

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

ELECTRONIC INVESTIGATION INTO THE)	
FINANCIAL AND OPERATING CAPACITY OF)	
RATTLESNAKE RIDGE WATER DISTRICT)	
INCLUDING RATTLESNAKE RIDGE WATER)	
DISTRICT AND ITS INDIVIDUAL)	CASE NO.
COMMISSIONERS, AND MANAGER DAVID)	2021-00340
GIFFORD FOR ALLEGED FAILURE TO COMPLY)	
WITH KRS 278.300 AS WELL AS POSSIBLE)	
VACANCIES ON THE BOARD OF)	
COMMISSIONERS OF RATTLESNAKE RIDGE)	
WATER DISTRICT)	

**RESPONSE OF RATTLESNAKE RIDGE WATER DISTRICT (hereinafter RRWD) TO
COMMISSION STAFF'S EIGHTH REQUEST FOR INFORMATION TO
RATTLESNAKE RIDGE WATER DISTRICT**

1. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “the repainting and rehabilitating three storage tanks” project.
 - a. A list of all assets purchased in relation to the project including the cost of those assets.
 - b. The useful life of each asset.
 - c. The date in service of each asset.
 - d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7. 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 1:

a. A list of all assets purchased in relation to the project including the cost of those assets.

There were no assets purchased for the “repainting and rehabilitating three storage tanks”. The tanks were already a part of RRWD’s assets.

b. The useful life of each asset.

There is no useful life as part of this project (no new asset to assign useful life to).

c. The date in service of each asset.

The date in service varies depending on when each tank was rehabbed and repainted.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

The asset is included in the depreciation schedule.

2. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for the “installation of water lines on 11 different roads” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application Attachment 4, Depreciation Expense Adjustments Table, and Item 7. 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 2:

a. A list of all assets purchased in relation to the project including the cost of those assets.

45,000 L.F. 3" PVC Water Main at a cost of \$333,000.00; 400 L.F. 8" PVC Water Main at a cost of \$8,000.00; 350 L.F. HDPE DR 11 at a cost of \$17,500.00; 10 – 3" gate valves at a cost of \$8,000.00; 2 – 8" gate valves at a cost of \$3,000.00; 4 – 3" tapping sleeves and valves at a cost of \$10,000.00; 7 – 3" blow off assemblies at a cost of \$10,500.00

b. The useful life of each asset.

40 years

c. The date in service of each asset.

January 1, 2021

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application Attachment 4, Depreciation Expense Adjustments Table, and Item 7. 7_Dep_schedule_2022.xls along with the asset number.

Included in the depreciation schedule under Group 60, Phase XI Lines.

3. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “construction of a new office” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 3:

a. A list of all assets purchased in relation to the project including the cost of those assets.

An existing building was purchased for the new office building. It was rehabilitated and an addition was added on for this project at a cost of \$679,004.75

b. The useful life of each asset.

31.5 years

c. The date in service of each asset.

February 2020

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

Included in the depreciation schedule under Group 60, Phase XI Lines.

4. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “purchase of a portable generator that can be moved to any of the pump stations in the system during emergency power outages” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 4:

a. A list of all assets purchased in relation to the project including the cost of those assets.

A portable generator was purchased at a cost of \$55,000.00

b. The useful life of each asset.

10 years

c. The date in service of each asset.

June 21, 2019

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

Included in the depreciation schedule under Group 60, Phase XI Lines.

5. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “upgrade of the Diamond Ridge pump station” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 5:

a. A list of all assets purchased in relation to the project including the cost of those assets.

The rehabilitation of the existing Diamond Ridge pump station included pumps, meter, control panel, RTU, piping and appurtenances at a cost of \$52,500.00.

b. The useful life of each asset.

10 years

c. The date in service of each asset.

July 19, 2019

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

Included in the depreciation schedule under Group 60, Phase XI Lines.

6. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “installation of a new PRV station at Huff Run Road” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 6:

a. A list of all assets purchased in relation to the project including the cost of those assets.

The PRV station at Huff Run Road was deleted from the contract of this project.

b. The useful life of each asset.

N/A

c. The date in service of each asset.

N/A

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

N/A

7. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “upgrade of the water treatment plant (WTP) SCADA system” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 7:

a. A list of all assets purchased in relation to the project including the cost of those assets.

The WTP SCADA system was upgraded as a part of this project at a cost of \$75,110.00

b. The useful life of each asset.

10 years

c. The date in service of each asset.

September 27, 2019

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number

Included in the depreciation schedule under Group 60, Phase XI Lines.

8. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “construction of a new 250,000-gallon elevated storage tank and new pump station on highway KY 504” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 8:

a. A list of all assets purchased in relation to the project including the cost of those assets.

Two (2) new elevated tanks were built in place of the 250,000 gallon elevated tank. 1 – 75,000 gallon elevated tank at a cost of \$448,185.00; 1 – 100,000 gallon elevated tank at a cost of \$475,425.00.

b. The useful life of each asset.

40 years

c. The date in service of each asset.

November 1, 2019

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

Included in the depreciation schedule under Group 60, Phase XI Lines.

9. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “rehabilitate the Diamond Ridge, Gregoryville No. 2 and Route 7 storage tanks” project.

- a. A list of all assets purchased in relation to the project including the cost of those assets.
- b. The useful life of each asset.
- c. The date in service of each asset.
- d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4. Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 9:

- a. A list of all assets purchased in relation to the project including the cost of those assets.

There were no assets purchased to “rehabilitate the Diamond Ridge, Gregoryville No. 2 and Route 7 storage tanks project.” The tanks were already a part of the RRWD’s assets.

- b. The useful life of each asset.

As no new asset purchased, no new useful life applicable

- c. The date in service of each asset.

The date in-service varied depending upon the rehabbing and repainting of the tanks, but July 2019.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

The tanks are included in the depreciation schedule. Included in the depreciation schedule under Group 60, Phase XI Lines.

10. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “demolition of two tanks on KY 504” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 10:

a. A list of all assets purchased in relation to the project including the cost of those assets.

Two existing assets in the system were demolished at a cost of \$19,150.00 and replaced with two new assets (See Question 8).

b. The useful life of each asset.

The useful life of the old tanks had come to an end, so they were replaced. The useful life of the new assets is 40 years.

c. The date in service of each asset.

The new assets were installed November 1, 2019.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

The demolition of the tanks was included in the depreciation schedule under Group 60, Phase XI Lines. The new tanks are included on the depreciation schedule under Group 60, Phase XI Lines.

11. Refer to Case No. 2018-000371, December 4, 2018 Order, pages 1-2. Provide the following information for “construction of a cover over the backwash sludge pile at the WTP or purchase of a sludge container filter” project.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 11:

- a. A list of all assets purchased in relation to the project including the cost of those assets.

This was deleted from the contract of this project

- b. The useful life of each asset.

N/A

- c. The date in service of each asset.

N/A

- d. Whether the asset was included in the depreciation schedule provided in Case No.

2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

N/A

12. Refer to Case No. 2022-00426, February 17, 2023 Order, page 1. Provide the following information for Rattlesnake Ridge District's plan to replace 4,000 customer meters with new radio meters.

- a. A list of all assets purchased in relation to the project including the cost of those assets.

- b. The useful life of each asset.

- c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 12:

a. A list of all assets purchased in relation to the project including the cost of those assets.

4,350 Radio Read Meters at a cost of \$1,803,540.00

b. The useful life of each asset.

10 years

c. The date in service of each asset.

The date in service varied by meter installation and programmed into the software. First meter in service was April, 2023; PMI last installed July 2023 (#4000); RRWD is continuing to install new meters as find old ones still in use.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

This asset is not included in the deprecation schedule at this point as the project is still on-going and is not complete.

13. Refer to Case No. 2022-00426, February 17, 2023 Order, page 1. Provide the following information for Rattlesnake Ridge District’s plan for the installation of nine new system wide meters as well as 14,500 linear feet of new water pain (sic Pipe?) and the replacement of 700 existing service lines and meter assemblies.

a. A list of all assets purchased in relation to the project including the cost of those assets.

b. The useful life of each asset.

c. The date in service of each asset.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

RESPONSE QUESTION 13:

a. A list of all assets purchased in relation to the project including the cost of those assets.

4,249 L.F. 2” PVC Cl. 250 at a cost of \$55,237.00; 12,087 L.F. 3” PVC Cl. 200 at a cost of \$159,378.00; 2 – 2” gate valves at a cost of \$2,400.00; 5 – 3” gate valves at a cost of \$10,000.00; 4 blow off assemblies at a cost of \$14,000.00

b. The useful life of each asset.

40 years

c. The date in service of each asset.

The in-service date varies depending on when the line was installed, pressure tested, disinfected, and accepted by the District. First in-service was May 2023 for replacement of 700 existing service lines and meter assemblies; Final in-service was July 2023 for PMI replacing 4000 meters (however PMI could not find all meters and RRWD had to finish installation of approximately 300 meters).

Nine new system wide meters (zone meters) still being installed – this not complete.

d. Whether the asset was included in the depreciation schedule provided in Case No. 2023-00338, Application, Attachment 4, Depreciation Expense Adjustments Table, and Item 7, 7_Dep_schedule_2022.xls along with the asset number.

