCWD.

I really have some hurtful feelings from Mr. Elam's treatment toward me concerning the complaint and the way MCWD personnel did not do their duty to inform me of a leak detected and a technician not checking for faulty equipment, but I understand that changes are occurring in the district with new board members. I hope the Public Service Commission and the ~~MCWD~~ could agree to drop the current/remaining \$298.22 owed on this account and call it even. As I have already overpaid for water use and repair expenses this past year. You should know this

complaint is not just about money but the principle of inactions of the MCWD. I no longer want to be a part of the MCWD \$40,000 per month "bleeding".

Another request that I hope your office can help me with; Mr. Elam had installed at this site a smart water meter/gage that I supposedly could download an App to my phone so I can monitor the daily water usage to help in learning about new leaks before they get out of hand. I have requested this information three times from Mr. Elam and he has never responded. Also, another request, water district customers across the commonwealth need to be informed about these PRVs as I have heard of numerous customers having problems with these. I'm sure they should be replaced every few years but I believe I have the original PRVs on my properties that were installed in 2000. I am 67 years old and have rented, owned, built/subcontracted, and managed properties in three states during my life and this is the first I have ever dealt with a faulty PRV. This issue has stressed me so that I would never wish another person to have to deal with it as I have.

Please feel free to contact me if you have questions or concerns. My phone numbers are [REDACTED] (land) and cell is [REDACTED]

Henry Heston Lacy

Attachments:

- Photos
- Receipts
- Notes for April 30th Meeting (Modified)
- Water Usage Statements
- Letters to MCWD

PHOTOS

- 1. Rental House**
- 2. 2 Cattle Water Tanks**
- 3. 1 Cattle Water Tank**
- 4. Incoming Water Line Burst (behind short blue/PEX pipe)**
- 5. Hot Water Tank Overflow Pipe Leak**
- 6. New Hot Water Tank Pressure Relief Valve and Parts**
- 7. Pressure Gage Showing Pressure from PRV**















RECEIPTS

- 1. 1/7/24 Three Incoming Water Line Burst Repairs**
- 2. 2/3/24 Shower Faucet Repair Kit**
- 3. 3/1/24 Hot Water Tank Parts (other parts on the receipts were returned)**
- 4. 6/5/24 Two Water Line Leaks Repaired**

RECEIPT

No. 850662

DATE 1-7-24

FROM Henry Heston Lacy

\$ 50.00

Fifty Dollars + 10/100 DOLLARS

☐ FOR RENT

☒ FOR Plumbing Repair 2315 Hwy 985

ACCT.	50.00	<input checked="" type="radio"/> CASH
PAID	50.00	<input type="radio"/> CHECK
DUE	0	<input type="radio"/> MONEY ORDER
		<input type="radio"/> CREDIT CARD

FROM H H Lacy TO Seth Chantler

BY: *Seth Chantler*

1152
F-4101

1

Rental

2

Frederick & May
Lumber Co. Inc.

919 Prestonsburg Street
P.O. Box 218
West Liberty, KY 41472
606-743-3136

CASH SALE

ITEM	QTY	SALE/REG	EXT
052151000095	1.00	1.99	1.99

662757 EACH
DELTA NEW SEAT/SPR KIT
S

*Shower
Handles*

SUBTOTAL \$	1.99
TAX \$	0.12
TOTAL \$	2.11

CASH	5.00
CHANGE	2.89

EMPLOYEE	TERM	INV#	TIME	DATE
17	3	235638	10:49	03-Feb-24

We're your source for
seasonal supplies and
all your hardware needs.

INVOICE



SCAN QR CODE FOR LOCAL ONLINE SALES

LOVE'S HOME CENTERS, LLC
100 KROGER CENTER
NORLEND, KY 40351 (E06) 780-2200

SALE

SALES#: S18002E3 5099602 IRJIS#: 2341674 03-01-24

7/1133 2 GALLON EXPANSION TANK 39.88
41.98 DISCOUNT EACH -2.10
23762 3/4-IN COUPLING CPVC 5010 0.59
0.62 DISCOUNT EACH -0.03
23761 1/2-IN COUPLING CPVC 50105 0.86
0.45 DISCOUNT EACH -0.02

