

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

Electronic Proposed Acquisition by Bluegrass)
Water Utility Operating Company, LLC and)
the Transfer of Ownership and Control of)
Assets by: P.R. Wastewater Management, Inc.;)
Marshall County Environmental Services LLC;)
LH Treatment Company, LLC; Kingswood)
Development, Inc.; Airview Utilities, LLC;)
Brocklyn Utilities, LLC; Fox Run Utilities,)
LLC; and, Lake Columbia Utilities, Inc.)

No. 2019-00104

**Supplemental Responses to
Commission Staff's First Request for Information and
Attorney General's Initial Data Requests**

On behalf of the Applicants, Bluegrass Water Utility Operating Company, LLC herewith submits first supplemental responses to 1 PSC 02, 1 PSC 06, and 1 AG 02; and a second supplemental response to 1 AG 12, with additional attachments JA_00237-256.

A signed, notarized verification for these Supplemental Responses and for all previous supplemental responses filed after May 31, 2019, appear on the following page. The undersigned counsel is responsible for any objection noted for a particular response.

Respectfully submitted,

/s/ Kathryn A. Eckert

Katherine K. Yunker

kyunker@mcbayerfirm.com

Kathryn A. Eckert

keckert@mcbayerfirm.com

MCBRAYER PLLC

201 East Main Street; Suite 900

Lexington, KY 40507-1310

859-231-8780

fax: 859-231-1175

Attorneys for Applicants

VERIFICATION
on behalf of
Applicant Bluegrass Water Utility Operating Company, LLC

STATE OF MISSOURI)
)
 COUNTY OF ST. LOUIS)

I, Mike Duncan, Director of Business Operations of Central States Water Resources, Inc., the manager of Bluegrass Water Utility Operating Company, LLC, being duly sworn, state that I prepared or supervised the preparation of responses on behalf of Bluegrass Water and which have been filed or are to be filed in June 2019, including the supplemental responses filed on June 6 and 7, 2019. I also state that the matters and things set forth in such responses are true and correct to the best of my knowledge, information, and belief formed after reasonable inquiry.


 Mike Duncan

Subscribed and sworn to this 27th day of June, 2019, before me, a Notary Public in and before said County and State.




 Notary Public

My Commission expires: 01/31/2021

Request

2. Confirm that the pro forma income statement uses the most recently filed annual report for each utility to estimate operating revenues and expenses with the exception of Kingswood.
-

Response

The revenues and expenses in the pro forma income statement filed as Joint Application Exh. N p.2 were taken from the most recent annual report publicly available at that time for each utility, with the exception of Marshall County Environmental Services (MCES). MCES's 2016 CY Annual Report revenue data was used, but its expenses were not included in its 2016 Annual Report; thus, MCES expenses were estimated by Bluegrass Water.

For the pro forma income statement filed concurrently with this supplement, Joint Application Exh. N p.2 (revised), the revenues and expenses for P.R. Wastewater, LH Treatment, Airview, Brocklyn, Fox Run, and Kingswood were updated to the figures given in those utilities' respective 2018 annual reports now publicly available.

Request

6. In addition to the persons identified in JA Exhibit M, provide the number of other employees or staff of First Round CSWR LLC, and state their roles.
-

Response

First Round CSWR LLC has changed its name, effective May 28, 2019, to **CSWR, LLC**. It has 19 staff members, listed below with their respective titles:

1. Josiah Cox, President*
2. Mike Duncan, Director of Operations
3. Phil Macias, Chief Financial Officer*
4. Forrest (Todd) Thomas, Senior Vice President of Operations*
5. Stacy Culleton, Project Portfolio Manager
6. Jami Favor, Director, Environmental Health & Safety
7. Kaleb Stephens, Environmental Health & Safety Auditor
8. Brenda Eaves, Manager, Customer Service
9. Brent Thies, Controller
10. Mike Indelicato, Accounting Manager
11. Bridget Bean, Senior Accountant
12. Rehan Gerges, Senior Accountant
13. Dan Janowiak, Accounts Payable Clerk

* Professional Narrative provided in JA Exhibit M.

