

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) CASE NO. 2015-00039
THE CITY OF AUGUSTA)

**BRACKEN COUNTY WATER DISTRICT'S SECOND REQUEST FOR
INFORMATION TO THE CITY OF AUGUSTA, KENTUCKY**

Pursuant to the Commission's Order of March 18, 2015, Bracken County Water District ("Bracken District") respectfully submits the following requests for information to the City of Augusta, Kentucky ("Augusta"), to be answered no later than April 27, 2015.

Instructions

1. As used herein, "Documents" include all correspondence, memoranda, notes, email, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of, or accessible to, Augusta, its witnesses, or its counsel.
2. Please identify by name, title, position, and responsibility the person or persons answering each of these data requests.
3. These requests shall be deemed continuing so as to require further and supplemental responses if Augusta receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.
4. To the extent that the specific document, work paper, or information as requested does not exist, but a similar document, work paper, or information does exist, provide the similar document, work paper, or information.

5. To the extent that any request may be answered by a computer printout, spreadsheet, or other form of electronic media, please identify each variable contained in the document or file that would not be self-evident to a person not familiar with the document or file.

6. If Augusta objects to any request on the ground that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel as soon as possible.

7. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; and the nature and legal basis for the privilege asserted.

8. In the event any document requested has been destroyed or transferred beyond the control of Augusta, its counsel, or its witnesses, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer. If such a document was destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than a reference to the record where the document is located.

Requests for Information

1. State the total number of employees that the City of Augusta, Kentucky (“Augusta”) employed as of June 30, 2014.

2. List the number of employees by department (e.g., gas department, sewer, water, police, public works, maintenance, parks and recreation) that Augusta employed as of June 30, 2014.

3. State whether Augusta pays each of its employees on a weekly basis.

4. State whether Augusta's city clerk and assistant city clerk handle the following issues for all City departments:

- a. Payroll;
- b. Personnel;
- c. Billing and invoices;
- d. Billing of retail customers;
- e. Receipt of utility and tax payments;
- f. Department budgeting; and,
- g. Department reports to City Council.

5. State the number of customers of June 30, 2014, for the following Augusta departments:

- a. Gas;
- b. Water Distribution System; and
- c. Sewer.

6. State the frequency (e.g., monthly, quarterly) that the Augusta gas, water and natural gas departments bill for service.

7. State the number of tax bills that Augusta issued in the period from July 1, 2013 to June 30, 2014.

8. State the types of and number of licenses and permits that Augusta issued or renewed in the period from July 1, 2013 to June 30, 2014.

9. Refer to Augusta's Response to Bracken County Water District's ("Bracken District's") First Request for Information, Item 2.

a. State whether Augusta agrees that on an annual basis approximately 365 hours are expended by Augusta Water Treatment Plant Operators collecting water samples for the Augusta water distribution system. If Augusta does not agree, explain why not.

b. State whether Augusta, when determining the cost of operating the Augusta's Water Treatment Plant, assigned a portion of the salary and benefits for Messrs. Mains and Olson to Augusta's water distribution system to reflect their water sampling duties.

c. If Augusta assigned a portion of the salary and benefits for Messrs. Mains and Olson to Augusta's water distribution system:

i. State the total amount assigned to the water distribution system

ii. Show the calculations used to derive the amount assigned.

iii. State where in the calculations of the proposed wholesale rate this assignment is reflected.

10. Refer to Augusta's Response to Bracken County Water District's ("Bracken District's") First Request for Information, Item 4. List the other Augusta departments in which summer youth workers were hired during Fiscal Year 2013-2014.

11. Refer to Augusta's Response to Bracken County Water District's ("Bracken District's") First Request for Information, Item 5.

a. Provide the Final Audit Invoice for the workers compensation policy in effect from July 1, 2013 to June 30, 2014. The invoice attached to Exhibit 5a is for the period July 1, 2012 to June 30, 2013.

b. Refer to Exhibit 5a, page 4 of 6. List each employee whose payroll is included in the "Waterworks" classification, the amount of that employee's payroll, the employee's position, and the department to which that employee is assigned.

12. Refer to Augusta’s Response to Commission Staff’s First Request for Information, Exhibit 2, page 45 of 157. State the reason(s) why salaries and benefits increased from \$159,023 in FY 2012-2013 to \$189,260 in FY 2013-2014.

13. Refer to Augusta’s Response to Commission Staff’s First Request for Information, Exhibit 2, pages 42 and 45 of 157. Explain the differences in the amounts listed in the table below as reported for the “Statement of Revenues, Expenses, and Changes in Net Assets” and Water Treatment Plant Costs.

