



**BLUEGRASS WATER**  
Utility Operating Company

A CSWR Manager Utility

November 19 2021

Kentucky Public Service Commission  
211 Sower Blvd  
Frankfort, KY 40601

Re: Six month utility performance of Bluegrass Water UOC  
PSC Case No. 2020-00297, 1/14/2021 Order, ordering ¶ 6

Dear PSC staff,

In the six months following the completion of the closing on Delaplain, Herrington Haven, Springcrest, and Woodland Acres wastewater utility assets, Bluegrass Water has implemented a utility asset management program, put in place qualified certified operations personnel, launched a multi-platform billing and customer service program, and in general made an effort to increase sewerage service reliability and customer service provided to each service area now served by our company.

Bluegrass Water has obtained Agreed Orders with the Kentucky Department of Water (DOW) for the Delaplain, Herrington Haven, and Woodland Acres wastewater systems that each have significant investment needs with a schedule of compliance that Bluegrass Water will work under in order to bring each system into compliance and improve system reliability and safety. Springcrest is a non-discharging system and does not have any monitoring or testing limits imposed on the facility.

Bluegrass Water has begun work to bring these systems into good repair by repairing or replacing failed system components. Additionally, Bluegrass Water is in the process of making repairs to site conditions at the facilities and evaluating collection systems for sources of inflow and infiltration. Engineering designs and permitting are underway for improvements required to bring the systems into compliance with Kentucky, which will be implemented following permitting and bid process.

Please see the attached workorder listing for service interruptions within the first 6 months. Bluegrass received 0 complaints regarding customer service at Delaplain, Herrington Haven, Springcrest, and Woodland Acres.

Bluegrass Water's customer service group received 2,068 calls in past 6 months, for all the systems served by Bluegrass Water which, as of February 23, 2021, included Delaplain, Herrington Haven, and Springcrest, and as of March 9, 2021 included Woodland Acres. The average wait time for a caller was 3 minutes and 31 seconds and the average time to handle a call was 8 minutes and 21 seconds. Only 306 of the 2,068 calls abandoned their call during the wait period. Bluegrass Water's recent rate increase resulted in a spike of calls concerning the affected rates and the impact to customers.

Bluegrass Water is pleased to serve its customers with excellent customer service and Bluegrass Water is working to improve system operations over the coming months via on-going investments and professionalized operations with a plan to bring all the systems into full compliance. Please do not hesitate to contact Bluegrass Water with any questions regarding this report.

Sincerely,

Mike Duncan  
Vice President

AssetDescription	WorkflowTitle	WorkOrderDescription	WorkOrderPriority	WorkOrderStatus	DateCreated
Wastewater Customer Service Call - Delaplain - WWTP	CS - Corrective Work Order	Customer called 4/16/2021 to complain of SSO at their property; Check valve was found to be busted	Major	Complete	4/18/2021 5:50:37 PM
Wastewater Treatment Plant - Delaplain - WWTP	CS - Corrective Work Order	██████████ georgetown. sewage coming up in customers yard; found to be ground water	Emergency	Complete	4/20/2021 6:45:52 AM
Wastewater Treatment Plant - Delaplain - WWTP	Corrective Work Order	Upon Liftstation inspections (moonlake liftstation 1) had a pump not working. Reversed pump to unclog and determined that was not the problem. Straffer pump will be called to pull this large pump.	Major	Open	6/9/2021 7:26:14 PM
Wastewater Treatment Plant - Delaplain - WWTP	Corrective Work Order	Backflow preventer leaking from bottom vent	Minor	Complete	6/11/2021 6:17:46 AM
Wastewater Customer Service Call - Delaplain - WWTP	CS - Corrective Work Order	Ms. ██████████ ██████████ Georgetown, KY 40324 called in to report the sewer pump light keeps coming on and the pump will not cycle on its own. contact # 502 ██████████; Caused by the homeowners grinder pump so they were told to contact a plumber	Critical	Closed	7/14/2021 7:53:56 AM
Wastewater Customer Service Call - Delaplain - WWTP	CS - Corrective Work Order	Mr. ██████████ at ██████████, Georgetown, KY 40324 (Delaplain) is reporting that the pump station near his home has a red light on and is producing a bad odor. Contact #: 859 ██████████; Rewired existing flowats to allow stations to run	Emergency	Closed	8/2/2021 8:18:17 AM
Wastewater Treatment Plant - Delaplain - WWTP	Corrective Work Order	Buchanan clean out filter and chlorine contact	Minor	Complete	8/19/2021 6:09:50 AM
Wastewater Treatment Plant - Delaplain - WWTP	Corrective Work Order	Repair air leak going to effluent for aeration	Minor	Complete	8/19/2021 6:10:45 AM

