

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF)	
WATER SERVICE CORPORATION)	CASE NO. 2022-00147
OF KENTUCKY FOR A GENERAL)	
ADJUSTMENT IN EXISTING RATES)	

AFFIDAVIT OF

SHANNON PAYNE

RE: CITY OF CLINTON WORK WITH WSKY

ON BEHALF OF

THE CITY OF CLINTON

October 11, 2022

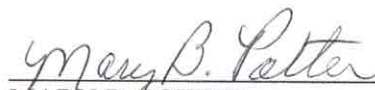
Shannon Payne, Clerk of the City of Clinton, being first duly sworn, states the following: The prepared Pre-Filed Direct Testimony constitute the direct testimony of Affiant in the above-styled case. Affiant states that she would give the answers set forth in the Pre-Filed Direct Testimony if asked the questions propounded therein. Affiant further states that, to the best of her knowledge, her statements made are true and correct. Further affiant saith not.



 SHANNON PAYNE

Subscribed and sworn to before me this 11th day of October, 2022.

MARY B. POTTER
 NOTARY PUBLIC
 STATE AT LARGE - KENTUCKY
 COMMISSION # KYNP58407
 MY COMMISSION EXPIRES SEPTEMBER 06, 2026



 MARY B. POTTER,
 NOTARY PUBLIC #KYNP58407
 MY COMM. EXP 09/06/26

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF)
WATER SERVICE CORPORATION)
OF KENTUCKY FOR A GENERAL)
ADJUSTMENT IN EXISTING RATES) **CASE NO. 2020-00160**

DIRECT TESTIMONY OF

SHANNON PAYNE

RE: CITY OF CLINTON ISSUES

ON BEHALF OF

THE CITY OF CLINTON

October 11, 2022

1 **Q. State your name, place of employment, contact information and length of**
2 **employment**

3 A. My name is Shannon Payne. I am the City Clerk of the City of Clinton Kentucky. I
4 work at City Hall located at 112 S. Jefferson Street, Clinton Kentucky 42031. The City
5 phone number is (270) 653-6419 and the City email address is
6 Shannon.Payne@cityofclinton.ky.com I was Assistant City Clerk from 2013 to 2015 when I
7 became City Clerk.

8 **Q. What are your duties as city clerk?**

9 A. I keep minutes of city council meetings, file minutes in the city record book,
10 prepare ordinances with assistance of the city attorney, file them in ordinance books,
11 prepare correspondence for the City, keep mayor and council informed; give notice to the
12 public and press of meetings,

13 I am over bill collection for wastewater, natural gas bills and trash collection. I prepare
14 the trash bills quarterly. I accept payments for wastewater, gas and trash. I handle all
15 payroll and anything human resources related. I pay the City's monthly bills and present
16 monthly reports of bills to Council for approval. I assist the Mayor in preparing the yearly
17 city budget and revised budgets. I prepare tax bills and collect property and city payroll
18 taxes.

19 I communicate with county and state agencies, businesses and associations and assist the
20 Mayor in whatever he requires.

1 I am the person who works with the public when they contact the City.

2 **Q. How are water and wastewater services related?**

3 A. The City of Clinton owns the wastewater system. The system serves only
4 customers located in the City of Clinton. Wastewater bills are based on water usage.
5 When the water bill is calculated, a wastewater bill of 133% of the water bill is also
6 generated.

7 Water Services Corporation of Kentucky, Inc. (WSCK) owns the water company. Bills
8 are generated by WSCK and sent to customers under the name Utilities, Inc. As of March
9 1, 2022, water and wastewater bills have been sent separately.

10 Customers can mail their bills directly to Utilities, Inc. As of March 1, 2022, the City
11 stopped accepting payment for Utilities Inc. water bills. Up until February 28, 2022, the
12 City collected payments for water bills.

13 **Q. What are your duties related to water/wastewater collections?**

14 A. Up until March 1, 2022, my office accepted customer payments for water bills. I
15 record the payment in a dedicated computer supplied to the City by WSCK. Each day I
16 deposited funds collected for water and wastewater into an account at First Community
17 Bank in Clinton. The dedicated computer was removed from Clinton City Hall on March
18 1, 2022.

19 **Q. Describe the process of paying for water services since March 1, 2022.**

20 A. Customers pay by check or money order at a drop box located at the WSCK
21 office on 100 East Jackson Street, Clinton. Customers cannot pay in cash. No receipt is

1 available. It is requested that the customers bring their bill with their payment to assure
2 payment on the correct account.