14. Shawn Nichols, Director, Bus. Dev. & Strategic Planning
15. Jake Freeman, Director of Engineering
16. Sandy Neal, Regional Director of Utility Acquisitions
17. Jill Achee, Regional Director of Utility Acquisitions
18. Jon Meany, Utility Engineer
19. Russ Mitten, General Counsel

Request

2. Provide and explain the post-closing accounting entries for each of the Joint Applicants upon completion of the proposed transactions.
-

Response

For Bluegrass Water UOC at closing, each purchase transaction of the individual systems would be journaled as a debit to the Utility Plant Purchased account and credit to cash.

Upon confirmation of depreciated net book values of assets, asset values would be debited to the appropriate Plant in Service accounts with credits to the Utility Plant Purchased account.

Bluegrass Water anticipates, as in other transfer/acquisition cases, that for each proposed transaction approved by the Commission, the approval order will require that Bluegrass Water and the transferring utility file the actual journal entries used to record the acquisition/transfer within 20-30 days of the closing.

Request

12. Provide any current notice of violations issued by the Energy and Environment Cabinet or the Kentucky Division of Water to any of the Joint Applicants. Provide copies of each outstanding violation and state how the violations will be resolved.
-

Response

Bluegrass Water has not had any such notice of violations (NOV) issued to it.

Per the report of the most recent PSC inspection (on the indicated date):

- Brocklyn (1/15/19), Kingswood (1/18/19), and P.R. Wastewater (10/17/18) were in compliance with the Division of Water; and
- no unresolved NOV and no noncompliance with the Division of Water was noted for Lake Columbia (2/13/18) or Airview (7/1/14; report mailed 8/9/16).

Documents relating to notices of violations issued by the Division of Water and attached to the report of the most recent PSC inspection of the respective transferring utility are provided herewith as follows:

- LH Treatment: 5/23/18 Notice of Violations (at JA_00213). The report of the 11/14/18 inspection (p.11) notes that LH Treatment was in the process of finalizing an Agreed Order regarding those violations.
- MCES (Great Oaks):¹
 - 4/20/18 Order to Discontinue, Abate, and Alleviate pursuant to KRS 224.10-410 (at JA_00216), with 4/17/18 Notice of Violation (at JA_00222), and 5/24/18 Agreed Order resolving the 4/20/18 Order (at JA_00227)

¹ The Notices of Violation listed below were attached to the Complaint initiating Franklin Circuit Court Civil Action No. 2019-CI-00633 as Exhibits 7, 11-14.

- 7/9/18 Notice of Violation (at JA_00237), with A. Artis response received 8/30/18 (at JA_00240)
- 12/10/18 Notice of Violation (at JA_00241)
- 4/26/19 Notice of Violation (at JA_00245)
- 5/17/19 Notice of Violation (at JA_00249)
- MCES (Golden Acres): The report of the May 21-22, 2018, PSC inspection notes (p.14) that a 5/29/18 Division of Water inspection documented violations for failure to operate and maintain the disinfection unit of the Golden Acres system. No NOV related to these violations documented in the 5/29/18 Division of Water inspection was included with the 2018 PSC inspection report.
- Fox Run:
 - The report of the 7/3/18 PSC inspection notes noncompliance with the Division of Water (p.13) and lists deficiencies regarding the facilities and their operation, including damage to a tank “to the point that raw sewage was leaking out of the tank onto the ground” (p.17); the NOV which may have been attachment A was not provided to Bluegrass Water with the report.
 - 2/27/19 Notice of Violation (at JA_00253)
 - 6/4/19 Notice of Violation (at JA_00255)

In general, Bluegrass Water’s current plans to address outstanding violations and to make operational improvements to ensure that compliance is achieved in the long term are contained in the engineering reports provided in response to 1 PSC 13.

MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
130 EAGLE NEST DR
PADUCAH KY 42003-9435

ANTHONY R. HATTON
COMMISSIONER

July 9, 2018

Certified No. 7014 0510 0002 3570 6368
Return Receipt Requested

Mr. Allen Artis
Marshall County Environmental Services
P.O. Box 431
Benton, KY 42025

Re: Notice of Violation
AI ID: 3041
AI Name: Great Oaks Subd
Activity ID: ENV20180003
Permit No. KY0080845
McCracken County, KY

Dear Mr. Artis:

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.

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-898-8468.

Sincerely,

E-Signed by Jessie York
VERIFY authenticity with e-Sign

A digital signature box containing the text "E-Signed by Jessie York" and "VERIFY authenticity with e-Sign", along with a question mark icon and a stylized signature.

Jessie York,
Environmental Scientist II
Division of Water

Enclosure: Inspection Report; Notice of Violation

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

NOTICE OF VIOLATION

To: Mr. Allen Artis
Marshall County Environmental Services
P.O. Box 431
Benton, KY 42025
AI Name: Great Oaks Subd **AI ID:** 3041 **Activity ID:** ENV20180003
Discovery ID: CIN20180006 **County:** McCracken
Enforcement Case ID:
Date(s) Violation(s) Observed: 06/21/2018

This is to advise that you are in violation of the provisions cited below:

1 Violation Description for Subject Item AIOO0000003041():

Duty to comply. Monitoring shall be conducted according to test procedures approved under 40 CFR Part 136, unless another method is required under 40 CFR subchapters N and O. [401 KAR 5:065 Section 2(1)] as in [40 C.F.R. 122.41(j)(4)]

Description of Non Compliance:

The composite sampling method being used does not meet the definition of a 24-hr Composite Sample defined in section 3 of the facilities permit.

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

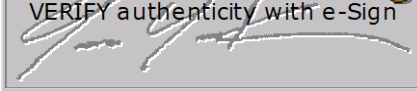
The permittee must monitor parameters in accordance with procedures approved under 40 CFR Part 136. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:065 Section 2(1)]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. 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.

If you have questions or need further information, write or call the undersigned:

Division of Water
Paducah Regional Office
130 Eagle Nest Dr
Paducah, KY 42001
270-898-8468 (8:00 AM – 4:30 PM)
Jessie York, Environmental Scientist II

E-Signed by Jessie York
VERIFY authenticity with e-Sign

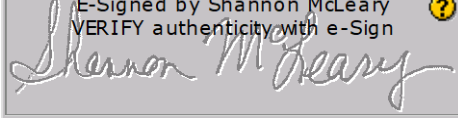


Issued By:

Jessie York, Environmental Scientist II

Date: July 9, 2018

E-Signed by Shannon McLeary
VERIFY authenticity with e-Sign



Issued By:

Shannon McLeary, Environmental Control Supervisor

Date: July 11, 2018

How Delivered: Certified Mail

Certified/Registered # 7014 0510 0002 3570 6368

Dear Jessie York,

I now use a composite sampler for monthly samples at Great Oaks Treatment Plant. I have discontinued the procedure of collecting samples manually throughout the day. In the future, all Great Oaks samples will be collected using the 24 Composite Sampler programmed to comply with the regulations and all samples since then have been taken with a 24 hour Composite Sampler.

Allen Curtis



MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
130 EAGLE NEST DR
PADUCAH KY 42003-9435

ANTHONY R. HATTON
COMMISSIONER

December 10, 2018

Certified No. 7014 0510 0002 3570 3848
Return Receipt Requested

William A Artis
1303 Pugh School Rd
Benton, KY 42025

Re: Notice of Violation
AI ID: 3041
AI Name: Great Oaks Subd
Activity ID: ENV20180004
Permit No. KY0080845
McCracken County, KY

Dear Mr. Artis:

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.

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-898-8468.