This asset is not included in the deprecation schedule at this point as the project is still on-going and is not complete.

14. Provide a listing of all current debts that Rattlesnake Ridge District has. With this list, identify the case number the debt was authorized by the Commission, specifically identifying the debt from Case No. 2022-00426, Case No. 2018-00371, and Case No. 2020-00086. If the debt was not authorized by the Commission, provide a statement about why the debt was not authorized.

RESPONSE QUESTION 14:

1. Authorized in Case #2022-00426:

Issuance of \$1,906,000 dated October 5, 2023 of Waterworks Revenue Bonds (purchased by RD maturing over a 40-year period at an interest rate not to exceed 1.375% per annum);

2. Authorized in Case #2018-00371:

\$2,490,000 of Waterworks Revenue Bonds dated October 10, 2019 (purchased by RD maturing over a 40-year period at an interest rate of 2.375% per annum;

3. Authorized in Case #2020-00086:

Funds borrowed from KRWFC pursuant to an Assistance Agreement dated June 8, 2021 in the principal amount of \$3,170,000.

4. Total debts of RRWD: Issuance of \$1,906,000 dated October 5, 2023 of Waterworks Revenue Bonds plus [Per CERTIFICATE OF EXECUTION, NO LITIGATION AND OF OUTSTANDING BOND ISSUES (dated October 5, 2023) Paragraph number 5]:

“Rattlesnake Ridge Water District Waterworks Revenue Bonds, Series 2011A and B, dated June 12, 2012 (the “2011 Bonds”), authorized by a Resolution adopted by the Commission of the District on December 6, 2010 (the “2010 Bond Resolution”); Rattlesnake Ridge Water District Waterworks Revenue Bonds, Series 2015, dated March 13, 2015 (the “2015 Bonds”), authorized by a Resolution adopted by the Commission of the District on February 10, 2015 (the “2015 Bond Resolution”); Rattlesnake Ridge Water District Waterworks Revenue Bonds, Series 2019, dated October 10, 2019 (the “2019 Bonds”), authorized by a Resolution adopted by the Commission of the District on November 6, 2018 (the “2019 Bond Resolution”); Rattlesnake Ridge Water District Waterworks Revenue Bonds, Series 2001A and B, dated June 21, 2001 (the “2001 Bonds”), authorized by a Resolution adopted by the Commission of the District on January 26, 2001 (the “2001 Bond

Resolution”); Kentucky Area Development District Financing Trust Lease, dated April 14, 2005 (the “KADD Lease”); Kentucky Rural Water Finance Corporation 2008C loan, dated May 29, 2008 (the “KRWFC 2008C Loan”); Kentucky Rural Water Finance Corporation 2021A loan, dated June 8, 2021 (the “KRWFC 2021A Loan”); [hereinafter the 2001 Bonds, the 2011 Bonds, the 2015 Bonds, the 2019 Bonds, the KADD Lease, KRWFC 2008C Loan and the KRWFC 2021A Loan shall be collectively referred to as the “Prior Bonds”] and the Prior Bonds and the Current Bonds represent the only issues of bonds (the “outstanding Bonds”) or obligations of said District outstanding which by their terms are in any manner secured by or payable from the revenues of the District’s waterworks system (the “System”) as of the date hereof.”

15. Refer to Rattlesnake Ridge District’s response to Commission Staff’s First Request for Information, Item 1c, 2023 Board Minutes for the month of April, specifically the following: “Late bills addressed; No late fees for the month of April, due to postal issues but we will proceed with shutoffs for non-payments.” Provide the tariff provision that allowed for this action.

RESPONSE QUESTION 15:

The tariff provision regarding late fees assumes that bills will be mailed out. In this instance, the bills were NOT mailed out by the postal hub in Charleston, WV (they were lost) and RRWD would have never assumed same would occur in order to put a tariff provision in place as to “what happens when bills are not sent out?” RRWD does not believe appropriate to charge late fees on accounts when no billing occurred.

There was a postal issue; RRWD received numerous complaints from customers who did not receive their bills timely (some customers received up to two months late; some did not receive at all).

Attached as Exhibit A are documents showing RRWD's opened an investigation with the postal service as well as the billing provider. During this time frame, PSC also received complaints from customers who either did not get bills or received late, to which PSC contacted RRWD regarding same.

16. Provide an itemized list of the funding sources and corresponding expenditures for the projects approved in Case No. 2022-00426. Include the following information:

- a. Amount of money spent;
- b. An accounting of any funds not disbursed but owed;
- c. Any remaining funds for use; and
- d. Any other information related to the above required information.