3 **Q. What issues have arisen since WSCK started their billing?**

4 A. Cash payments have been an issue for customers. That is difficult on older
5 residents who have no bank accounts. They were accustomed to paying at our office and
6 getting a receipt. Customers still come to City Hall to attempt to pay their water bills. We
7 have to tell them we cannot help them.

8 Customers are still being told by WSCK reps to bring deposits to City Hall for water
9 service. The City cannot accept these deposits for water service.

10 Customers are not receiving timely bills put in the drop box despite the claim that the
11 drop box is checked twice a day. I know of at least one customer whose bill was not
12 processed for close to a month after he used the drop box.

13 **Q. Now that the two entities are separate, how does the City now calculate
14 wastewater usage?**

15 A. Under an agreement between WSCK and the City, the City now receives two
16 reports from WSCK. One is a usage report. The other is meter readings. The City enters
17 the meter readings into its computer system to calculate wastewater bills. The City sends
18 out wastewater bills based upon the meter reading from WSCK. The agreement to share
19 information related to usage will last for two years from March 2022.

20 **Q. Are there issues related to information supplied by WSCK for wastewater
21 calculations?**

1 Yes. In response to City of Clinton DR 1-3, WSCK replied that the Clinton Usage WW
2 Report is the final report. Our system depends on the meter numbers, not customer
3 information numbers. The Notebook read file is what we have to go by. I've had several
4 conversations with Chris Cannon and Colby Wilson on why the numbers in each report
5 do not match for some customers and others match. Correcting the problem has been
6 customer specific.

7 **Q. In its answer to DR-1-13, WSCK objected because the subject matter of**
8 **hydrants and fire service is not relevant to the requested approvals. Why is the City**
9 **continuing to raise this issue?**

10 A. Safety. My understanding is that a fire hydrant is supposed to flow at a minimum
11 of 200 gallons per minute. The City currently has four hydrants that won't float a pitot,
12 the tool that measures flow velocity. That means they are not performing adequately. The
13 Cane Street hydrant, the only one for the Blair Street Park neighborhood, is not
14 functioning at minimum capacity. Henley Court, the low-income senior citizen
15 development, has one hydrant. It also does not function at the minimum capacity. Ringo
16 Drive, the location of Clinton Apartments, the Section 8 low-income housing apartment
17 complex, has a low functioning hydrant. In case of a fire, the fire department has been
18 "given permission" to use the hydrant on Sycamore Drive, a dead-end street that would
19 require hoses be run through back yards. There is no turnaround for a fire truck that pulls
20 into Sycamore Drive.

1 There are eight corey fire hydrants in the City which are obsolete. Parts are not available.
2 WSCK has been made aware of the issue with these hydrants. The hydrants are located in
3 critical areas of the City.

4 **Q. In response to City of Clinton DR 1-17, WSCK states that the City of**
5 **Clinton’s “mayor was also included on the email chain. WSCK employees hand**
6 **delivered a copy of this email as a courtesy to City of Clinton employees.” What are**
7 **your issues with this Answer?**

8 A. The Mayor of Clinton does not have a city email account. Email for the City goes
9 to the Clerk’s email. The Clerk was not included in the chain. The employees did bring a
10 copy of the email nine days later. The offices are across the street from each other.

11 **Q. Colby Wilson’s testimony, Page 8 of 13 on Capital Improvements that the**
12 **project replacement of the water on East Clay Street. It will provide a loop in the**
13 **system.” What also needs to be done as part of this Project?**

14 A. I believe the water lines lie under the sidewalks on East Clay. It is a concern that
15 replacement of the sidewalks will not be part of the project.

16 **Q. What objections does the City have to the automated meter reading (AMR)?**

17 A. It doesn’t help the customer. It helps only the Company. It will not reduce costs to
18 the customer if WSCK gets a 30% increase in the action. The City has a concern that the
19 automated meters will not provide information for wastewater calculations for the
20 balance of the time the City and WSCK agree to use water usage numbers for
21 calculations. With automated meter reading, water leaks may not be obvious to the

1 customer.

2 **Q. What is the City's position on WSCK's admission that the current meters**
3 **belong to the City?**

4 A. The City paid for the meters. WSCK refused to let the City access the meters
5 claiming that the meters does not belong to the City. WSCK used the meters for their
6 profit. If the meters are replaced, the City should be compensated. Giving back used
7 meters is not compensation.

8 **Q. Are there other issues with AMR?**

9 A. Clinton has serious issues with internet connectivity. If AMR is installed, reading
10 remotely will be affected to the detriment of customers.

11 **Q. Does this conclude your testimony?**

12 A. Yes, it does.