

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**ELECTRONIC APPLICATION OF HYDEN-)
LESLIE COUNTY WATER DISTRICT FOR) CASE NO. 2020-00141
AN ALTERNATIVE RATE ADJUSTMENT)**

**FIRST SUPPLEMENTAL RESPONSE OF HYDEN-LESLIE COUNTY
WATER DISTRICT TO COMMISSION ORDER OF JUNE 18, 2020**

Hyden-Leslie County Water District submits its First Supplemental Response to the Commission's Order of June 18, 2020.

Dated: August 20, 2020

Respectfully submitted,



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Counsel for Hyden-Leslie County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Hyden-Leslie County Water District's electronic filing of this Supplemental Response is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Public Service Commission on August 20, 2020; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that within 30 days following the end of the state of emergency announced in Executive Order 2020-215 this Response in paper medium will be delivered to the Public Service Commission.



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HYDEN-LESLIE COUNTY WATER DISTRICT
TO
COMMISSION ORDER OF JUNE 18, 2019

FILED: August 20, 2020

HYDEN-LESLIE COUNTY WATER DISTRICT

**First Supplemental Response to Commission Order Dated June 18, 2020
Case No. 2020-00141**

Question No. 15

Responding Witness: L.J. Turner

Q-15. Provide the following actual full-year salary information for each employee, identified by employee number and job title, for the years 2014 through 2019 (in gross dollars, not hourly or monthly rates). The employee salary information for each year shall be provided in a separate table. Provide the information in Excel spreadsheet format with all columns and rows unprotected and accessible.

- a. Regular salary or pay.
- b. Overtime pay.
- c. Vacation payout.
- d. Standby/Dispatch pay.
- e. Bonus pay.
- f. Other amounts paid and reported on the employees' W-2 (specify).

A-15. Original Response: The requested Excel spreadsheet "Item_15_EmployeeSalaryInfo" is embedded in the electronic version of the Response.

Supplemental Response: The Excel spreadsheet provided in original response failed to identify all forms of pay. Lines 62-91, Columns A through N, of the embedded spreadsheet labeled "Supplemental_Item_15_EmployeeSalaryInfo" provides additional detail for Calendar Years 2018 and 2019. (This spreadsheet is also embedded in Hyden-Leslie County Water District's Response to Commission Staff's Second Request for Information under the filename 09_Employee_Salary_Info.xlsx.)

HYDEN-LESLIE COUNTY WATER DISTRICT

**First Supplemental Response to Commission Order Dated June 18, 2020
Case No. 2020-00141**

Question No. 16

Responding Witness: L.J. Turner

Q-16. Provide the regular hours and overtime hours for each employee identified in Hyden-Leslie District's Response to Item 16 for the years 2014 through 2019. Provide in Excel spreadsheet format with all columns and rows unprotected and accessible.

A-16. Original Response: The requested Excel spreadsheet "Item_16_EmployeeHours" is embedded in the electronic version of the Response.

Supplemental Response: The original response contains several errors. In April 2018, Hyden-Leslie County Water District transitioned from an accounting system that relied upon a spreadsheet to record employee hours and wages to QuickBooks. When preparing the response to Item 16, Hyden-Leslie District obtained the number of employee hours from this spreadsheet for the first three months of Calendar Year 2018 as well as prior years. In the course of responding to later requests, Hyden-Leslie County Water District reviewed the individual employee time records for the first three months of 2018 and discovered numerous discrepancies in hours recorded in the original spreadsheet. The revised spreadsheet "Supplemental_Item_16_EmployeeHours" that is embedded in the electronic version of the Supplemental Response reflects 2018 and 2019 calendar hours using actual time records and those entered into the QuickBooks system. Employee hours for years prior to 2018 have not been revised and may not accurately reflect employee hours. For purposes of the Supplemental Response, "regular hours" includes vacation, sick leave, funeral leave and on-call hours.

HYDEN-LESLIE COUNTY WATER DISTRICT

**First Supplemental Response to Commission Order Dated June 18, 2020
Case No. 2020-00141**

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HYDEN-LESLIE COUNTY WATER DISTRICT

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HYDEN-LESLIE COUNTY WATER DISTRICT

**First Supplemental Response to Commission Order Dated June 18, 2020
Case No. 2020-00141**

Question No. 18

Responding Witnesses: L.J. Turner/Legal Counsel

Q-18. Hyden-Leslie District provides water service in Clay, Leslie, and Perry counties, Kentucky. Provide a copy of the minutes of each Fiscal Court that is required to approve the compensation of Hyden-Leslie District's commissioners.