AssetDescription	WorkflowTitle	WorkOrderDescription	WorkOrderPriority	WorkOrderStatus	DateCreated
Wastewater Treatment Plant - Herrington Haven - WWTP	Corrective Work Order	Upon closing of the herrington haven facility, Midwest employees went to the facility and found that it was flooded out. the effluent piping was clogged. while working with the clog the effluent piping came apart and there was no glue residue. We unclogged the effluent piping and glued it back together. Pumped the water level down inside the facility.	Critical	Complete	3/3/2021 7:52:36 AM
Wastewater Treatment Plant - Herrington Haven - WWTP	Corrective Work Order	Install new pickets and make repairs to existing fence.	Minor	Complete	6/4/2021 1:49:48 PM
Outfall 001 - Herrington Haven - WWTP	Corrective Work Order	Installed new screens on both ends of outfall pipe.	Minor	Complete	6/9/2021 4:32:37 PM
Aeration Basin 1 - Herrington Haven - WWTP	Corrective Work Order	Fixed defuser restored air to treatment plant.	Minor	Complete	6/14/2021 12:18:09 PM
Wastewater Treatment Plant - Herrington Haven - WWTP	Corrective Work Order	Hung BGWW sign per inspector request.	Minor	Complete	8/23/2021 7:03:32 AM
Blower Unit 1 - Herrington Haven - WWTP	Corrective Work Order	Installed new coupling to stop air line from breaking. Zw	Minor	Complete	10/4/2021 6:44:33 AM

AssetDescription	WorkflowTitle	WorkOrderDescription	WorkOrderPriority	WorkOrderStatus	DateCreated
Wastewater Treatment Plant - Springcrest - WWTP	Capital Improvement	Upon taking responsibility of the facility. all 4 wet wells are overflowing. 6 pumps sitting on top of the ground. it doesnt appear any pumps are working. Wet wells will be emptied and cleaned. TNT will be called for pump work. Buchanan pumping out wet wells. on 08-10 cswr approved a capital project to install 4 new pumps.	Major	Open	3/3/2021 10:36:30 AM
Wastewater Customer Service Call - Springcrest - WWTP	CS - Corrective Work Order	██████████ CT NICHOLASVILLE KY 40356. Please verify address is connected for sewer service. It appears to have been missed when information was transferred to Bluegrass; Located sewer lines for customer. Notified contractor. Left note for customer.	Major	Closed	7/9/2021 3:08:38 PM
Wastewater Treatment Plant - Springcrest - WWTP	Corrective Work Order	wet well overflow due to bad pumps. pump truck will be pumping wet wells down and pump wiring will need to be worked on	Emergency	Complete	7/26/2021 1:55:31 PM
Wastewater Treatment Plant - Springcrest - WWTP	Corrective Work Order	Repaired broken pipe in well. Restored water to field.	Minor	Complete	8/16/2021 11:41:45 AM
Wastewater Treatment Plant - Springcrest - WWTP	Corrective Work Order	Repair broken pipe in field.	Minor	Complete	9/20/2021 11:21:19 AM
Wastewater Treatment Plant - Springcrest - WWTP	Corrective Work Order	Located leak cut broken t off installed new 90 pipe and cap.	Minor	Complete	10/6/2021 7:18:13 AM
Control Panel/MCC 2 - Springcrest - WWTP	Corrective Work Order	Put door latch and lock on control room door	Minor	Complete	10/28/2021 2:48:01 PM
Wastewater Customer Service Call - Springcrest - WWTP	CS - Corrective Work Order	Irrigation line sticking out of ground in filed; Removed broken line	Minor	Complete	11/1/2021 8:16:22 AM