2 0 0.43

87273 3/4-IN NIP X 2-IN PIPE 20.66
41.80 DISCOUNT EACH -0.55
2 0 10.53

83201 3/4-IN X 2-FT CPVC PIPE 3.26
3.43 DISCOUNT EACH -0.17

83203 1/2-IN X 2-FT CPVC PIPE 2.07
1.10 DISCOUNT EACH -0.11

83204 3/4-IN 90D ELL CPVC 50707 2.00
1.10 DISCOUNT EACH -0.05
2 0 1.00

871214 3/4-IN PEX SS CLAMPS 10-P 7.07
8.28 DISCOUNT EACH -0.41

362341 WTL 2-IN 1/P. RELIEF VAL 27.34
28.78 DISCOUNT EACH -1.44

818051 3/8-IN 1/2-IN FEMALE 0.53
0.90 DISCOUNT EACH -0.45

818212 1/2-IN PEX SS CLAMPS 10-P 6.25
6.50 DISCOUNT EACH -0.33

79260 80 IN X SHINE JAWBY PICKS 17.62 *Cham*
13.20 DISCOUNT EACH -0.66 *Coine*

877230 3/4-IN HEX NIPPLE 20.66
10.88 DISCOUNT EACH -0.55

2 0 10.33

1352891 3/4-INSDX1/2-IN FEMALE 10.30
9.60 DISCOUNT EACH -0.49

2 0 9.19

22644 3/4IN 1/2-IN 90D ELL PEX 470 1.42
0.75 DISCOUNT EACH -0.04

2 0 0.71

23754 3/8-IN ADAPTER CPVC 602 2.47
0.62 DISCOUNT EACH -0.13

3 0 2.49

23758 3/8-IN X 3/4-IN X 1/2-IN 1.03
1.00 DISCOUNT EACH -0.05
818060 1/2-IN SDX3/4 IN FEMALE 9.01
9.40 DISCOUNT EACH -0.47
818052 3/8-IN SD X 1/2-IN FEMALE 8.53
8.90 DISCOUNT EACH -0.45
23764 1/2 IN ALUMINUM 54925/949 2.30
2.51 DISCOUNT EACH -0.15
23765 1/2-IN MALE ADAPTER CPVC 0.70
0.74 DISCOUNT EACH -0.04
23766 3/4-IN MALE ADAPTER CPVC 0.92
0.97 DISCOUNT EACH -0.05
23767 3/4-IN MALE ADAPTER CPVC 9.77
10.20 DISCOUNT EACH -0.51
3606367 ROS 500 506 12Y ELEC RES 949.00
999.00 DISCOUNT EACH -49.92
107284 LCC SYSTEM USE ONLY 0.00

SUBTOTAL: 1,161.28

TAX: 69.68

INVOICE TOTAL: 1,230.96

LCC: 1,230.96

TOTAL DISCOUNT: 61.11

LCC: XXXXXXXX0964 Amount: 1,230.96 AMOUNT: 000000

SHEPHERD REFID:310283 03/01/24 19:53:13

STORE: 1808 TERMINAL: 02 03/01/24 19:57:54

OF ITEMS PURCHASED: 32

EXCLUDES FEES, SERVICES AND SPECIAL ORDER ITEMS



THANK YOU FOR SHOPPING LOVE'S.
FOR DETAILS ON OUR RETURN POLICY, VISIT
LOVES.COM/RETURN

A WRITTEN COPY OF THE RETURN POLICY IS AVAILABLE
AT OUR CUSTOMER SERVICE DESK

STORE MANAGER: RONNIE ARNOLD

LOVE'S PRICE PROMISE

FOR MORE DETAILS, VISIT LOVES.COM/PRICEPROMISE

* OFFICIAL RULES & WINNERS AT: WWW.LOVES.COM/SURVEY *

STORE: 1808 TERMINAL: 11 03/01/24 1.24.23

3

7

159121

Invoice

SOLO TO		SHIP TO	
Henry Pacy		6-15-24	
ADDRESS		ADDRESS	
2315 Hwy 905			
CITY, STATE, ZIP		CITY, STATE, ZIP	
Westfield Ky 40428		40428	
CUSTOMER ORDER NO.	SOLD BY	TERMS	F.O.B.
1147			
DATE			

ORDERED	SHIPPED	DESCRIPTION	PRICE	UNIT	AMOUNT
		repaired 2 busted			
		water line			
		Due to high	Parts		\$29.00
		water pressure	Labor		\$150.00
		Pay to: Melvin Arnett			
		CK# 1838	Total Due		\$179.00
		MND			

Notes for April 30 Meeting (Modified)

- 1. Water Usage from 12/18/22 to 7/19/24**
- 2. Compensation Considered for Following Dates Water District Did Not Inform Customer of Leak**

81

Water Usage For 2315 Hwy 205, West Liberty, KY

Acct # [REDACTED] (✓ = Yes / X = No)

Due Date	Usage Dates	Usage	Charge	Cattle	House
Feb '23	12/18/22 to 1/18/23	6760	\$95.30	✓	✓
March '23	1/18/23 to 2/19/23	7000	\$48.08	✓	✓
April '23	2/19/23 to 3/20/23	5580	\$81.94	✓	✓
May '23	3/20/23 to 4/17/23	3230	\$53.74	✓	Reduced to 3/24/23
June '23	4/17/23 to 5/19/23	?	\$52.16	✓	X
July '23	5/19/23 to 6/21/23	5370	\$79.50	✓	X
Aug '23	6/21/23 to 7/21/23	2150	\$93.85	✓	X

Leaks Began (Repaired 3 Cattle Water Tanks over this time)

Sept '23	7/21/23 to 8/18/23	14,840	\$176.75	✓	New Rod 8/1/23
Oct '23	8/18/23 to 9/21/23	14,650	\$174.76	✓	✓
Nov '23	9/21/23 to 10/24/23	15,490	\$183.10	✓	✓

Leaks Continue (Repaired 3 water line breaks under house) (Water Valve broke Cattle moved 11/1/24)

Dec '23	10/24/23 to 11/27/23	8780	\$112.32	X	✓
Jan '24	11/27/23 to 12/15/23	21,750	\$243.01 (Reduced to \$154.08)	X	✓
Feb '24	12/15/23 to 1/18/24	17,460	\$271.95 (Reduced to \$99.76)	X	✓

Leaks Continue (Repaired Hot Water Tank + Shower Faucets)

March '24	1/18/24 to 2/17/24	13,700	\$164.83 (Reduced to \$71.76)	X	✓
April '24	2/17/24 to 3/18/24	5,380	\$73.80 (12 days of leaking) (pd \$40)	X	✓

No Leaks

May '24	3/18/24 to 4/17/24	2840	\$43.11 + \$81.18 late Fee (pd \$40)	X	✓
---------	--------------------	------	--------------------------------------	---	---

(Water Usage Cont.)