A-18. Original Response: See Hyden-Leslie County Water District's Application, Exhibit P. The Leslie County Fiscal Court created Hyden-Leslie County Water District and established its territory as all areas within Leslie County, Kentucky. Hyden-Leslie County Water District provides water service to approximately 10 customers in Perry County, Kentucky. The water meters through which this service is provided are situated in Leslie County. Hyden-Leslie County Water District serves a similar number of customers in Clay County, Kentucky. No record of any order extending Hyden-Leslie County Water District's boundaries to include any portion of Clay County has been found. As less than 25 percent of its distribution assets are situated in Clay or Perry County, Hyden-Leslie County Water District is not considered a multicounty water district and KRS 74.020(6) does not require the approval of either Clay County Fiscal Court or Perry County Fiscal Court for the salaries of its commissioners.

Supplemental Response: On August 6, 2020, Leslie County Fiscal Court adopted an ordinance that clarified its earlier resolution authorizing compensation for members of the Board of Commissioners of Hyden-Leslie County Water District. A copy of this resolution is attached as Supplemental Attachment 18.

**SUPPLEMENTAL
ATTACHMENT 18**

The special meeting of the Leslie County Fiscal Court was held on Thursday August 6, 2020 at 10:00 a.m. in the Leslie County Extension Building. The meeting was called to order by Judge Executive William Lewis. Roll call by County Clerk Onzie Sizemore showed all Magistrates present.

The first order of business was the approval of the minutes of the previous regular meeting. Motion to approve was made by Magistrate John Newell and seconded by Magistrate Bonnell Bentley. Roll call was unanimous.

Agenda Item 3. Approval to hire Kaitlyn Muncy to work at the Recycling Center with the FAHE Employment Program. Motion to approve was made by Magistrate Russell Brock and seconded by Magistrate Robert Napier. Roll call was unanimous.

Agenda Item 4. Approval of resolution of Leslie County authorizing the filing of a 2020 Kentucky Community Block Grant application for the Dam Repair and Distribution System Improvements project. Motion to approve was made by Magistrate John Newell and seconded by Magistrate Bonnell Bentley. Roll call was unanimous.

Agenda Item 5. Approval of County Attorney to pursue termination of contract on the voting machines from MicroVote. Motion to approve was made by Magistrate Robert Napier and seconded by Magistrate John Newell. Roll call was unanimous.

Agenda Item 6. Approval of a resolution of the Leslie County Fiscal Court regarding the salary of members of the Board of Commissioners of Hyden-Leslie County Water District. Motion to approve was made by Magistrate Russell Brock and seconded by Magistrate John Newell. Roll call was unanimous.

Agenda Item 7. Adjourn to closed Executive session. Upon motion by Magistrate Robert Napier and seconded by Magistrate Russell Brock. Motion Carried unanimous.

- Motion by Magistrate Russell Brock and seconded by Magistrate Robert Napier to come back into open session. Motion carried unanimous.
- Motion by Magistrate John Newell and seconded by Magistrate Russell Brock to approve acquisition of property discussed in executive session and authorized the County Judge to sign all documents and take any action necessary to complete acquisition. Motion carried unanimous.

Motion to adjourn was made by Magistrate Robert Napier and seconded by Magistrate Russell Brock. Roll call was unanimous.

Judge Executive William Lewis

Magistrate Robert Napier

Magistrate John Newell

Magistrate Russell Brock

Magistrate Bonnell Bentley



**COUNTY OF LESLIE
 OFFICE OF THE COUNTY JUDGE-EXECUTIVE
 LESLIE COUNTY FISCAL COURT
 22010 MAIN STREET
 P O BOX 619
 HYDEN, KENTUCKY 41749
 (606) 672-3200 Phone**

**William R. Lewis
 COUNTY JUDGE-EXECUTIVE**

Russell Brock Magistrate District (1)	Robert Napier Magistrate District (2)	Bonnell Bentley Magistrate District (3)	John E. Newell Magistrate District (4)	Onzie Sizemore County Clerk
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Notice

A special meeting of the Leslie County Fiscal Court is called by the Judge Executive, William Lewis, and will be held on August 6th 2020, at the hour of 10:00 a.m. at the Leslie County Extension Office, 22045 Main Street, Hyden, Kentucky.