AssetDescription	WorkFlowTitle	WorkOrderDescription	WorkOrderPriority	WorkOrderStatus	DateCreated
Wastewater Customer Service Call - Woodland Acres - WWTP	CS - Corrective Work Order	Ms. [REDACTED] at [REDACTED], Shepherdsville, KY 40165 (Woodland Acres) called and said they are having back up inside the home. They had plumber out and plumber confirmed it is a blockage in our main line. Plumber ran a snake 150 ft. and could not clear. After snake was ran it backed up into washer. Contact #: 550-[REDACTED] - Also, please verify this address, as it is not in our system.; Line was clogged in main line	Emergency	Closed	6/8/2021 3:15:38 PM
Wastewater Customer Service Call - Woodland Acres - WWTP	CS - Corrective Work Order	Please confirm that water is off at [REDACTED], Shepherdsville, KY 40165 (Woodland Acres) Customer is disputing bill stating water is off and we should not be billing for sewer.	Major	Canceled	6/11/2021 3:04:16 PM
Wastewater Treatment Plant - Woodland Acres - WWTP	Corrective Work Order	roots in main line. Scotts sewer and pipe inspection ran a camera and augered out the roots	Minor	Complete	6/14/2021 3:58:31 PM
Blower Unit 2 - Woodland Acres - WWTP	Corrective Work Order	Blower unit tripped, reset and turn on.	Minor	Complete	6/15/2021 10:12:45 AM
Aeration Basin 1 - Woodland Acres - WWTP	Corrective Work Order	Reseed aeration with seed sludge from kingswood	Minor	Complete	6/17/2021 10:15:52 AM
Wastewater Customer Service Call - Woodland Acres - WWTP	CS - Corrective Work Order	Mr. [REDACTED] at [REDACTED], Shepherdsville, KY 40165 (Woodland Acres) called to report that the community sewer system, which is in the lot next to him is putting off horrible odor worse than normal and almost has a gas like odor. He is requesting we look into this. Contact #: 502-[REDACTED]; Air in digester is off for decant, when air was turned back on some odors were present	Major	Closed	8/6/2021 11:03:28 AM
Clarifier 1 - Woodland Acres - WWTP	Corrective Work Order	Unclogged ras lines and skinner return lines.	Minor	Complete	9/17/2021 9:52:52 PM

COMMONWEALTH OF KENTUCKY  
ENERGY AND ENVIRONMENT CABINET  
DIVISION OF ENFORCEMENT  
CASE NO. DOW 21-3-0028

IN RE: Delaplain Disposal Company  
Delaplain Disposal WWTP  
249 West Yusen Drive.  
Georgetown, KY 40324  
AI No. 3901  
Activity ID No. ERF20210001

**AGREED ORDER**

\* \* \* \* \*

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

**STATEMENTS OF FACT**

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address according to the Kentucky Secretary of State, is 1650 Des Peres Road, Suite 303, St. Louis, Missouri 63131.
3. Delaplain Disposal Wastewater Treatment Plant (hereinafter "Delaplain," "Delaplain WWTP" or "facility"), is located at 249 West Yusen Drive, Georgetown, Kentucky 40324. The facility has a design capacity of 0.24 million gallons per day and discharges to an unnamed tributary of Dry Run.
4. Delaplain WWTP is currently owned and operated by Delaplain Disposal Company. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination

Systems (hereinafter “KPDES”) permit number KY0079049, issued by the Cabinet’s Division of Water (hereinafter “DOW”). The facility’s KPDES permit expires on January 31, 2026.

5. Delaplain Disposal Company is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Delaplain WWTP, provided it receives from the Kentucky Public Service Commission (“Commission”) all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Delaplain WWTP on or around March 1, 2021.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Delaplain WWTP (Exhibit A). This report was submitted to the Cabinet on or about January 26, 2021.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

**NOW THEREFORE**, in the interest of providing corrective actions to Delaplain WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

**REMEDIAL MEASURES**

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Delaplain WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a “Change in Ownership Certification” to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065

Section 2(1).

12. Within thirty (30) days of execution of this Agreed Order, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort,



Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

#### **MISCELLANEOUS PROVISIONS**

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Delaplain WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or a designee thereof. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or a designee thereof as evidenced by his or her signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.