Sincerely,

E-Signed by Benjamin Allen ?
VERIFY authenticity with e-Sign

Benjamin Allen,
Environmental Scientist
Division of Water

Enclosure

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

NOTICE OF VIOLATION

To: William A Artis
1303 Pugh School Rd
Benton, KY 42025

AI Name: Great Oaks Subd **AI ID:** 3041 **Activity ID:** ENV20180004
Discovery ID: CIN20180010 **County:** McCracken
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/04/2018

This is to advise that you are in violation of the provisions cited below:

1 Violation Description for Subject Item AIOO0000003041():

Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control and related appurtenances which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. [401 KAR 5:065 Section 2(1)] as in [40 C.F.R. 122.41(e)].

Description of Non Compliance:

The facility is not being properly operated and maintained as required. The clarifier has floating solids. The aeration basin has large clumps of solids, with vegetation growing from them. The Clarifier has solids floating and filling up the overflow troughs to the disinfection chamber. Solids were observed in the discharge, and below in the creek.

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

The permittee must, at all times, properly operate & maintain the facility. With proper approval(s) from the Division of Water, upgrade/update the facility in order to meet the regulatory requirements and facility permit conditions. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:065 Section 2(1)]

2 Violation Description for Subject Item AIOO0000003041():

All wastewater treatment plants shall have a disinfection process which meets the following requirements: An ultraviolet disinfection system designed to treat the anticipated peak hourly flow; a chlorination system with a flow or demand proportional feed system. The chlorine contact tank shall have a minimum detention time of thirty (30) minutes based on the average flow, or fifteen (15) minutes based on the peak hourly flow, whichever requires the larger tank size. Wastewater treatment plants shall also have a dechlorination system with a flow or demand proportional feed system if necessary to meet the effluent limits; or a chlorination system with a manually controlled feed system and a flow equalization basin designed to eliminate the diurnal flow variations. Tablet type chlorination equipment shall not be used in an intermediate or large WWTP. [401 KAR 5:005 Section 11].

Description of Non Compliance:

The facility has failed to properly maintain and / or operate the disinfection unit.

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

The permittee must immediately maintain and operate the disinfection unit to allow for compliance with permit conditions. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:005 Section 11]

3 Violation Description for Subject Item AIOO0000003041():

No person shall directly, or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110].

Description of Non Compliance:

Pollutants have entered and contributed to the pollution of the waters of the Commonwealth.

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

Immediately cease all activity, which is contributing or has contributed to the pollution of the waters of the Commonwealth. Within thirty (30) days of the receipt of this notice, the permittee/responsible party shall submit a plan of action and a schedule of implementation to the undersigned describing the necessary measures taken to address the non-compliance. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [KRS 224.70-110]

4 Violation Description for Subject Item AIOO0000003041():

Surface waters shall not be aesthetically or otherwise degraded. [401 KAR 10:031 Section 2].

Description of Non Compliance:

The waters of the Commonwealth have been degraded. Solids were observed in the creek.



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

Immediately cease all discharges that are aesthetically or otherwise degrading the waters of the Commonwealth. The effluent must be brought into compliance so as to eliminate stream degradation. Within thirty (30) days of the receipt of this notice, the permittee/responsible party shall submit a plan of action and a schedule of implementation to the undersigned describing the necessary measures taken to address the non-compliance. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [401 KAR 10:031 Section 2]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. 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.


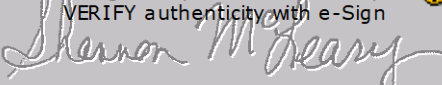
If you have questions or need further information, write or call the undersigned:

Division of Water
Paducah Regional Office
130 Eagle Nest Dr.
Paducah, KY 42003-9435
270-898-8468 (8:00 AM – 4:30 PM)
Benjamin Allen, Environmental Scientist

E-Signed by Benjamin Allen 
VERIFY authenticity with e-Sign


Issued By:

Benjamin Allen, Environmental Scientist
Date: December 10, 2018

E-Signed by Shannon McLeary 
VERIFY authenticity with e-Sign


Issued By:

Shannon McLeary, Environmental Control Supervisor
Date: December 10, 2018

How Delivered: USPS Certified/Registered # 7014 0510 0002 3570 3848

MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
130 EAGLE NEST DR
PADUCAH KY 42003-9435

ANTHONY R. HATTON
COMMISSIONER

April 26, 2019

Certified No. 7014 0510 0002 3570 6627
Return Receipt Requested

Mr. Allen Artis
PO Box 541
Benton, KY 42025

Re: Notice of Violation
AI ID: 3041
AI Name: Great Oaks Subd
Activity ID: ENV20190001
Permit No. KY0080845
McCracken County, KY

Dear Mr. Artis:

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.