AGENDA

1. ROLL CALL AND CALL TO ORDER
2. APPROVAL OF PREVIOUS REGULAR FISCAL COURT MEETING MINUTES
3. APPROVAL TO HIRE KAITLIN MUNCY TO WORK AT THE RECYCLING CENTER WITH THE FAHE EMPLOYMENT PROGRAM
4. APPROVAL OF RESOLUTION OF LESLIE COUNTY AUTHORIZING THE FILING OF A 2020 KENTUCKY COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION FOR THE WATER DAM REPAIR AND DISTRIBUTION SYSTEM IMPROVEMENTS PROJECT
5. APPROVAL FOR COUNTY ATTORNEY TO PURSUE TERMINATION OF CONTRACT ON THE VOTING MACHINES FROM MICROVOTE.
6. APPROVAL OF A RESOLUTION OF LESLIE COUNTY FISCAL COURT REGARDING THE SALARY OF MEMEBERS OF THE BOARD OF COMMISSIONERS OF HYDEN-LESLIE COUNTY WATER DISTRICT

7. ADJOURN TO CLOSED EXECUTIVE SESSION

- PROPERTY ACQUISITION PURSUANT TO KRS 61.810B

8. ADJOURNMENT

August 6, 2020

ITEM #2

Upon motion by JOHN NEWELL, and seconded by BONNELL BENTLEY, it is ordered that the minutes of the previous fiscal court meeting be approved.

ITEM #3

Upon motion by RUSSELL BROCK, and seconded by ROBERT NAPIER, it is ordered to hire Kaitlin Muncy to work at the recycling center with the Fahe Employment Program be approved.

ITEM #4

Upon motion by JOHN NEWELL, and seconded by BONNELL BENTLEY, it is ordered that the Resolution of Leslie County Authorizing the Filing of a 2020 Kentucky Community Development Block Grant Application for the Water Dam repair and distribution system improvement system project be approved.

ITEM #5

Upon motion by ROBERT NAPIER, and seconded by JOHN NEWELL, it is ordered for the County Attorney to pursue termination of contract on the voting machines from Micrvote be approved.

ITEM #6

Upon Motion by RUSSELL BROCK, and seconded by JOHN NEWELL,

it is hereby ordered that the Resolution of Leslie County Fiscal Court regarding the salary of members of the Board of Commissioners of Hyden-Leslie County Water District be approved.

ITEM #7

Upon motion by ROBERT NAPIER, and seconded by RUSSELL BROCK, it is hereby ordered to adjourn meeting to closed executive session.

ITEM #8

Upon motion by ROBERT NAPIER, and seconded by RUSSELL BROCK, it is ordered that the meeting of the Leslie County Fiscal Court be adjourned.

RESOLUTION

RESOLUTION OF LESLIE COUNTY AUTHORIZING THE FILING OF A 2020 KENTUCKY COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION FOR THE WATER DAM REPAIR AND DISTRIBUTION SYSTEM IMPROVEMENTS PROJECT

WHEREAS, it is recognized that the Federal/State contract for such financial assistance pursuant to said Title I will impose certain obligations and responsibilities upon the County and will require among other things:

1. Approval of a satisfactory application transmitted to the Kentucky Department for Local Government, Office of Federal Grants;
2. Certification by the County relating to activities such as civil rights, citizen participation, relocation payments, acquisition of properties, national environmental policies and accounting practices; and
3. Other local obligations and responsibilities in connection with the undertaking and carrying out of the Kentucky Community Development Block Grant Program; and

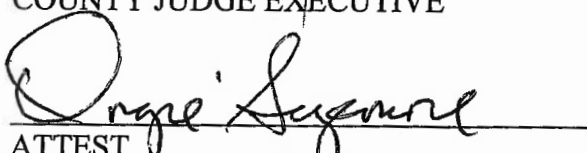
WHEREAS, in those areas where acquisition and clearance is proposed, the objectives of the program cannot be achieved through more extensive rehabilitation, and a displacement strategy has been formulated;

NOW, THEREFORE BE IT RESOLVED BY LESLIE COUNTY:

1. That the United States of America and the Commonwealth of Kentucky be and hereby are, assured of full compliance by the County with certification relating to all regulations and administration of Civil Rights Act, citizen participation, relocation payments, acquisition processes, accounting procedures, the Hatch Act, minimum wage and minimum hour provisions of the Fair Labor Standards Act, and all requirements of the National Environmental Policy Act of 1968.
2. That the County Judge Executive is authorized and directed to prepare such certification and to assure full compliance with all certification as outlined in (1) above, and all other pertinent regulations.
3. That an application on behalf of the County for a grant of up to \$1,000,000 of said Title I funds is hereby authorized and that the County Judge Executive is hereby authorized to execute and file such application with the Kentucky Department for Local Government, to provide such additional information and furnish such documentation as may be required, and act as the authorized correspondent of the County relating to the Kentucky Community Development Block Grant Program.