2

<u>Due Date</u>	<u>Usage Dates</u>	<u>Usage</u>	<u>Charge</u>	<u>Cattle</u>	<u>How Paid</u>
	<u>Leaking Again</u> (Two more leaks detected under house) (paid \$40)				
June '24	4/17/24 to 5/20/24	10,110	\$131.38 + \$136.60 late fee	X	✓
July '24	5/20/24 to 6/21/24	14,030	(paid \$40) \$168.27 + \$73.12 late fee	X	new ✓

Paid Water Dist \$40 for each month (April, May, June, July)
for a total of \$160.00

	<u>No Leaks</u>				
Aug '24	6/21/24 to 7/17/24	940	(paid \$32.85) \$32.85 + \$298.22 late fee	X	new ✓

Compensation for Over Payment For Dates MCWD Did Not Inform Customer of Leak

(Estimated usage was determined by using water usage statement from 12/18/23 to 2/21/24 just prior to MCWD detecting the leak. Seven (7) months average usage comes to \$29.2 I rounded ^{up} the average use to \$100.00 to be on the safe side and also some months had no renters living in the house. That may have reduced water usage between \$10 and \$20) (cattle were moved off of property 11/5/23 and only house renters were using water. I used an estimated usage of \$45 the

<u>Due Date</u>	<u>Charged</u>	<u>Estimated Usage</u>	<u>Overpaid</u>
Sept. '23	\$176.75	\$100	\$76.75
Oct. '23	\$174.76	\$100	\$74.76
Nov. '23	\$183.10	\$100	\$83.10
Dec. '23	\$112.32	\$75 (cattle moved off of property)	\$37.32
Jan. '24	\$154.08 (Reduced)	\$45 (No Cattle - Renter Only)	\$109.08
Feb. '24	\$99.76 (Reduced)	\$45 (No Cattle - Renter Only)	\$54.76
March '24	\$71.76 (Reduced)	\$45 (No Cattle - Renter Only)	26.76
April '24	\$73.80 (Reduced to \$40)	\$40 - (Price agreed upon by Public Service Comm.)	-0-
May '24	\$43.16 (Reduced to \$40)	\$40 -	-0-
June '24	\$131.38 (Reduced to \$40)	\$40 -	-0-
July '24	\$168.27 (Reduced to \$40)	\$40 -	-0-
Aug. '24	\$32.85 (Personal Reduction)	\$32.85 (Personal Reduction)	-0-

NOTE: Overpaid MCWD from Sept. 2023 to March 2024 Approximately \$462.53. MCWD is requesting I pay \$298.22 in extra water usage & late fees caused by their faulty PRV and personnel neglecting their duties.

Water Usage Statement from 12/18/22 to 7/19/24

MORGAN COUNTY WATER DISTRICT
 1009 HWY. 172
 WEST LIBERTY, KY 41472
 PHONE: (606) 743-1200

OFFICE HOURS

MONDAY - FRIDAY
 8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 12/18/22 TO 01/16/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	190860	184100	6760	86.83
SC	Surcharge			5.87
LT				2.60

Mailed out 01-20-23
 On line payments available at
www.morgankywaterdistrict.com

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	104.24	02/10/23	95.30

MORGAN COUNTY WATER DISTRICT
 1009 HWY. 172
 WEST LIBERTY, KY 41472
 PHONE: (606) 743-1200

OFFICE HOURS
 MONDAY - FRIDAY
 8:00 AM - 4:00 PM

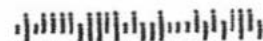
ACCOUNT [REDACTED] 01/18/23 TO 02/19/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	197860	190860	7000	89.47
SC	Surcharge			5.87
LT				2.68

Mailed out 02-24-23
 On line payments available at
www.morgankywaterdistrict.com

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	107.24	03/10/23	98.02



MORGAN COUNTY WATER DISTRICT
 1009 HWY. 172
 WEST LIBERTY, KY 41472
 PHONE: (606) 743-1200

OFFICE HOURS
 MONDAY - FRIDAY
 8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 02/19/23 TO 03/20/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	203440	197860	5580	73.85
SC	Surcharge			5.87
LT				2.22

Mailed out 03-23-23
 On line payments available at
www.morgankywaterdistrict.com

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	89.55	04/10/23	81.94



MORGAN COUNTY WATER DISTRICT
 1009 HWY. 172
 WEST LIBERTY, KY 41472
 PHONE: (606) 743-1200

OFFICE HOURS
 MONDAY - FRIDAY
 8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 03/20/23 TO 04/17/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	208670	203440	3230	46.48
SC	Surcharge			5.87
LT				1.39

Mailed out 04-21-23
 On line payments available at
www.morgankywaterdistrict.com

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	58.53	05/10/23	53.74

ADDRESS SERVICE REQUESTED

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
WEST LIBERTY, KY 41472
PERMIT NO. 23

PLEASE PRINT OR TYPE IN ALL INFORMATION

ACCOUNT		DUE DATE
[REDACTED]		06/10/23
AMOUNT DUE ON OR BEFORE DUE DATE	SAVE THIS	AMOUNT DUE AFTER DUE DATE
52.16	4.63	56.79