RESPONSE QUESTION 16:

Funding sources: Issuance of \$1,906,000 of Waterworks Revenue Bonds (purchased by RD maturing over a 40-year period at an interest rate not to exceed 1.375% per annum); a United States Department of Agriculture, acting through Rural Development ("RIY") grant in the amount of \$1,196,000; Appalachian Regional Commission ("ARC") grant in the amount of \$500,000; and a Community Development Block Grant (CDBG") in the

amount of \$1,000,000. Cleaner Water Act - KIA Grant #22CWW098 \$440,500. Total funding package of \$5,042,500

a. Amount of money spent;

Total Spent to date = \$4,025,409.44;

Per RD: Cleaner Water Act - KIA Grant #22CWW098 available funds \$127,436.21 (spent \$313,063.79); CBDG funds depleted; ARC Funds have not been spent. All the funds obligated for use. Funds paid out as work completed. As in CWA available \$127,436.21 and ARC funds available \$500,000.00. No funds due at this time, funds are ordered at the project meetings.

b. An accounting of any funds not disbursed but owed;

Bluegrass Engineering has \$10,394.80 left to invoice. Contract 1 has \$609,435.04 left. Contract 2 has \$102,611.30 of retainage left to be paid out. Derek Willis is still owed \$4,410 out of his fee of \$8,820 (still has not invoiced the last part)

c. Any remaining funds for use; and

Funds Remaining after both contracts are complete \$190,875.42 (See Exhibit B attached hereto)

c. Any other information related to the above required information.

See Exhibit C attached hereto.

17. Refer to Revised Rate Study Excel File, Miscellaneous Service Revenues filed on November 30, 2023, in Case No. 2023-00338. For each of the following provide an explanation of each line item; why the charge contains a debt or credit; the cost allocation sheet for each line

item; what funds were used or received for each item; and the corresponding tariff provision associated with each item. If there is no corresponding tariff provision, explain why not.

- a. Line Item 6- Return Check Fee Charge.
- b. Line Item 8- Fee for reject/return Invoice closed.
- c. Line Item 9- Service Charge.
- d. Line Item 12- Replaced Meter.
- e. Line Item 13- Posted to wrong account.
- f. Line Item 14- Leak Adjustment.
- g. Line Item 15- Late Fee.
- h. Line Item 16- Deposit/Overpay Refund.
- i. Line Item 17- Bad Regulator.
- j. Line Item 18- Leak on District side.
- k. Line Item 19- Posting Error.
- l. Line Item 21- Fee for reject/return Invoice Cloud.
- m. Line Item 22- Reject/Return payment from Invoice Cloud.
- n. Line Item 23- Water Theft.
- o. Line Item 24- Stuck Meter.
- p. Line Item 25- Misc.
- q. Line Item 26- Service Charge.

- r. Line Item 27- Adh. Empl. Water Credit.
- s. Line Item 28- Wrote Off.
- t. Line Item 29- After hrs reconnect.
- u. Line Item 30- O Usage.
- v. Line Item 32- Leak A.
- w. Line Item 33- Army mishap.
- x. Line Item 34- Misread B.
- y. Line Item 35- Billing C.
- z. Line Item 36- Estimated HI.
- aa. Line Item 37- Past Mark E.
- bb. Line Item 38- Estimated Low.
- cc. Line Item 39- Posting Error.
- dd. Line Item 40- Deposit Refund.

RESPONSE QUESTION 17:

SEE ATTACHED ADJUSTMENT JOURNAL (attached as Exhibit D) and THE EXCEL SHEET WHICH INDICATES WHICH CHARGE IS PART OF A TARIFF (attached as Exhibit E) EXCEL SHEET ALSO

The Codes as outlined in the attachments are not the same codes as currently used due to duplication in adjustment journal and with new meters some codes not now needed.

18. Explain what efforts Rattlesnake Ridge District is currently taking to improve its record keeping and bookkeeping.

RESPONSE QUESTION 18: RRWD has and is continually taking action to improve its record and bookkeeping by making changes in several areas:

1. Communication: keeping contact with ALL employees as well as our CPA and Auditor. Unfortunately, RRWD has been trying to secure a new CPA and has not been successful in securing one. The current CPA has not been responsive to the needs of RRWD, but RRWD cannot find a replacement.

2. Paying attention: Management is being present and paying attention to the day to day activities of the district

3. Filing: RRWD has two persons part time who are contract labor (for no fee paid by RRWD) through Eastern Kentucky Employment Program / Northeast Outreach Employment Program to rearrange and reorganize the filing room. With the information filed correctly and in an organized manner, RRWD should be able to quickly and accurately secure / find information as needed.

