

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment A

Agreed Order

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.

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 21-3-0029

AGREED TO BY:


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

Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC

Aug 10, 2021

Date

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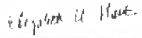
APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director(Assistant)
Division of Enforcement

9/9/2021

Date



Elizabeth U. Natter, Executive Director
Office of General Counsel

9/23/2021

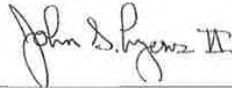
Date

CASE NO. DOW 21-3-0029

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 24th day of September, 2021.

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 24th day of September, 2021.

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

And ~~mailed, messenger to:~~ Electronically mailed 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



DOCKET COORDINATOR

Distribution:
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Exhibit A

Civil Engineering
Surveying & Mapping
Potable Water
Wastewater Treatment



Civil Site Design
Construction Support
Transportation
Wastewater Collection

Herrington Haven Subdivision – Herrington Haven WWTP KY0053431
Kentucky
Engineering Memorandum
Date: September 11, 2020

Introduction

The Herrington Haven wastewater treatment facility is located in Lancaster, Kentucky approximately 5 miles northeast of Danville, Kentucky. This facility services 21 parcels. The system operates under Kentucky DEP Permit number KY0053531 and Agency ID number 3901.

Wastewater Treatment Facility Existing Conditions

The plant is authorized to discharge up to 9,800 gallons per day (gpd) by the KDEP per the operating permit

A summary of the existing permit limits are described below:

- BOD5 – 30/45 mg/L (Monthly average/Maximum Weekly Average)
- TSS – 30/45 mg/L
- NH3-N – 20/30 mg/L
- E-Coli – 130/240 mpn/100 ml
- Total Residual Chlorine – 0.011/0.019 mg/L
- Total Phosphorus – Report Only
- Total Nitrogen – Report Only
- Dissolved Oxygen – 2.0 mg/L minimum

The subdivision has 19 occupied residences out of the 21 parcels, so little additional growth in flow or loading is expected. Based off of the number of possible connections and assuming 375 gpd of flow per customer, we expect to reach the 7,875 gpd when the entire subdivision is occupied, so the 9,800 gpd of capacity would seem to be adequate.

A review was performed of EPA's Echo compliance website which lists violations of wastewater treatment plants across the country. The Herrington Haven wastewater treatment plant has exceeded permit limitations several times in recent



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months and years for E-Coli, Total Residual Chlorine and Total Phosphorus. Note that the permit shown on the KYDEP website indicates that Total Phosphorus levels are to be reported but there is no limit; however, the EPA Echo website describes effluent limit exceedances for Total Phosphorus. Additional research will be required to understand this discrepancy.

The existing facility includes an extended aeration package plant including a mechanically cleaned bar rack screen, a single aeration basin, two hopper bottomed clarifiers, and a chlorine contact tank. Downstream of the packaged plant there is a V-notched weir box that is used for dechlorination contact time and flow monitoring.

The packaged plant has aged and shows significant signs of wear and corrosion. The blowers and diffusers are in need of replacement, and one of the two RAS lines has broken off into the aeration basin. The access platform became dangerous to use and has since been removed. The basin does not include handrail needed to protect operators or visitors from falling into the package plant.

Functionally, the system also has some limitations:

- The plant was installed behind retaining walls on 3 of 4 sides and includes very limited perimeter property boundary, with little room to work or add improvements.
- The plant is theoretically above the flood elevation (which exists just southwest of the plant), but the plant has historically flooded several times according to operators.
- The facility has somewhat limited site access for bringing in drums of liquid chemicals (if metal salt addition or disinfection chemicals are required).
- According to operators, the all gravity collection system results in significant I&I, impacting system performance.
- The system does not include aerobic digestion / sludge storage to allow for routine wasting or maintenance of a healthy mixed liquor concentration throughout the year.
- The blower has reached the end of its useful life.
- The operator believes it is necessary to turn off aeration during wet weather events to minimize the loss of solids and to retain a healthy biomass.
- The clarifier influent and effluent each enter/exit through a single pipe, and the clarifier level control is with a horizontally placed pipe (no weir), so there's poor flow distribution through the clarifier surface area that exists.
- There is no ideal place for chlorine tablet addition or dechlorination tablet addition.
- The apex of the V-notch weir used for flow monitoring was submerged during the site visit, making any reading from it inaccurate. (The ultrasonic flow meter was also located downstream of the V, so the system installation is incorrect).
- The V-notch weir structure is located offsite (outside of the property limits) and within the flood zone.