PRESORTED FIRST-CLASS
HENRY HESTON LACY
2048 HWY. 705
WEST LIBERTY KY

41472

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT		05/19/23		06/21/23	
SERVICE AT		2315 Hwy 705			
TYPE	PRESENT	PREVIOUS	USAGE	CHARGES	
WT	215140	209770	5370	71.54	
SC	Surcharge			5.87	
LT				2.15	
Mailed out 06-27-23 On line payments available at www.morgankywaterdistrict.com					
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE		AMOUNT DUE ON OR BEFORE DUE DATE	
R01	86.93	07/10/23		79.56	

MORGAN COUNTY WATER DISTRICT
009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT		06/21/23 TO 07/21/23		
SERVICE AT 2315 Hwy 705				
TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	222290	215140	7150	91.12
LT				2.73
Mailed out 7-26-23 On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE		AMOUNT DUE ON OR BEFORE DUE DATE
R01	103.24	08/10/23		93.89

ACCOUNT		07/21/23 TO 08/18/23		
SERVICE AT 2315 Hwy 705				
TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	237130	222290	14840	171.60
LT				5.15
Mailed out 8-24-23 On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE		AMOUNT DUE ON OR BEFORE DUE DATE
R01	176.75	09/10/23		176.75

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (505) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

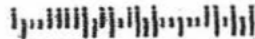
MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (505) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 08/18/23 TO 09/21/23

SERVICE AT 2315 Hwy 705

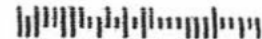
TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT LT	251780	237130	14650	169.67 5.09
Mailed out 9-27-23 On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE	
R01	192.24	10/10/23	174.76	



ACCOUNT [REDACTED] 09/21/23 TO 10/24/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT LT	267270	251780	15490	177.77 5.33
Mailed out 10-27-23 On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE	
R01	201.41	10/26/23	183.10	



MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (505) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 10/24/23 TO 11/27/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WTE LTE	276050	267270	8780	109.05 3.27
Mailed out 11-28-23 On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE	
R01	123.55	12/10/23	112.32	



MORGAN COUNTY WATER DISTRICT
609 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

Henry Laey
7-240-6

ACCOUNT [REDACTED] 11/27/23 TO 12/15/23

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	297800	278050	21750	235.93
LT				7.08

Mailed out 12-21-23
On line payments available at
www.morgankywaterdistrict.com

\$154.08

154.08
CIC 1794
RECEIVED

JAN 11 2024

MORGAN COUNTY WATER DISTRICT

Reduced



MORGAN COUNTY WATER DISTRICT
609 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

MORGAN COUNTY WATER DISTRICT
609 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 12/15/23 TO 01/18/24

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	315280	297800	17480	198.0
LT				5.81

Mailed out 1-25-24
On line payments available at
www.morgankywaterdistrict.com

\$99.76

ACCOUNT [REDACTED] 01/18/24 TO 02/17/24

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	328960	315280	13700	160.03
LT				4.80

Mailed out 2-27-24
On line payments available at
www.morgankywaterdistrict.com

71.76

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	222.15	02/10/24	201.95

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	181.31	03/10/24	164.83

Reduced

Reduced



WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

WEDNESDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 02/17/24 TO 03/18/24
SERVICE AT 23

ADDRESS SERVICE REQUESTED

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
WEST LIBERTY, KY 41472
PSN ID NO. 23

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	334340	328960	5380	71.65
LT				2.15

PLEASE BRING EITHER BILL TO OFFICE OR MAIL THIS STUB WITH PAYMENT

March 4 - hook fixed

*17 Days hook
13 Non hook*

Mailed out 3-22-24
On line payments available at
www.morgantownpostoffice.com

ACCOUNT		DUE DATE
[REDACTED]		04/10/24
AMOUNT DUE ON OR BEFORE DUE DATE	SAVE THIS	AMOUNT DUE AFTER DUE DATE
73.80	7.38	81.18

PRESORTED FIRST-CLASS
HENRY HESTON LACY
2048 HWY 705
WEST LIBERTY KY

41472

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	81.18	04/10/24	73.80



*Not Paid
hook Paid \$40*

J COUNTY WATER DISTRICT
Y. 172
BE KY 41472
HOME: (506) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT		02/17/24 TO 03/18/24		
SERVICE AT 2315 Hwy 705				
TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	334340	328960	5380	71.65
LT				2.15
March 4 - leak Fixed				
12 Days leak				
13 Non leak				
Mailed out 3-22-24				
On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE	
R01	81.18	04/10/24	73.80	

ADDRESS SERVICE REQUESTED

PRESORTED FIRST CLASS MAIL
U.S. POSTAGE PAID
WEST LIBERTY, KY 41472
PERMIT NO. 25

PLEASE BRING ENTIRE BILL TO OFFICE OR MAIL THIS STUDY WITH PAYMENT

ACCOUNT		DUE DATE
		04/10/24
AMOUNT DUE ON OR BEFORE DUE DATE	SAVE THIS	AMOUNT DUE AFTER DUE DATE
73.80	7.38	81.18

PRESORTED FIRST-CLASS
HENRY HESTON LACY
2048 HWY 705
WEST LIBERTY KY

41472

Not Paid
Later Paid \$40

Phone Call to Shannon Elan 4/9/24 (AM)

Do ^{Not} pay this month per Elan
Will set up meeting to discuss 6+ Months of leaks +
how to use new regulator / App installed on rental
house - Never called back!

Phone Call to Sh — Elan 4/25/24. ³⁴⁰ Report Mting!