#### **TERMINATION**

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes

all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

**CASE NO. DOW 21-3-0028**

**AGREED TO BY:**

  
\_\_\_\_\_  
Josiah Cox (Aug 10, 2021 11:18 CDT)

Josiah Cox, President  
Bluegrass Water Utility Operating Company, LLC

Aug 10, 2021  
Date

**APPROVAL RECOMMENDED BY:**

\_\_\_\_\_  
Michael B. Kroeger, Director  
Division of Enforcement

\_\_\_\_\_  
Date

\_\_\_\_\_  
Elizabeth U. Natter, Executive Director  
Office of General Counsel

\_\_\_\_\_  
Date

**ORDER**

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this \_\_\_ day of \_\_\_\_\_, 2021.

**ENERGY AND ENVIRONMENT CABINET**

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**John S. Lyons, Deputy Secretary  
Authorized Designee, Rebecca W. Goodman,  
Secretary Energy & Environment Cabinet**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Bluegrass Water Utility Operating Company, LLC  
Attn: Jacob Freeman  
1650 Des Peres Road, Suite 303  
St. Louis, MO 63131

And mailed, messenger to:

Michael B. Kroeger, Director  
Division of Enforcement  
300 Sower Blvd.  
Frankfort, Kentucky 40601

Elizabeth U. Natter, Executive Director  
Office of General Counsel  
Energy and Environment Cabinet  
300 Sower Blvd.  
Frankfort, Kentucky 40601

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DOCKET COORDINATOR



COMMONWEALTH OF KENTUCKY  
ENERGY AND ENVIRONMENT CABINET  
DIVISION OF ENFORCEMENT  
CASE NO. DOW 21-3-0029

IN RE: Herrington Haven Wastewater Co., Inc.  
Herrington Haven WWTP  
Herrington Haven Subdivision  
Lancaster, KY 40444  
AI No. 1469  
Activity ID No. ERF20210001

**AGREED ORDER**

\* \* \* \* \*

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

**STATEMENTS OF FACT**

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address according to the Kentucky Secretary of State, is 1650 Des Peres Road, Suite 303, St. Louis, Missouri 63131.
3. Herrington Haven Wastewater Treatment Plant (hereinafter "Herrington," "Herrington Haven WWTP" or "facility"), is located at Herrington Haven Subdivision, Lancaster, Kentucky 40444. The facility has a design capacity of 0.0098 million gallons per day and discharges to Herrington Lake.
4. Herrington Haven WWTP is currently owned and operated by Herrington Haven Wastewater Co., Inc. The facility's discharges are permitted under Kentucky Pollutant Discharge

Elimination Systems (hereinafter “KPDES”) permit number KY0053431, issued by the Cabinet’s Division of Water (hereinafter “DOW”). The facility’s KPDES permit expires on July 31, 2023.

5. Herrington Haven Wastewater Co., Inc is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Herrington Haven WWTP, provided it receives from the Kentucky Public Service Commission (“Commission”) all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Herrington Haven WWTP on or around March 1, 2021.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Herrington Haven WWTP (Exhibit A). This report was submitted to the Cabinet on or about January 26, 2021.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

**NOW THEREFORE**, in the interest of providing corrective actions to Herrington Haven WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

**REMEDIAL MEASURES**

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Herrington Haven WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a “Change in Ownership Certification” to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall

provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065 Section 2(1).

12. Within thirty (30) days of execution of this Agreed Order, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. BWUOC may request an amendment of the accepted CAP by writing the

Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

- C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

#### **MISCELLANEOUS PROVISIONS**

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Herrington Haven WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or a designee thereof. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

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#### **TERMINATION**

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements

described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

**CASE NO. DOW 21-3-0029**

**AGREED TO BY:**

  
\_\_\_\_\_  
Josiah Cox (Aug 10, 2021 11:19 CDT)