The wood fencing around most of the site is generally in good shape.

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Currently no remote monitoring is in place at the site. This makes it difficult for the operators to know when the facility is failing. Operational monitoring should be completed to monitor the quality of effluent, which should then be compared to the operating permit.

Wastewater Treatment Facility Recommended Improvements

- The condition of the tank calls for taking the facility off line for structural repair, at a minimum to include the addition of either supplemental or replacement stiffeners, safety handrail, welding repairs, and the addition of a new RAS line from one of the hopper bottomed clarifiers to the front end of the plant.
- A new roughing MBBR in the form of a 4-foot diameter, 11-foot deep manhole will be installed upstream of the existing influent manhole to remove BOD, reducing the load and in turn stabilizing the existing system and improving nitrification.
- The new system will generate significantly less sludge than previously, so sludge handling needs will significantly decrease.
- The 10' foot deep clarifier will function much better in this application than with only the existing activated sludge system, as the roughing MBBR will reduce the amount of activated sludge mixed liquor required to meet effluent objectives. This will reduce the risk of solids carry over during wet weather significantly.
- The effluent from the aeration basin will be evenly distributed into and through the clarifier, and the level control in the clarifier will be maintained with the addition of a weir trough and weir.
- Aluminum sulfate (alum) will be introduced in the extended aeration effluent, upstream of the influent into the clarifier.
- A flow meter will be installed in the clarifier effluent piping, in route to the contact tank.
- Peroxyacetic acid will be introduced directly into the contact tank in lieu of attempting to install chlorination and dechlorination tablet feeders in the limited hydraulic profile. The PAA chemical requires less contact time, and will more consistently achieve the necessary disinfection objectives.
- The existing chlorine contact tank will be equipped with diffusers to help in meeting the dissolved oxygen effluent limit.

The blowers will be replaced and serve the roughing MBBR, extended aeration system, and post-aeration system. Wastewater Collection System Understanding

While no mapping was provided, the collection system consists of only gravity collection.

According to the operator, the collection system consists of 8" and 10" gravity sewers, and the high groundwater table results in significant peak flow events at the facility. Wastewater enters the wastewater treatment plant through a gravity sewer.

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Wastewater Collection System Recommended Improvements

- The system should be evaluated to create mapping and develop GIS shapefiles for future maintenance. System mapping at the fingertips of the operators will enhance the level of service and timing of responses to emergency and customer issues.
- Perform smoke testing, perform video inspection at selected locations, evaluate systems and create GIS based maintenance priority list.

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21 DESIGN

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APPENDIX



Aeration Tank, Clarifier, Contact Tank



Clarifier and Contact Tank

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Manually Cleaned Bar Screen



WWTP Electrical Meter

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DOW 21-3-0029 - Herrington Haven AO

Final Audit Report

2021-08-10

Created:	2021-08-09
By:	Mandy Keubler (mkeubler@cswrgroup.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAOzzyrUHHarwhHwlfYmEsuuVOZm2QjBn

"DOW 21-3-0029 - Herrington Haven AO" History

-  Document created by Mandy Keubler (mkeubler@cswrgroup.com)
2021-08-09 - 9:19:55 PM GMT- IP address: 71.10.211.134
-  Document emailed to Josiah Cox (jcox@cswrgroup.com) for signature
2021-08-09 - 9:20:38 PM GMT
-  Email viewed by Josiah Cox (jcox@cswrgroup.com)
2021-08-10 - 4:18:54 PM GMT- IP address: 12.127.143.250
-  Document e-signed by Josiah Cox (jcox@cswrgroup.com)
Signature Date: 2021-08-10 - 4:19:08 PM GMT - Time Source: server- IP address: 12.127.143.250
-  Agreement completed.
2021-08-10 - 4:19:08 PM GMT