Appt Tuesday 4/30/24 1:00pm

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472

LOUISVILLE KY 400



ADDRESS CORRECTION REQUESTED

11 APR 2024 PM 3 L

ACCOUNT	CUT-OFF DATE	ACCOUNT	
[REDACTED]	04/25/24	[REDACTED]	04/25/24
	TOTAL AMOUNT DUE		TOTAL AMOUNT DUE
04/24/24	\$81.18	04/24/24	\$81.18
SERVICE AT			
2315 Hwy 705			

IMPORTANT

OUR RECORDS INDICATE THAT YOUR ACCOUNT IS PAST DUE. TO AVOID TERMINATION OF SERVICE, PLEASE PAY THE AMOUNT DUE BEFORE THE DUE DATE LISTED ABOVE.

FOR RECONNECTION DURING WORK HOURS, 8 AM - 4 PM, A \$17.40 FEE WILL BE CHARGED TO YOUR ACCOUNT. A DISCONNECT FEE OF \$45.00 WILL APPLY.

IF PAYMENT HAS BEEN MADE, PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

PLEASE PRINT NAME AND ADDRESS ON MAIL, IF NOT WITH PAYMENT

SNGCP

Henry Heston Lacy
2048 Hwy 705
West Liberty, KY
41472

MAIL TO:

11472-723548



ORGAN COUNTY WATER DISTRICT
208 HWY 705
WEST LIBERTY, KY 40472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
6:00 AM - 4:00 PM

ACCOUNT

03/18/24 TO

04/17/24

ADDRESS SERVICE REQUESTED

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
WEST LIBERTY, KY 40472
PERMIT NO. 25

SERVICE AT 2315 Hwy 705

TYPE PRESENT PREVIOUS USAGE CHARGES

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
BF	Balance Forward			81.18
WT	337180	334340	2840	41.85
LT				124.29

No leaks!

Mailed out 4-24-24

On line payments available at
www.marylandwaterdistrict.com

43.11
No usage

ACCOUNT	DUE DATE
	05/10/24
DUE ON OR BEFORE DUE DATE	SAVE THIS
124.29	4.31
	128.60

PRESORTED FIRST-CLASS
HENRY HESTON LACY
2048 HWY 705
WEST LIBERTY KY

41472

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R01	128.60	05/10/24	124.29



Not Paid
Later Paid \$40

ADDRESS CORRECTION REQUESTED

13 MAY 2024 PM 4 L

ACCOUNT	CUT-OFF DATE	ACCOUNT	POSTAGE
[REDACTED]	05/24/24	[REDACTED]	1
DUE DATE	TOTAL AMOUNT DUE	DUE DATE	
05/23/24	\$128.60	05/23/24	\$128.60
SERVICE AT	2315 Hwy 705		

IMPORTANT

OUR RECORDS INDICATE THAT YOUR ACCOUNT IS PAST DUE. TO AVOID TERMINATION OF SERVICE, PLEASE PAY THE AMOUNT DUE BEFORE THE DUE DATE LISTED ABOVE.

FOR RECONNECTION DURING WORK HOURS, 8 AM - 4 PM, A \$17.40 FEE WILL BE CHARGED TO YOUR ACCOUNT. A DISCONNECT FEE OF \$45.00 WILL APPLY.

IF PAYMENT HAS BEEN MADE, PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

1472-603503



PLEASE PRINT NAME AND ADDRESS
DO NOT WRITE IN THESE SPACES

SNGLP

Henry Heston Lacy
2048 Hwy 705
West Liberty, KY
41472

MAIL TO:

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172 -
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED]
SERVICE AT 2315 Hwy 705

04/17/24 05/20/24

ADDRESS SERVICE REQUESTED

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
WEST LIBERTY, KY 41472
PERMIT NO. 25

PLEASE BRING ENTIRE BILL TO OFFICE OR MAIL THIS STUB WITH PAYMENT

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
BF	Balance Forward			128.80
WT	10110	0	10110	127.55
WTC	337570	337180	390	
LT				3.83

Mailed out 5-23-24
On line payments available at
www.morgancountywaterdistrict.com

131.39
M. W. Case

ACCOUNT	DUE DATE
[REDACTED]	08/10/24
AMOUNT DUE ON OR BEFORE DUE DATE	SAVE THIS
259.98	13.14
AMOUNT DUE AFTER DUE DATE	273.12

PRESORTED FIRST-CLASS
HENRY HESTON LACY
2048 HWY 705
WEST LIBERTY KY

41472

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
R02	273.12	08/10/24	259.98



Not Paid
before Paid #40

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472

ADDRESS CORRECTION REQUESTED

ACCOUNT	CUT-OFF DATE	ACCOUNT	
[REDACTED]	06/28/24	[REDACTED]	
DUE DATE	TOTAL AMOUNT DUE	DUE DATE	TOTAL AMOUNT DUE
06/25/24	\$273.12	06/25/24	\$273.12
VICE			
ST	2315 Hwy 705		

IMPORTANT

MAIL TO:

OUR RECORDS INDICATE THAT YOUR ACCOUNT IS PAST DUE. TO AVOID TERMINATION OF SERVICE, PLEASE PAY THE AMOUNT DUE BEFORE THE DUE DATE LISTED ABOVE.

FOR RECONNECTION DURING WORK HOURS, 8 AM - 4 PM, A \$17.40 FEE WILL BE CHARGED TO YOUR ACCOUNT. A DISCONNECT FEE OF \$45.00 WILL APPLY.