APPROVED THIS 5th DAY OF August 2020.


 COUNTY JUDGE EXECUTIVE


 ATTEST

**LESLIE COUNTY FISCAL COURT
RESOLUTION NO. _____**

**A RESOLUTION OF LESLIE COUNTY FISCAL COURT REGARDING
THE SALARY OF MEMBERS OF THE BOARD OF COMMISSIONERS OF
HYDEN-LESLIE COUNTY WATER DISTRICT**

WHEREAS, on Hyden-Leslie County Water District is a water district created pursuant to the provisions of KRS Chapter 74;

WHEREAS, Hyden-Leslie County Water District's territory encompasses all of Leslie County, Kentucky;

WHEREAS, Hyden-Leslie County Water District provides water service to Hyden, Kentucky and most areas of Leslie County Water District;

WHEREAS, pursuant to KRS 74.020(1), Hyden-Leslie County Water District is administered by a five-member board of commissioners that has responsibility for the control and management of the water district's affairs;

WHEREAS, KRS 74.020(6) provides that each commissioner of a water district "shall receive an annual salary of not more than thirty-six hundred dollars (\$3,600)," and that "each commissioner who completes during an educational year a minimum of six (6) instructional hours of water district management training approved by the Public Service Commission may receive an annual salary of not more than six thousand dollars (\$6,000) to be paid out of the water district fund;"

WHEREAS, KRS 74.020(6) further provides that the salary of a water district commissioner shall be fixed by the county judge/executive with the approval of fiscal court;

WHEREAS, on or about September 13, 2017, the Leslie County Judge/Executive with the approval of the Leslie County Fiscal Court fixed the annual salary of each member of the Leslie County Water District's Board of Commissioners at thirty-six hundred dollars (\$3,600); provided that each member who completed six hours of water district management training approved by the Public Service Commission would receive an annual salary of six thousand dollars (\$6,000);

WHEREAS, the minutes of the Leslie County Fiscal Court's meeting of September 13, 2017 reflected only "approval for the Hyden-Leslie Water District members to be paid per KRS statutes;"

WHEREAS, since that time, the Hyden-Leslie Water District has paid each member of its Board of Commissioners an annual salary of thirty-six hundred dollars (\$3,600) and has paid those members who completed six hours of water district management training approved by the Public Service Commission an annual salary of six thousand dollars (\$6,000), and has annually reported those salary levels annually to the Kentucky Public Service Commission;

WHEREAS, the Kentucky Public Service Commission has recently requested evidence of whether the current salary level of the members of Hyden-Leslie County Water District's Board of Commissioners has been properly authorized and approved by Leslie County Fiscal Court;

WHEREAS, pursuant to Kentucky Attorney General Opinion No. 77-425, a county fiscal court may retroactively approve the salary level of the members of a water district's board of commissioners and payment; and,

WHEREAS, the affirmation and ratification of the Leslie County Fiscal Court's earlier action is necessary to eliminate any uncertainty regarding the lawfulness and appropriateness of salary payments to the members of Hyden-Leslie County Water District's Board of Commissioners.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE LESLIE COUNTY FISCAL COURT AS FOLLOWS:

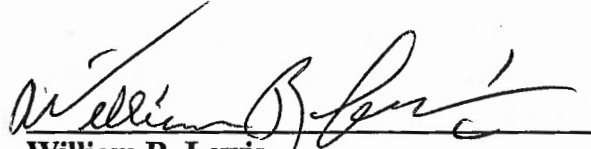
Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. Effective September 13, 2017, Hyden-Leslie County Water District is authorized to pay each commissioner of Hyden-Leslie County Water District an annual salary of thirty-six hundred dollars (\$3,600), provided however, that any commissioner who completes six hours of water district management training approved by the Public Service Commission in that calendar year is authorized to receive a salary of six thousand dollars (\$6,000) for that year. Annual salary payments made by Hyden-Leslie County Water District in accordance with this authorization to the members of its Board of Commissioners since September 13, 2017 are hereby ratified and affirmed.


Section 3. This Resolution does not preclude the Hyden-Leslie County Water District Board of Commissioners from authorizing, pursuant to KRS 74.050, the payment of additional compensation to the commissioner performing the duties of treasurer so long as such additional compensation does not exceed two hundred dollars (\$200) annually.

ADOPTED BY THE LESLIE COUNTY FISCAL COURT at its meeting held on

August 6th, 2020.


 William R. Lewis
 Leslie County Judge Executive

ATTEST:


 Onzie Sizemore
 Leslie County Clerk