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Periodic Compliance Inspection

Attachment B

Pictures



Herrington Haven WWTF





Chlorine Contact Tank



De-chlorination Dispenser and the Effluent Outfall



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Kent A. Chandler
Chairman

Amy D. Cabbage
Vice Chairman

Marianne Butler
Commissioner

October 11, 2021

Josiah Cox
CEO
Central States Water Resources
1650 Des Peres Road, Suite 303
St. Louis, MO 63131

Re: First Periodic Wastewater Inspection
Bluegrass Water Utility Operating Company, LLC – Springcrest Wastewater
System
Jessamine County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Springcrest wastewater system located in Nicholasville, KY on August 11, 2021, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at Brian.Rice@ky.gov.

Sincerely,

Brian L. Rice
Utility Inspector
Public Service Commission

Enclosure(s)

Copy: Jake Freeman, Director of Engineering, Central States Water Resources
Terry Merritt, VP of Midwest Water Operations
1351 Jefferson Street, Suite 301
Washington, MO 63090

Kentucky Public Service Commission

Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC. – Springcrest Wastewater System

Utility's Principal office location: 1650 Des Peres Road, Suite 303 St. Louis, MO 63131.

Wastewater Treatment Facility Location: Nicholasville, KY

Utility representative during inspection: Jake Freeman – Director of Engineering

Counties Served: Garrard

Customers: Approximately 20

Inspector: Brian L. Rice

Date(s) of inspection: August 11, 2021

Last Inspection Date: December 18, 2019

Deficiencies noted during the last inspection: No deficiencies noted

Have deficiencies been corrected since last inspection?

Yes

No

N/A

If no, provide a response as to why these deficiencies have not been addressed.

Person(s) who should receive this inspection report:

Josiah Cox
Central States Water Resources, CEO
1650 Des Peres Road, Suite 303
St. Louis, MO 63131
jcox@cswrgroup.com
314.736.4672

Terry Merritt
Midwest Water Operations, VP
1351 Jefferson Street, Suite 301
Washington, MO 63090
tmerritt@midwestwaterop.com
636.432.3001

Kentucky Public Service Commission

Periodic Compliance Inspection

General Questions

Treatment Facility: Yes No N/A

Collection System: Yes No N/A

Utility Information

Total number of Employees: Bluegrass Water Utility Operating Company, LLC has no employees. BWUOC contracts with Midwest Water Operations to operate and maintain the wastewater facility.

Does the utility have its own maintenance staff? Yes No N/A

If not, give the name the person(s) doing the work:

807 KAR 5:006 (General Rules)

Section 2: General Provisions. Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

Section 7: Billings, Meter Readings, and Information.

Billing and Collection is done by: Bluegrass Water Utility Operating Company, LLC has contracted with Nitro Billing Services

Does each bill for utility service issued periodically by a utility clearly show the following?

The date the bill was issued:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Class of service:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Present and last preceding meter readings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Date of the present reading:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Number of units consumed:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Net amount for service rendered:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
All taxes:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Adjustments, if applicable:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The gross amount of the bill:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The date after which a penalty may apply to the gross amount:			

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If the bill is estimated or calculated: Yes No N/A
Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes No N/A
Also furnished by one (1) of the following methods, by:
Printing it on the bill: Yes No N/A
Publishing it in a newspaper of general circulation once each year: Yes No N/A
Mailing it to each customer once each year; or: Yes No N/A
Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates: Yes No N/A

Does the utility maintain the information required by this subsection, and is it available to the commission and any customer requesting this information?

Yes No N/A

Section 8. Deposits:

Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills? Yes No N/A

Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility keep a record of all written complaints concerning the utility's service?

Yes No N/A

Does the record include the following?