IF PAYMENT HAS BEEN MADE, PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

PLEASE BRING ENTIRE BILL TO OFFICE
OR MAIL THIS STUB WITH PAYMENT

SNGLP
Henry Heston Lacy
2048 Hwy 705
West Liberty, KY
41472



ACCOUNT 05/20/24 TO 06/21/24

ADDRESS SERVICE REQUESTED

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
EAST LIBERTY, KY 41472
PERMIT NO. 25

SERVICE AT 2315 Hwy 705

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
BF	Balance Forward			273.12
WT	24140	10110	14030	163.37
LT				4.90
				169.77
Mailed out 6-25-24 On line payments available at www.morgankywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE	
R02	458.22	07/10/24	441.39	

PLEASE PRINT BEFORE MAIL TO OFFICE OR MAIL THIS STUB WITH PAYMENT

ACCOUNT	DUE DATE
	07/10/24
441.39	16.83
	458.22

PRESORTED FIRST CLASS
HENRY HESTON LACY
2048 HWY 705
WEST LIBERTY KY

41472



Not Paid
Water Paid \$40

Tenant [REDACTED]

(Henry Heston Lacy)

Service At 2315 Hwy 205-

<u>Dates</u>	<u>Due Date</u>	<u>Payment</u>
2/17/24 to 3/18/24	4/10/24	\$40.00
3/18/24 to 4/17/24	5/10/24	\$40.00
4/17/24 to 5/20/24	6/10/24	\$40.00
5/20/24 to 6/21/24	7/10/24	\$40.00

Total Payment for Prior Service (7/10/24) ck # 1848
\$160.00

* NOTE: Payment is being made as a request from the Public Service Commission for a monthly payment for the on-going complaint against the Morgan County Water District. Monthly payment was agreed on as a fair payment for said property.

Henry Heston Lacy
7/10/24

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1200

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED] TO

SERVICE AT

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
------	---------	----------	-------	---------

Henry Lacy
4 months

JUL 10 2024

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE
-------	---------------------------	----------	----------------------------------

MORGAN COUNTY WATER DISTRICT

160.00

40 X 4 \$160

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472

LOUISVILLE KY 400

MORGAN COUNTY WATER DISTRICT
1009 HWY. 172
WEST LIBERTY, KY 41472

ADDRESS CORRECTION REQUESTED JUL 2024 PM 4 L

ACCOUNT	CUT-OFF DATE	ACCOUNT	POSTCARD
[REDACTED]	07/29/24	[REDACTED]	07/29/24
DUE DATE	TOTAL AMOUNT DUE	DUE DATE	TOTAL AMOUNT DUE
07/26/24	\$298.22	07/26/24	\$298.22
SERVICE AT	2315 Hwy 705		

IMPORTANT

OUR RECORDS INDICATE THAT YOUR ACCOUNT IS PAST DUE. TO AVOID TERMINATION OF SERVICE, PLEASE PAY THE AMOUNT DUE BEFORE THE DUE DATE LISTED ABOVE.

FOR RECONNECTION DURING WORK HOURS, 8 AM - 4 PM, A \$17.40 FEE WILL BE CHARGED TO YOUR ACCOUNT. A DISCONNECT FEE OF \$45.00 WILL APPLY.

IF PAYMENT HAS BEEN MADE, PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

SNGL

MAIL TO:

Henry Heston Lacy
2048 Hwy 705
West Liberty, KY
41472

FOR INFORMATION ONLY
PLEASE DO NOT WRITE TO THIS NUMBER

1472-723548



Account



(Henry Hester Lacy)

Service At 2315 Hwy 705

Dates

6/21/24 to 7/19/24

Due Date

8/10/24

Payment

32.85 (CH#185)

* NOTE: Payment is being made as a request from the Public Service Commission for a monthly payment for the on-going complaint against the Morgan County Water District. This particular monthly payment is based on actual water usage for the aforementioned date. It appears water usage is getting back to normal after numerous repairs from the blow outs caused by the districts faulty Pressure Regulator Valve.

MORGAN COUNTY WATER DISTRICT
1008 HWY. 172
WEST LIBERTY, KY 41472
PHONE: (606) 743-1204

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT [REDACTED] 08/21/24 TO 07/18/24
SERVICE AT 2315 Hwy 705

ADDRESS SERVICE REQUESTED

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
WEST LIBERTY, KY 41
PERMIT NO. 25

PLEASE BRING ENTIRE BILL TO OFFICE OR MAIL THIS SLIP WITH PAYMENT

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
BF WT LT	Balance Forward 25080	24140	940	298.22 31.89 0.96
Mailed out 7-24-24 On line payments available at www.morgancountywaterdistrict.com				
CLASS	AMOUNT DUE AFTER DUES ARE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE	
R02	334.36	08/10/24	331.07	

ACCOUNT	DUE DATE
[REDACTED]	08/10/24
AMOUNT DUE ON OR BEFORE DUE DATE	SAVETHIS
331.07	3.29
334.36	

PRESORTED FIRST-CLASS
HENRY HESTON LACY
2048 HWY 705
WEST LIBERTY KY

41472



MORGAN COUNTY WATER DISTRICT
205 HWY. 192
WEST LIBERTY,
MO 64086

OFFICE HOURS
MONDAY - FRIDAY
8:00 AM - 4:00 PM

ACCOUNT

TO

SERVICE AT

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
H. Lacy				
RECEIVED				
AUG - 9 2024				
Morgan County Water District				
32.85				

CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	AMOUNT DUE ON OR BEFORE DUE DATE

Letters to MCWD for Water Usage Adjustment

- 1. January 9, 2024**
- 2. February 6, 2024**

Henry Heston Lacy
2048 Highway 705
West Liberty, KY 41472

January 9, 2024

Morgan County Water District
1009 Hwy 172
West Liberty, KY 41472

Dear Water District Personnel:

Upon receipt of my water statement (Account [REDACTED] for 2315 Hwy 705, West Liberty KY, 41472, which covers my rental house and cattle water tanks, I knew then there had to be a mistake as all my cattle had been removed from the property on November 15, 2023, and only the rental house was using that county water. The rental house water usage alone is normally \$30.00-\$40.00 monthly and I cover that expense for the renters.