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-898-8468.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie York", enclosed in a rectangular box. A small yellow question mark icon is visible in the top right corner of the box.

Jessie York,
Environmental Scientist
Division of Water

Enclosure Inspection Report; Notice of Violation

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

NOTICE OF VIOLATION

To: Mr. Allen Artis
PO Box 541
Benton, KY 42025

AI Name: Great Oaks Subd **AI ID:** 3041 **Activity ID:** ENV20190001
Discovery ID: CIN20190001 **County:** McCracken
Enforcement Case ID:
Date(s) Violation(s) Observed: 04/04/2019

This is to advise that you are in violation of the provisions cited below:

1 Violation Description for Subject Item AIOO0000003041():

Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control and related appurtenances which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. [401 KAR 5:065 Section 2(1)] as in [40 C.F.R. 122.41(e)]

Description of Non Compliance:

The facility is not being properly operated and maintained as required. Multiple dead spots were observed in the aeration basin. Floating solids cover a large portion of the aerator. The sludge return appeared to have a low MLSS (Mixed Liquor Suspended Solids) concentration. The plant is not being operated at an appropriate level. Water was spilling over the bulkhead between the aerator and clarifier. The clarifier was grey and very turbid with excessive nitrification. Water level was above the chlorine contact trough. No chlorine tablet was in place. Water was leaking from the contact chamber to an out of use tank. The bulkhead separating these two tanks is severely corroded. The post-aeration and de-chlorination chamber was grey and very turbid with solids floating on the surface. Staining was observed in the receiving stream below outfall 001. Dried solids were piled on the side of the treatment plant and on the ground beside it. Overall condition of the plant and general housekeeping is very poor.

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

The permittee must, at all times, properly operate & maintain the facility. With proper approval(s) from the Division of Water, upgrade/update the facility in order to meet the regulatory requirements and facility permit conditions. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:065 Section 2(1)]

2 Violation Description for Subject Item AIOO0000003041():

All wastewater treatment plants shall have a disinfection process which meets the following requirements: An ultraviolet disinfection system designed to treat the anticipated peak hourly flow; a chlorination system with a flow or demand proportional feed system. The chlorine contact tank shall have a minimum detention time of thirty (30) minutes based on the average flow, or fifteen (15) minutes based on the peak

hourly flow, whichever requires the larger tank size. Wastewater treatment plants shall also have a dechlorination system with a flow or demand proportional feed system if necessary to meet the effluent limits; or a chlorination system with a manually controlled feed system and a flow equalization basin designed to eliminate the diurnal flow variations. Tablet type chlorination equipment shall not be used in an intermediate or large WWTP. [401 KAR 5:005 Section 11]

Description of Non Compliance:

The facility has failed to properly maintain and / or operate the disinfection unit. Water level was above the chlorine contact trough. No chlorine tablet was in place. An E.coli sample was collected at outfall 001. The result was >2420 MPN/100ml, this exceeds the facility's permitted limit of 240 MPN/100ml.

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

The permittee must immediately maintain and operate the disinfection unit to allow for compliance with permit conditions. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:005 Section 11]

3 Violation Description for Subject Item AIOO0000003041():

No person shall directly, or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Pollutants have entered and contributed to the pollution of the waters of the Commonwealth. An E.coli sample was collected at outfall 001. The result was >2420 MPN/100ml, this exceeds the facility's permitted limit of 240 MPN/100ml.