	Statement of Revenues, Expenses & Changes in Net Assets	Water Treatment Plant Costs
Salaries and Wages	\$186,194	\$189,260
Insurance	16,280	13,244
Repairs and Supplies	26,697	26,667
Transportation	1,525	
Office Expense and Other	1,650	3,189

14. Refer to Augusta’s Response to Bracken District’s First Request for Information, Item 12.

a. Explain how the Augusta’s mayor determined that 85 percent of the assistant city clerk’s salary and benefits should be assigned to the water treatment plant. Provide all studies and reports that were relied upon to make this assignment.

b. State the year in which the allocation of 85 percent of the assistant city clerk’s salary and benefits to the water treatment plant was first made.

c. Provide all studies, reports, correspondence, e-mail messages and memoranda in which the decision to assign 85 percent of the assistant city clerk’s salary and benefits to the water treatment plant is discussed or referenced.

d. Provide all studies that Augusta has conducted since 1997 regarding the number of hours that non-water treatment plant Augusta employees devote to the water treatment plant.

e. State whether Augusta performed any time and motion studies to determine the tasks that non-water treatment plant Augusta employees perform for the water treatment plant.

f. State when Augusta first informed Bracken District of the assignment of the assistant city clerk's salary and benefits to the Augusta Water Treatment Plant.

15. Refer to Augusta's Response to Commission Staff's First Request for Information, Exhibit 6, page 1 of 21.

a. Identify the person(s) who prepared this document.

b. State the date on which this document was prepared.

c. Describe the actions taken to develop the information set forth in this document.

d. State whether the hourly rate reflected on the page includes all employee benefits.

16. Refer to Augusta's Response to Commission Staff's First Request for Information, Exhibit 6, pages 14-19 of 21. The Exhibit is missing pages pertaining to the job descriptions of water plant superintendent (pages 182 and 184), water treatment plant operator (page 186), and assistant city clerk (page 112). Provide the missing pages.

17. State the number of purchase orders that Augusta issued in the period between July 1, 2013 and June 30, 2014 for each of its departments and the percentage of these orders prepared by Augusta's city clerk or assistant city clerk.

18. Describe the role of the water treatment plant superintendent in the budgeting and procurement processes for the Augusta Water Treatment Plant.

19. Refer to Augusta's Response to Commission Staff's First Request for Information, Exhibit 6, page 16 of 21. Given the maintenance duties and responsibilities that are included in the position of plant operator, explain the need for the additional services from Augusta's Maintenance Department.

20. Refer to Augusta's Response to Bracken District's First Request for Information, Item 26. State whether Augusta agrees that chemical expense for the test period should be reduced by at least \$9,737 to reflect chemical expenses incorrectly allocated to the Water Treatment Plant.

21. Describe the efforts that Augusta has undertaken in the last five years to reduce electricity consumption and electric expense at the Augusta Water Treatment Plant.

22. Refer to Augusta's Response to Commission Staff's First Request for Information, Exhibit 6. Provide a job description for the city clerk similar to that provided for the assistant city clerk.

23. Refer to Augusta's Response to Commission Staff's First Request for Information, Item 31, page 19 of 23 (Section 7 of Variable Rate Schedule). State whether Augusta notified Bracken District of the proposed adjustment in its wholesale rate at least 60 days in advance of the proposed adjustment.

24. Refer to Augusta's Response to Bracken District's First Request for Information, Item 60. State the number of months for which Augusta provided Bracken District with monthly expenditure reports since 2008.

25. Refer to Augusta's Response to Bracken District's First Request for Information, Item 61. State whether Augusta has any knowledge of the date on which it last provided

Bracken District with a monthly statement of expenditures for the Augusta Water Treatment Plant.

26. State whether Augusta has a written protocol or procedures for depositing, accounting for, and accessing monies in its Capital Cost Depreciation Account and Depreciation Reserve Account. If yes, provide a copy of these protocols or procedures.

27. Refer to Augusta's Response to Bracken District's First Request for Information, Item 37. Identify the Augusta City Department that manages the well and metering facilities that are used to provide untreated water to Clopay.

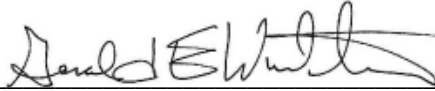
28. The table below reflects water usage at the Augusta Water Treatment for Fiscal Year 2013-2014 as reported to the Kentucky Division of Water. Taking into account usage for backwashing, approximately 19.5 percent of the water pumped from wells is unaccounted-for. Provide any studies or treatises that support the proposition that this level of water usage is reasonable or within normal operating parameters for a groundwater system.

Reported Raw Water Treated	270,622,000 gals
Sold to Augusta	50,017,000 gals
Sold to Bracken District	164,134,700 gals
Reported Wash Water	3,656,500 gals
Net Treated (Sales + Wash Water)	217,808,200 gals
Unaccounted for Water	52,813,800 gals

29. Refer to Augusta's Response to Bracken District's First Request for Information, Item 46. The response was not responsive to the request. Identify each person who Augusta has appointed to the Water Supervisory Board since March 4, 1994 and the date of that person's appointment.

Dated: April 13, 2015

Respectfully submitted,




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Counsel for Bracken County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Bracken District's April 13, 2015 electronic filing of Second Request for Information is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on March 18, 2015; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Second Request for Information will be delivered to the Commission on or before April 15, 2015.



Gerald E. Wuetcher