

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION FOR TRANSFER)
OF OWNERSHIP FROM ODF PROPERTIES,) CASE NO. 9398
INC., TO BOONE AIRE HOMEOWNERS)
ASSOCIATION, INC.)

O R D E R

At the hearing scheduled for January 30, 1986, the parties should be prepared to address the following issues: to determine whether the transfer of ownership from ODF Properties, Inc., to Boone Aire Homeowners Association, Inc., should be approved by the Commission; whether Boone Aire Homeowners Association, Inc., has made the improvements to the utility's property outlined in numbered paragraph 10 on page 3 of the attached report, marked as Exhibit A, dated August 12, 1985; and to determine whether the evidence shows that Boone Aire Homeowners Association, Inc., is subject to the jurisdiction of this Commission as a utility defined under KRS 278.010(3)(f).

Done at Frankfort, Kentucky, this 3rd day of January, 1986.

PUBLIC SERVICE COMMISSION

Richard D. Deman
For the Commission

ATTEST:

Secretary

REPORT

TO: Claude G. Rhorer, Jr., Director *CR*
Division of Utility Engineering
and Services

FROM: Larry N. Updike *L.N.U.*
Utility Investigator, Chief
Water and Sewage Section

RE: Investigation of the Transfer of Ownership of
a Sewage Treatment Plant owned by ODF
Properties, Inc., to the Boone Aire Homeowners
Association, Inc.

DATE: August 12, 1985

BRIEF

On July 16, 1985, the Division of Engineering and Services received a request from the Office of the Secretary to conduct an investigation of a sewage treatment facility owned by ODF Properties, Inc., located in the Covington, Kentucky, area to determine: (a) whether or not ownership of the sewage treatment system owned by ODF Properties, Inc., has been transferred to the Boone Aire Homeowners Association, Inc., (b) if the company is operating as a public utility pursuant to state laws and regulations, and (c) the conditions under which the utility is operating at the current time.

A field investigation was conducted on July 25, 1985, in order to establish the operating condition of the sewage treatment system. Providing assistance and information concerning the operation was John Hornbeck, Sanitarian for the Department of Natural Resources for the Covington area.

Report - ODF Properties, Inc.
August 12, 1985
Page Two

On August 10, 1985, Mr. George Evans, Real Estate Officer for ODF Properties, Inc., was contacted by telephone concerning conditions of transfer of ownership of the sewage treatment system from ODF Properties, Inc., to Boone Aire Homeowners Association, Inc.

INVESTIGATION

During the investigation the following information was revealed:

1. The plant was constructed in 1974 or 1975.
2. The plant's capacity is 70,000 gallons per day.
3. The plant serves approximately 29 apartments and/or homes.
4. Mr. James G. Wolterman, the attorney filing the application for transfer of ownership of the sewage treatment system from the current owners, ODF Properties, Inc., to the Boone Aire Homeowners Association, Inc., is acting as legal counsel for both parties.
5. Mr. George Evans stated that the ownership of the sewage treatment plant with all pertinent easements and permits would be transferred to Boone Aire Homeowners Association, Inc., at no charge.
6. Boone Aire Condominium Association, as customers of the Boone Aire Estates Sewage Treatment System, consented to the transfer of the sewage treatment plant, together with pertinent easements and permits, from current owner, ODF

Properties, Inc., to Boone Aire Homeowners Association, Inc., a Kentucky non-profit, non-stock corporation.

7. Mr. Charles E. Eggers, a certified plant operator, now operates the plant for ODF Properties, Inc., and will continue to operate the plant for Boone Aire Homeowners Association, Inc., after the transfer of ownership.

8. The Boone Aire Homeowners Association, Inc., is ready, willing and able to maintain and operate the sewage treatment system.

9. ODF Properties, Inc., is ready, willing and able to transfer ownership of its sewage treatment system to Boone Aire Homeowners Association, Inc., as soon as the transfer is approved.

10. The following improvements are needed on the plant to be in compliance with the Kentucky Revised Statutes (KRS 278) and Public Service Commission (PSC) Regulations (807 KAR): (1) One blower needs to be replaced. (2) All diffusers need to be inspected and repaired or replaced. (3) The comminutor needs to be replaced. (4) The plant needs a general clean-up.

CONCLUSIONS

This report makes the following conclusions for further consideration:

1. The Boone Aire Homeowners Association, Inc., is ready, willing and able to assume ownership, maintenance and

Report - ODF Properties, Inc.
August 12, 1985
Page Four

operation of the sewage treatment system owned by ODF Properties, Inc.

2. ODF Properties, Inc., is ready, willing and able to transfer ownership of its sewage treatment plant, together with pertinent easements and permits to the Boone Aire Homeowners Association, Inc.

3. Mr. Charles E. Eggers, a certified sewage treatment plant operator, is going to operate the sewage treatment plant for the Boone Aire Homeowners Association, Inc., after the transfer of ownership.

4. The Homeowners Association should be required to file, if it still falls under PSC jurisdiction after the transfer of ownership, all documents and make all necessary improvements to bring the utility into compliance with KRS 278 and 807 KAR.

5. The transfer of ownership of the sewage treatment system owned by ODF Properties, Inc., to Boone Aire Homeowners Association, Inc., be approved.

LNU:mfb