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

Immediately cease all activity, which is contributing or has contributed to the pollution of the waters of the Commonwealth. Within thirty (30) days of the receipt of this notice, the permittee/responsible party shall submit a plan of action and a schedule of implementation to the undersigned describing the necessary measures taken to address the non-compliance. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [KRS 224.70-110]

4 Violation Description for Subject Item AIOO0000003041():

Surface waters shall not be aesthetically or otherwise degraded. [401 KAR 10:031 Section 2]

Description of Non Compliance:

The waters of the Commonwealth have been degraded. Solids were observed in the creek. An E.coli sample was collected at outfall 001. The result was >2420 MPN/100ml, this exceeds the facility's permitted limit of 240 MPN/100ml. Staining was observed in the receiving stream below outfall 001.

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

Immediately cease all discharges that are aesthetically or otherwise degrading the waters of the Commonwealth. The effluent must be brought into compliance so as to eliminate stream degradation. Within thirty (30) days of the receipt of this notice, the permittee/responsible party shall submit a plan of action and a schedule of implementation to the undersigned describing the necessary measures taken to

address the non-compliance. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [401 KAR 10:031 Section 2]

5 Violation Description for Subject Item AIOO000003041():

Any person who violates KRS 224.10-110(2) or (3), KRS 224.70-110, 224.73-120, 224.20-110, 224.46-580, 224.01-400, or who fails to perform any duties imposed by these sections, or who violates any determination, permit, administrative regulation, or order of the cabinet promulgated pursuant thereto shall be liable for a civil penalty not to exceed the sum of twenty-five thousand dollars (\$25,000) for each day during which a violation continues, and in addition, may be concurrently enjoined from any further violations as hereinafter provided in this section and KRS 224.99-020. [KRS 224.99010(1)]

Description of Non Compliance:

Mr. Artis has failed to comply with the remedial measures of AAO-34434-049.

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

Immediately comply with all orders of the Cabinet. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [KRS 224.99010(1)]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. 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.

If you have questions or need further information, write or call the undersigned:

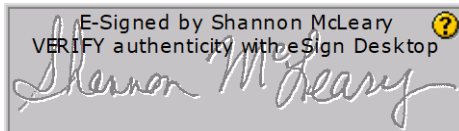
Division of Water
Paducah Regional Office
130 Eagle Nest Drive
Paducah, KY 42001
270-898-8468 (8:00 AM – 4:30 PM)
Jessie York, Environmental Scientist



Issued By:

Jessie York, Environmental Scientist

Date: April 26, 2019



Issued By:

Shannon McLeary, Environmental Control Supervisor

Date: April 26, 2019

How Delivered: Certified Mail
Certified/Registered # 7014 0510 0002 3570 6627

JA 00248

MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
130 EAGLE NEST DR
PADUCAH KY 42003-9435

ANTHONY R. HATTON
COMMISSIONER

May 17, 2019

Certified No. 7014 0510 0002 3570 7686
Return Receipt Requested

Allen Artis
PO Box 541
Benton, KY 42025

Re: Notice of Violation
AI ID: 3041
AI Name: Great Oaks Subd
Activity ID: ENV20190002
Permit No. KY0080845
McCracken County, KY

Dear Mr. Artis:

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.

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 270-898-8468.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie York", enclosed in a rectangular box. A small yellow question mark icon is visible in the top right corner of the box.

Jessie York,
Environmental Scientist
Division of Water

Enclosure: Investigation Report; Notice of Violation

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

NOTICE OF VIOLATION

To: Allen Artis
PO Box 541
Benton, KY 42025

AI Name: Great Oaks Subd **AI ID:** 3041 **Activity ID:** ENV20190002
Discovery ID: CIV20190001 **County:** McCracken
Enforcement Case ID:
Date(s) Violation(s) Observed: 05/07/2019

This is to advise that you are in violation of the provisions cited below:

1 Violation Description for Subject Item AIOO0000003041():

Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control and related appurtenances which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. [401 KAR 5:065 Section 2(1)] as in [40 C.F.R. 122.41(e)]

Description of Non Compliance:

The facility is not being properly operated and maintained as required. The main influent lift station was not functioning at the time of this investigation. Two manholes on Majestic Oak Drive were overflowing. This overflow has not been reported to the Division of Water. Overall condition of the plant and general housekeeping is very poor.