After checking the cattle water tanks and finding no leaks, I knew the leak had to be coming from the rental house or an underground water line. Upon looking under the house I found the incoming water line had several holes and leaking severely. My renter, Seth Chambers is a plumber by trade and assisted me in making repairs. I had the parts already on hand to make the repairs and paid Mr. Chambers \$50.00 cash (see receipt) assisting me with the repairs

Therefore, I am requesting a one-time water usage adjustment for the 2315 Hwy 705 West Liberty, KY 41472, rental property during the 11-27-2023 to 12-15-2023 usage time. Thank you for your consideration.

Sincerely,



Henry Heston Lacy

Attachment:

RECEIPT

No. 850662

DATE 1-7-24

FROM Henry Heston Lacy \$ 50.00

Fifty Dollars & 10/100 DOLLARS

☐ FOR RENT
☒ FOR Plumbing Repair 2315 Hwy 985

ACCT.	<u>50.00</u>	<input checked="" type="radio"/> CASH
PAID	<u>50.00</u>	<input type="radio"/> CHECK
DUE	<u>0</u>	<input type="radio"/> MONEY ORDER
		<input type="radio"/> CREDIT CARD

FROM H H Lacy TO Seth Chantey
BY Seth Chantey 1152
T-4161

Henry Heston Lacy
2048 Highway 705
West Liberty, KY 41472

February 6, 2024

Shannon Elam, General Manager
Morgan County Water District
1009 Hwy 172
West Liberty, KY 41472

Dear Mr. Elam:

I am requesting an extension of the one-time leak adjustment approved on January 11, 2024 for account [REDACTED] at 2315 Hwy 705, West Liberty KY, 41472. Please see the attached letter provided to Morgan County Water District (MCWD) on that date. This request is a continuation of the one-time water leak adjustment because the water leak repair was not made until January 7, 2024 and the latest billing cycle runs from December 15, 2023 to January 18, 2024, thus an additional 24 days of excessive water usage/loss due to the leak in the latest billing cycle.

You should know that MCWD personnel informed me on January 11, 2024 when providing the aforementioned letter and making payment that the water leak had started in August 2023 and they sent out a service person to investigate. However, I was never informed of the leak and was never suspicious because of drought like weather with cattle drinking county water. I did become suspicious when cattle were removed from the property and water bills continued to be extremely higher than normal.

Is this an ethical way to treat loyal customers? Hopefully you will understand this is the same leak expanding multiple payment cycles and provide an additional adjustment as I feel I was wronged in not being informed of the leak by MCWD.

Please feel free to contact me at my home address or call me at [REDACTED] Thank you for your consideration.

Sincerely,


Henry Heston Lacy

Attachment

APPENDIX C

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2024-00325 DATED DEC 20 2024

FIVE PAGES TO FOLLOW



Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

300 Sower Boulevard
Frankfort, Kentucky 40601
Phone: (502) 564-2150
Fax: 502-564-4245
April 12, 2024

Rebecca Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

CERTIFIED MAIL: **7022 3330 0000 8881 5862**
RETURN RECEIPT REQUESTED

SHANNON ELAM
MORGAN COUNTY WATER DISTRICT
1009 HWY 172
WEST LIBERTY, KY 41472

Re: **NOTICE OF VIOLATION**
AI ID: 34040
PWSID: KY0880594
PWS NAME: MORGAN COUNTY WATER DISTRICT
COUNTY: MORGAN

Dear Ms. Elam:

The Kentucky Department for Environmental Protection (DEP) has issued the enclosed Notice of Violation for violations discovered at your facility. Please review this Notice of Violation carefully to ensure that all remedial measures are completed by the specified deadlines.

Failure to comply with all remedial measures could result in enforcement action and the assessment of penalties. Your cooperation and attention to this matter is appreciated. If you have any questions, please contact Tekoyia Brown at (502)782-6902 or email at tekoyia.brown@ky.gov.

Sincerely,

 Recoverable Signature



Alicia Jacobs
Branch Manager
Drinking Water Branch
Division of Water

C: Drinking Water Program files
Enclosure

@KentuckyEEC | EEC.KY.GOV

TEAM 
KENTUCKY.

**COMMONWEALTH OF KENTUCKY
ENERGY & ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Water**

NOTICE OF VIOLATION

To:
MORGAN COUNTY WATER DISTRICT
1009 HWY 172
WEST LIBERTY, KY 41472

PWSID: KY0880594
PWS Name: MORGAN COUNTY WATER DISTRICT **AI ID:** 34040
County: MORGAN
Violation Number: 2024 - 9950622
Determination Date: 04/12/2024
Compliance Period: 02/01/2023 - 02/29/2023
Violation Type: MD MINIMUM DS RESIDUAL
PWS Facility: 0880594DS001 DISTRIBUTION - MORGAN COUNTY WATER DISTRICT
Contaminant: 0999 CHLORINE

Public Water Systems are subject to the requirements of 401 KAR Chapter 8. [401 KAR 8:020 Section 1]
This is to advise that you are in violation of the provision(s) cited below:

Description of Non Compliance:

401 KAR 8:020 & 8:150 CHLORINE The public water system failed to report on the MOR an adequate number of results for disinfectant residual in the distribution system for the compliance period 02/01/2023 - 02/28/2023.