**Josiah Cox, President**  
**Bluegrass Water Utility Operating Company, LLC**

**Aug 10, 2021**  
\_\_\_\_\_  
Date



**APPROVAL RECOMMENDED BY:**

\_\_\_\_\_  
Michael B. Kroeger, Director  
Division of Enforcement

\_\_\_\_\_  
Date

\_\_\_\_\_  
Elizabeth U. Natter, Executive Director  
Office of General Counsel

\_\_\_\_\_  
Date

**ORDER**

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ENERGY AND ENVIRONMENT CABINET

---

John S. Lyons, Deputy Secretary  
Authorized Designee, Rebecca W. Goodman,  
Secretary Energy & Environment Cabinet

**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Bluegrass Water Utility Operating Company, LLC  
Attn: Jacob Freeman  
1650 Des Peres Road, Suite 303  
St. Louis, MO 63131

And mailed, messenger to:

Michael B. Kroeger, Director  
Division of Enforcement  
300 Sower Blvd.  
Frankfort, Kentucky 40601

Elizabeth U. Natter, Executive Director  
Office of General Counsel  
Energy and Environment Cabinet  
300 Sower Blvd.  
Frankfort, Kentucky 40601

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DOCKET COORDINATOR

COMMONWEALTH OF KENTUCKY  
ENERGY AND ENVIRONMENT CABINET  
DIVISION OF ENFORCEMENT  
CASE NO. DOW 21-3-0030

IN RE: Woodland Acres Utilities, LLC  
Woodland Acres WWTP  
57 Hemlock Drive  
Shepherdsville, KY 40165  
AI No. 479  
Activity ID No. ERF20210001

**AGREED ORDER**

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WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

**STATEMENTS OF FACT**

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address according to the Kentucky Secretary of State, is 1650 Des Peres Road, Suite 303, St. Louis, Missouri 63131.
3. Woodland Acres Wastewater Treatment Plant (hereinafter "Woodland Acres WWTP" or "facility"), is located at 57 Hemlock Drive, Shepherdsville, Kentucky 40165. The facility has a design capacity of 0.025 million gallons per day and discharges to an unnamed tributary to Mud Run.
4. Woodland Acres WWTP is currently owned and operated by Woodland Acres Utilities, LLC. The facility's discharges are permitted under Kentucky Pollutant Discharge

Elimination Systems (hereinafter “KPDES”) permit number KY0091600, issued by the Cabinet’s Division of Water (hereinafter “DOW”). The facility’s KPDES permit expires on March 31, 2021.

5. Woodland Acres Utilities, LLC, is an inactive for-profit Kentucky corporation in bad standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Woodland Acres WWTP, provided it receives from the Kentucky Public Service Commission (“Commission”) all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Woodland Acres WWTP on or around March 1, 2021.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Woodland Acres WWTP (Exhibit A). This report was submitted to the Cabinet on or about January 26, 2021.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

**NOW THEREFORE**, in the interest of providing corrective actions to Woodland Acres WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

**REMEDIAL MEASURES**

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Woodland Acres WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a “Change in Ownership Certification” to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065

Section 2(1).

12. Within thirty (30) days of execution of this Agreed Order, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort,

Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

#### **MISCELLANEOUS PROVISIONS**

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Woodland Acres WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or a designee thereof. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.



21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or a designee thereof as evidenced by his or her signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

#### **TERMINATION**

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes

all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 21-3-0030

**AGREED TO BY:**

  
\_\_\_\_\_  
Josiah Cox (Aug 10, 2021 11:19 CDT)

**Josiah Cox, President**  
**Bluegrass Water Utility Operating Company, LLC**

**Aug 10, 2021**  
\_\_\_\_\_  
Date

**APPROVAL RECOMMENDED BY:**

\_\_\_\_\_  
Michael B. Kroeger, Director  
Division of Enforcement

\_\_\_\_\_  
Date

\_\_\_\_\_  
Elizabeth U. Natter, Executive Director  
Office of General Counsel

\_\_\_\_\_  
Date

**ORDER**

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this \_\_\_ day of \_\_\_\_\_, 2021.

ENERGY AND ENVIRONMENT CABINET

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John S. Lyons, Deputy Secretary  
Authorized Designee, Rebecca W. Goodman,  
Secretary Energy & Environment Cabinet

**CERTIFICATE OF SERVICE**

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\_\_\_\_\_  
DOCKET COORDINATOR