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

The permittee must, at all times, properly operate & maintain the facility. With proper approval(s) from the Division of Water, upgrade/update the facility in order to meet the regulatory requirements and facility permit conditions. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:065 Section 2(1)]

2 Violation Description for Subject Item AIOO0000003041():

No person shall directly, or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110].

Description of Non Compliance:

Pollutants have entered and contributed to the pollution of the waters of the Commonwealth. Two manholes on Majestic Oak Drive were overflowing. This overflow has not been reported to the Division of

Water.

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

Immediately cease all activity, which is contributing or has contributed to the pollution of the waters of the Commonwealth. Within thirty (30) days of the receipt of this notice, the permittee/responsible party shall submit a plan of action and a schedule of implementation to the undersigned describing the necessary measures taken to address the non-compliance. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [KRS 224.70-110]

3 Violation Description for Subject Item AIOO000003041():

Surface waters shall not be aesthetically or otherwise degraded. [401 KAR 10:031 Section 2]

Description of Non Compliance:

The waters of the Commonwealth have been degraded. Two manholes on Majestic Oak Drive were overflowing. This overflow has not been reported to the Division of Water.

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

Immediately cease all discharges that are aesthetically or otherwise degrading the waters of the Commonwealth. The effluent must be brought into compliance so as to eliminate stream degradation. Within thirty (30) days of the receipt of this notice, the permittee/responsible party shall submit a plan of action and a schedule of implementation to the undersigned describing the necessary measures taken to address the non-compliance. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and or your company to an immediate referral to the Division of Enforcement. [401 KAR 10:031 Section 2]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. 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.

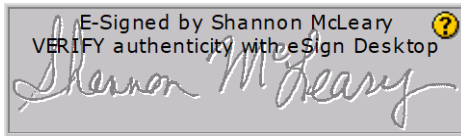
If you have questions or need further information, write or call the undersigned:

Division of Water
Paducah Regional Office
130 Eagle Nest Dr
Paducah, KY 42001
270-898-8468 (8:00 AM – 4:30 PM)
Jessie York, Environmental Scientist

Issued By:



Jessie York, Environmental Scientist
Date: May 17, 2019



Issued By:

Shannon McLeary, Environmental Control Supervisor

Date: May 22, 2019

How Delivered: Certified Mail

Certified/Registered # 7014 0510 0002 3570 7686

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Fox Run Subd
Mr. Lawrence W Smither
PO Box 91588

Louisville, KY 40291

AI Name: Fox Run Subd **AI ID:** 1388 **Activity ID:** ENV20190001
County: Franklin
Enforcement Case ID:
Date(s) Violation(s) Observed: 02/21/2019

This is to advise that you are in violation of the provisions cited below:

- 1** Violation Description for Subject Item AIOO0000001388():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 40 CFR 122.41(a), which cites to 401 KAR 5:065, Section 2(1), by failing to comply with the monitoring and reporting requirements specified in KPDES Permit No. KY0086967, during the November 2018 monitoring period, for the following monitoring point(s): 001-1.

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

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. 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.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)



Issued By:

Michael B. Kroeger, Director
Date: February 27, 2019

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Fox Run Subd
Mr. Lawrence W Smither
PO Box 91588

Louisville, KY 40291

AI Name: Fox Run Subd **AI ID:** 1388 **Activity ID:** ENV20190002
County: Franklin
Enforcement Case ID:
Date(s) Violation(s) Observed: 05/22/2019

This is to advise that you are in violation of the provisions cited below:

- 1** Violation Description for Subject Item AIOO0000001388():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 40 CFR 122.41(a), which cites to 401 KAR 5:065, Section 2(1), by failing to comply with the monitoring and reporting requirements specified in KPDES Permit No. KY0086967, during the February 2019 monitoring period, for the following monitoring point(s): 001-1.

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

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. 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.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)



Issued By:

Michael B. Kroeger, Director
Date: June 4, 2019