Comments: SDRD: Failed to collect and report minimum daily chlorine residual samples throughout the distribution system (MOR p.7) on the days 3-4 10-11 15-28 for February 2024.
System submitted letter reporting that sample results had been falsified.

The remedial measure(s) and date(s) to be completed by are as follows:

Submit the data, if available, to the Division of Water within thirty (30) days of receipt of this Notice of Violation. If data isn't available, Collect and report all required samples for the next compliance period, and submit within 10 days after the next compliance period.

Violations of the above cited statutes and/or regulations are subject to a civil penalty. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

Detailed information about your water system's violations & monitoring requirements can be easily accessed on Kentucky Drinking Water Watch at <http://dep.gateway.ky.gov/DWW/>


If you have questions or need further information regarding MOR Compliance contact Tekoyia Brown at (502)782-6902 or email at tekoyia.brown@ky.gov.

ALL DOCUMENTATION MUST BE SUBMITTED TO:

Drinking Water Branch
Division of Water, Department for Environmental Protection
300 Sower Boulevard
Frankfort, KY 40601

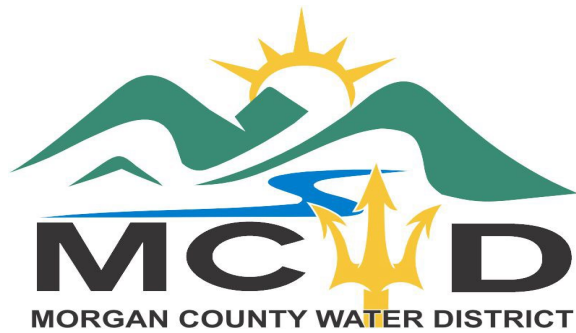
 Recoverable Signature

Issued By: _____


Alicia Jacobs
Branch Manager
Drinking Water Branch
Division of Water

Date: April 12, 2024

How Delivered: Certified/Registered #



Establish 1992

Board of Commissioners

Brian Wells, Chairman
Zach Engle, Secretary
Steve Gunnell
Raina Helton
Steve Clark

Quality on Tap

In regard to Andy Legg,

On February 18th, 2024, a grievance letter was presented to the General Manager of MCWD, Shannon Elam. In the letter, wrote by the Human Resources department, internal complaints had been made about his actions while on the job. Instances of favoritism, incorrect documentation of time sheets, and neglect while in a supervisor role. From there Shannon Elam decided to do an internal investigation of Mr. Legg before any punishments were set forth.

On February 21st, 2024, Shannon decided to pull up the GPS tracking system that is attached to every company vehicle. He noticed a sporadic pattern on Mr. Leggs tracker. He would stay gone almost 80% of the day, driving around the county. His patterns were in no particular order and would almost certainly be described as “cruising around”. From there Shannon decided to compare the monthly MOR report to Andys GPS tracker. What was found was that Andy was not only forging what was put on the documentation, at times he was completely neglecting to pull them at the correct time and at the correct locations.

Shannon then compiled the evidence and had the HR officer double check and make sure they saw what he also saw. From there, November and December north sites were looked at. In November of 2023 on the North Side, 10 out of the 13 samples were inaccurate. According to the GPS, no company vehicles were at said location, at said date that day. To go even further, we looked the day before and the day after to see if something came up and they were pulled on the following day or possibly the day before, and once again no trucks were there. In December, 7 out of 13 samples were inaccurate as well. After these findings, Mr. Elam self-reported the situation to our inspector with the DOW, James Bevins.

On February 27th, 2024, Shannon and HR brought Mr. Legg into the office to discuss the findings. We presented what we found, and Mr. Legg denied everything, even when presenting him with the GPS reports of that day. We then gave Mr. Legg the option to resign from his role as Field Manager or be terminated immediately. He chose to resign and signed his resignation form that evening. After Mr. Legg was sent home, we also interviewed Mr. John Coffey. Mr. Coffey was with Andy nearly every single day

and was also training for compliance. He also wrote out a statement that at times they wouldn't pull free and total samples together at the same time, but rather would only pull free.

From this incident, we feel that it is very important for the Division of Water to look into this incident more. With this being said, Mr. Legg is being considered for a job by the City of West Liberty. We feel like his gross negligence is a hazard to public safety. Morgan County Water District has worked very hard for the last four years to not only stay in compliance with the DOW but have a trusting relationship with them. We don't want this incident to be what tarnishes the dedication and hard work we have put forth in the past years.

Chris Adams
1009 Hwy 172
West Liberty, KENTUCKY 41472

Patty Cordeiro
1009 Hwy 172
West Liberty, KENTUCKY 41472

Ellen Motley
1009 Hwy 172
West Liberty, KENTUCKY 41472

*Morgan County Water District
1009 Hwy 172
West Liberty, KY 41472

*Jim Gazay
Morgan County Judge Executive
450 Prestonsburg Street
West Liberty, KENTUCKY 41472

*John Coffey
General Manager
Morgan County Water District
1009 Hwy 172
West Liberty, KY 41472