4. Staying focused and following through: When there is a deadline, staying 'on task' and remaining focused to complete the task.

5. Consistency in employment: Rebecca Kitchen, placed in the position of assistant manager in February 2022, was thrown into the workings of RRWD without ongoing

institutional knowledge being available to her: she learned information in the middle of the Phase 12 project; in the middle of open PSC cases; and at the same time trying to learn the vendor and payroll systems. Rebecca literally had to teach herself duties and determine what issues were needing to be addressed and had not been. Under Rebecca’s leadership, RRWD is making progress financially, administratively, and within the community.

19. Provide the Annual Financial and Statistical Report for 2023 that was due to be filed the Commission no later than March 31, 2024. If this report has not been completed, explain the reason for the delay, whether Rattlesnake Ridge District has filed an extension, and when Rattlesnake Ridge District expects to complete the report.

RESPONSE QUESTION 19:

Accountant believed that RRWD had applied for extension; RRWD believed the auditor had already submitted. RRWD found out from auditor that this had not been submitted to PSC on May 14, 2024.

Auditor picked up all information she stated she needed on June 26, 2024.

TO BE SUPPLEMENTED as soon as auditor prepares which RRWD believes will be within 3 weeks (auditor indicated leaving for 2 week vacation).

20. Provide the Report of Gross Operating Revenues for 2023 that was due to be filed the Commission no later than March 31, 2024. If this report has not been completed, explain the

reason for the delay, whether Rattlesnake Ridge District has filed an extension, and when Rattlesnake Ridge District expects to complete the report.

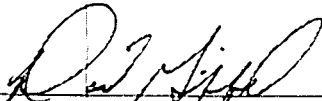
RESPONSE QUESTION 20:

Accountant believed that RRWD had applied for extension; RRWD believed the auditor had already submitted. RRWD found out from auditor that this had not been submitted to PSC on May 14, 2024.

Auditor picked up all information she stated she needed on June 26, 2024.

TO BE SUPPLEMENTED as soon as auditor prepares which RRWD believes will be within 3 weeks (auditor indicated leaving for 2 week vacation).

The above Responses are true and correct to the best of my information, knowledge, and belief formed after reasonable inquiry.




DAVID GIFFORD, MANAGER
RATTLESNAKE RIDGE WATER DISTRICT

COMMONWEALTH OF KENTUCKY
COUNTY OF MASON

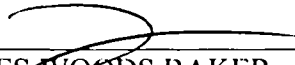
The foregoing instrument was sworn, subscribed, and acknowledged to before me this

26 day of June, 2024 by DAVID GIFFORD, **Manager of Rattlesnake Ridge Water District**, to be his free act and deed.

My commission expires: 1-19-26.


NOTARY PUBLIC, KENTUCKY
NOTARY ID # 593510

Respectfully submitted,


DELORES WOODS BAKER
Local Counsel RRWD
134 W Third St
Maysville, KY 40156
606-564-7969
dwbaker@maysvilleky.net

CERTIFICATE OF SERVICE

I hereby certify that the foregoing with all attachments was served by postage prepaid, first class mail on June 26, 2024 to:

Lewis County Fiscal Court
122 Second Street
Vanceburg, KY 41179

Elliott County Local Government
P.O. Box 710
Sandy Hook, KY 41171

Carter County Fiscal Court
300 West Main Street
Grayson, KY 41143

Lawrence County Fiscal Court
122 South Main Cross Street
Louisa, KY 41230

Morgan County Office Building
450 Prestonsburg Street
West Liberty, KY 41472

Mr. Jim Gazay
Morgan County Judge Executive
450 Prestonsburg Street
West Liberty, KY 41472

Mr. Phillip Carter
Lawrence County Judge Executive
P.O. Box 566
Louisa, KY 41230

And by email on June 26, 2024 to:

John Lewis, Elliott County Attorney: attorneyjohnlewis@yahoo.com

Brian Bayes, Carter County Attorney: bbayes@prosecutors.ky.gov

Ben Harrison, Lewis County Attorney: bharrison@prosecutors.ky.gov

Brandon Burton, Carter County Judge Executive: ccjudgeexecutive@gmail.com

George Sparks, Lewis County Judge Executive: George.sparks@lewiscountky.gov

Myron Lewis, Elliott County Judge Executive: ejudge@mrtc.com

Johnny Osborne, Lawrence County Attorney: johnny@lcattorney.net

Myles Holbrook, Morgan County Attorney: Mholbrook@prosecutors.ky.gov

Respectfully submitted,



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