

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF TRANSFER OF A WASTEWATER	)	
TREATMENT UTILITY FROM PRO MAN	)	CASE NO.
PROPERTY MANAGEMENT, LLC TO FOX RUN	)	
LIVING, LLC; APPLICATION FOR APPROVAL OF	)	2019-00153
SAID TRANSFER; AND OFFER TO SETTLE	)	
OUTSTANDING VIOLATIONS	)	

FOX RUN LIVING'S RESPONSES TO STAFF'S SECOND  
REQUEST FOR INFORMATION

Respectfully submitted,

**FROST BROWN TODD LLC**



Gregory T. Dutton

FROST BROWN TODD LLC

400 W. Market Street, 32<sup>nd</sup> Floor

Louisville, KY 40202

(502) 589-5400

(502) 581-1087 (fax)

[gdutton@fbtlaw.com](mailto:gdutton@fbtlaw.com)

*Counsel for Fox Run Living, LLC*

Request No 1: Refer to the application, page 2, paragraph 1. Provide a detailed description of the operations of Fox Run Living, including but not limited to, how long it has been in existence, the total number of employees (full-time, part-time, contractor, etc.), the identity of its management team , the type of business that it is engaged in, and the location(s) of its business operations.

Response:

As demonstrated by exhibit D of the application, Fox Run Living is a Limited Liability Company formed under the laws of the State of Colorado in 2014. It has no employees and is simply a holding company for assets.

Responding Witness: Jimmy King

Request No 2: Refer to the application, Exhibit B. The Addendum to the Purchase Agreement indicates that the real property generally located at 1132 Davjo Drive, Cold Springs, Kentucky, 41076, will be transferred from King Communities, LLC, to the Laura A. King Trust and Fox Run Living as tenants in common, with the Laura A. King Trust having 75 percent ownership and Fox Run having 25 percent interest.

- a. Identify the trustee of the Laura A. King Trust.
- b. Explain how this ownership structure will operate with respect to the South Hills Subdivision Sewer Plant.

Response:

- a. The Trustee of the Laura A. King Trust is Laura A. King. Laura A. King is the mother of Jimmy King.
- b. Jimmy King represents the ownership group that owns and operates Fox Run Living LLC. The two owners recently refinanced the property. As a result, the ownership structure is now 50/50 between Jimmy King and the Laura A. King Trust. See updated Tenants In Commons agreement provided as Exhibit A.

Responding Witness: Jimmy King

Request No 3: Refer to the application, Exhibit C, the Periodic Compliance Inspection.

- a. Refer to page 1 of the Periodic Compliance Inspection, which indicates that there are 11 billing customers on the South Hills Subdivision Sewer Plant. Confirm that this is the correct number of customers. If not confirmed, provide the number of customers served by the South Hills Subdivision Sewer Plant and identify whether the customers reside in the apartment complex or in a residential home.
- b. Refer to page 14 of the Periodic Compliance Inspection, regarding numbered paragraph 1 under the Additional Inspector Comments section recommending that the utility work with its operator to develop inspection procedures of its system. Provide the status of the development of the inspection procedures.
- c. Refer to page 15 of the Periodic Compliance Inspection, regarding numbered paragraph 4 under the Additional Inspector Comments section pointing out that all mechanical equipment should be inspected on a daily basis. Explain whether the South Hills Subdivision Sewer Plant's mechanical equipment is being inspected on a daily basis.
- d. Refer to page 15 of the Periodic Compliance Inspection, regarding numbered paragraph 5 under the Additional Inspector Comments section concerning the safety program requirement. Explain whether a safety program has been developed, adopted, and implemented for the South Hills Subdivision Sewer Plant.
- e. Refer to Attachment A of the Periodic Compliance Inspection, regarding the Department of Environmental Protection Notice of Violation. Provide an update of Fox Run Living's efforts to rectify the two violations identified in the notice.

Response:

- a. There are 11 customers, and all reside in individual residences. Ten of the customers are located on Blossom Drive and one customer is located on Rose Place Drive.
- b. See Exhibit B.
- c. Daily inspections are conducted either by Carl Crone when he is present at the site or by maintenance workers employed by King Communities.
- d. The template safety program provided by the KPSC was adopted and implemented. See <https://psc.ky.gov/agencies/psc/forms/SewSafetyManual081606.pdf>
- e. See May 8, 2019 Sufficiency letter, provided as Exhibit C.

Responding Witness: Jimmy King

Request No 4: Refer to Fox Run Living's response to Commission Staff's First Request for Information (Staff's First Request), Item 1.a.

- a. Explain why there is no contract for the services of the current operator.
- b. Provide the length of time that Crone Environmental Services has been the operator for the South Hills Subdivision Sewer Plant.
- c. State whether there are other certified wastewater treatment operators within close proximity to the South Hills Subdivision Sewer Plant.

Response:

- a. No contract has been needed.
- b. Carl Crone has been the operator of the sewer utility since at least the date that Jimmy King purchased the facilities.
- c. Jimmy King has no knowledge of whether other certified wastewater treatment operators are located within "close proximity" to the sewer facilities.

Responding Witness: Jimmy King

Request No 5: Refer to Fox Run Living's response to Staff's First Request, Item 1.c.

- a. Refer to the statement that "King Communities is the management company that manages Fox Run Living LLC." Provide a description of King Communities, detailing its operations and its business relationship with Fox Run Living.
- b. Confirm that the only employees of King Communities are those that are identified in the response. If this cannot be confirmed, provide the number of employees and where those employees are based.

Response:

- a. King Communities is a Limited Liability Company organized in 2017 under the laws of the State of Colorado. King Communities LLC is currently in good standing with the Secretary of State of the State of Colorado. See exhibit D. King Communities is in the business of managing rental properties, including the Fox Run Living Property.
- b. As of July 24, 2019, King Communities no longer operates the Fox Run Living property and it has no employees. As of July 24, Denizen Management took over management of the Fox Run Living property. See Fox Run Living's Updated Responses to Staff's Initial Responses, being filed the same day as this response, for additional information.

Responding Witness: Jimmy King

VERIFICATION

I, Jimmy King, having first been duly sworn, hereby state that I have read the foregoing Response to Staff's Second Request for Information and that the facts contained therein are, to the best of my knowledge and belief, true and accurate.

  
Jimmy King, CEO, Fox Run Living, LLC

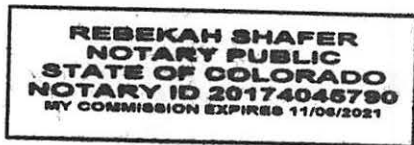
STATE OF Colorado )

: SS

COUNTY OF Denver )

Subscribed and sworn to before me by Jimmy King, on this 3 day of September 2019.

My Commission Expires: 11/06/2021



  
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Notary Public, State at Large