

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF POSSIBLE)	
VACANCY ON THE BOARD OF)	CASE NO.
COMMISSIONERS OF NORTH MCLEAN COUNTY)	2025-00397
WATER DISTRICT DUE TO DALE CHANDLER'S)	
ALLEGED VIOLATION OF KRS 74.020(8)(B))	

ORDER

The Commission, on its own motion, establishes this case to investigate whether a vacancy exists on the North McLean County Water District's (North McLean District) board of commissioners (Board) due to one Board member, Dale Chandler, allegedly failing to attend the required 12-hour new commissioner training within 12 months of his appointment to North McLean District's Board.

LEGAL STANDARD

KRS 74.020(8)(b) states:

Within twelve (12) months of initial appointment, each commissioner shall complete the program of instruction described in paragraph (a) of this section. Except as provided in subsection (9) of this section, any commissioner who fails to complete the program within twelve (12) months of his or her initial appointment shall forfeit his or her office and all right to act in discharge of the duties of the office. A commissioner required to attend a program under this subsection shall be reimbursed for the cost of instruction by his or her water district.

KRS 74.020(9) states, "The Public Service Commission may grant a reasonable extension of time, not to exceed six (6) months, for completing the training requirements of subsections (6), (7), and (8) of this section for good cause shown."

KRS 74.020(4) states:

Vacancies shall be filled by the same appointing authority which is empowered to make the original appointment. Vacancies resulting from cause other than expiration of the term shall be filled for the unexpired term only. Notwithstanding KRS 67.710, a vacancy resulting from the expiration of a term or the death, resignation, or removal of the incumbent shall be filled by the Public Service Commission if, within ninety (90) days following the vacancy, the vacancy has not been filled by the appropriate county judge/executive with the approval of the fiscal court.

DISCUSSION

On June 17, 2025, North McLean District filed an application with the Commission requesting an adjustment to its water service rates pursuant to 807 KAR 5:076.¹ As part of this application, North McLean District provided information related to its current Board members and stated that the current Board consists of five members: Keith M. Ayer; Russell W. Bell; Dale Chandler; Gary M. Floyd; and Carrol B. Troutman. North McLean District provided water commissioner training records for two of its commissioners, but stated that Carrol Troutman, Dale Chandler, and Gary M. Floyd never completed the required 12 hours of training as required by KRS 74.020(8)(a)-(b).²

In the final Order of Case No. 2025-00009, the Commission found that, although there were no records indicating that Gary M. Floyd or Carrol Troutman ever attended the initial water commissioner training as required by KRS 74.020(8)(a)-(b), both began their service as a water commissioner on behalf of North McLean District before the

¹ Case No. 2025-00009, *Electronic Application of North McLean County Water District for an Alternative Rate Filing Adjustment* (filed June 17, 2025), Application.

² Case No. 2025-00009, Jan. 1, 2026 Order at 15.

requirements of the statute came into effect via statutory amendment on July 15, 2010.³ However, the Commission found that, because North McLean District's Annual Report filings with the Commission indicated that Dale Chandler was initially appointed as a water commissioner during the year 2012, which is clearly after the statutory amendment to KRS 74.020(8)(a)-(b) went into effect, a separate investigation should be established to investigate if a violation of KRS 74.020(8)(a)-(b) had occurred. Additionally, if a violation has occurred, to investigate whether a possible vacancy currently exists on the board of commissioners of North McLean District.⁴

Accordingly, the Commission finds this proceeding should be initiated to determine whether a vacancy exists on the North McLean District's Board due to Mr. Chandler allegedly failing to attend the required 12-hour new commissioner training in violation of KRS 74.020(8)(b) and to determine if a Board vacancy exists.

If the Commission finds that a vacancy exists, and that it existed for more than 90 days, the Commission will then proceed to identify qualified candidates for appointment to the position. To ensure that a wide range of candidates are considered, the Commission will permit all interested persons the opportunity to nominate candidates for the position and will then determine whether each of these candidates meets the constitutional and statutory requirements for the office of water district commissioner and, of those candidates that meet these requirements, who is best suited to sit on the Board.

³ Case No. 2025-00009, Jan. 1, 2026 Order at 16–17.

⁴ Case No. 2025-00009, Jan. 1, 2026 Order at 33–34.

The Commission directs North McLean District to provide an answer within 45 days of the date of service of this Order, explaining whether Mr. Chandler is still serving as a water commissioner and whether he has satisfied the requirements of KRS 74.020(8)(b).

The Commission directs that a copy of this Order shall be served upon the McLean County Judge/Executive, the McLean County Fiscal Court, the McLean County Attorney, and North McLean District's Board to notify them of this proceeding.

IT IS THEREFORE ORDERED that:

1. This proceeding is initiated to determine whether a vacancy exists on the North McLean District's Board.
2. North McLean District shall be served by electronic mail at the electronic mail address for North McLean District on file with the Commission in accordance with 807 KAR 5:006, Section 3.
3. North McLean District shall, by counsel, file an answer within 45 days of the date of service of this Order.
4. Any party filing documents with the Commission shall serve a copy of those documents upon all parties. Unless otherwise ordered by the Commission, the procedures set for in 807 KAR 5:001, Section 8, related to service and electronic filing of papers shall be followed in this proceeding.
5. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085⁵ regarding filings with the Commission. Electronic

⁵ 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.

documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

6. The Executive Director shall serve, by U.S. mail, a copy of this Order upon the McLean County Judge/Executive, the McLean County Fiscal Court, the McLean County Attorney, and North McLean County's Board of Commissioners.

7. Nothing contained in this Order shall prevent the Commission from entering further Orders in this matter.

PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:

 

Executive Director



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