The customer's name and address: Yes No N/A
The date and nature of the complaint: Yes No N/A
The disposition of the complaint: Yes No N/A

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Does the utility maintain these records for two (2) years from the date of resolution of the complaint? Yes No N/A

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission? Yes No N/A

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission? Yes No N/A

Section 14: Utility Customer Relations

Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints? Yes No N/A

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer questions, disputes, and partial payment plan negotiations will be handle over the telephone.

If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?

Yes No N/A

If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer

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than seven (7) hours per day, one (1) days per week?

Yes No N/A

Does the utility provide the following?

Maintain a telephone:

Yes No N/A

Publish the telephone number in all service areas:

Yes No N/A

Permit all customers to contact the utility's designated representative without charge:

Yes No N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky but does maintain a website with the necessary information for customers.

Section 20: Access to Property:

Do employees of the utility (whose duties require them to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes No N/A

Note: Bluegrass Water does not have any employees.

Section 23: System Maps and Records:

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky; however, all Bluegrass Water's system maps are available on Central States Water resources website via a link to the Kentucky Infrastructure Authority.

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Is the map or maps available in electronic format as a PDF file or as a digital geographic database? Yes No N/A

Is the following data available on the map or maps?

Operating districts Yes No N/A

Rate districts: Yes No N/A

Communities served: Yes No N/A

Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes No N/A

Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees;
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations? Yes No N/A

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes No N/A

Note: Contractor Safe Practices Handbook

Kentucky Public Service Commission

Periodic Compliance Inspection

Instruct employees in safe methods of performing their work.

Yes No N/A

Note: Bluegrass Water has no employees

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes No N/A

Note: Bluegrass Water has no employees

Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes No N/A

Have these inspection procedures been filed with the commission for review?

Yes No N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes No N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 27: Reporting of Accidents, Property Damage, or Loss of Service: (1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

- (a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization;
- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes No N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes No N/A

Actual or potential property damage of \$25,000 or more:

Yes No N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes No N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations? Yes No N/A

If so, provide the case no.

807 KAR 5:011 (Tariffs)

Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes No N/A

Note: Bluegrass Water does not have an office in Kentucky; however, the tariffs and statutes are available on Central States Water Resources website.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes No N/A

Note: Bluegrass Water does not have an office in Kentucky.

Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes No N/A

If yes, has the utility filed the special contracts with the PSC? Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

807 KAR 5:071 (Sewage)

Section 1: General. The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

Section 4: Information Available to Customers.

(1) System maps or records. Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

(2) Rates, rules, and regulations. A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

Section 5. Quality of Service.

(1) General. Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.

(2) Limitations of service. No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its aforementioned responsibilities.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the utility in compliance with the Division of Water? Yes No N/A

Note: This is a no discharge system that does not fall under the jurisdiction of DOW.

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes No N/A

Section 6: Continuity of Service.

(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at such hours as will provide least inconvenience to the customers.

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public?

Yes No N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes No N/A

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Does the utility maintain a record of all interruptions of service with regard to the following items?

	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Cause of interruption	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Date	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Time	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Duration	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Remedy	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
# of customers affected	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Steps taken to prevent recurrence	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Section 7. Design, Construction, and Operation.

(1) **General.** The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) **Design and construction requirements.** The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

(3) **Adequacy of facilities.** The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) **Inspection of facilities.** Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment on a daily basis. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property?

Yes No N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules?

Yes No N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections?

Yes No N/A

Does the utility inspect all mechanical equipment on a daily basis?

Yes No N/A

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Deficiencies

Additional Inspector Comments

This is the first inspection of Bluegrass Water Utility Operating Company, LLC since they became a utility back in September of 2019 in case no. 2019-00104 therefore this visit was considered introductory in nature.

This is the first inspection of Springcrest wastewater system since the approved transfer in case no. 2020-00297.



Springcrest Sewer System



Entrance to Facility



Four Wet Wells





Leach field



Kentucky Public Service Commission

Periodic Compliance Inspection

Comment: During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

Report by:

Date: October 5, 2021



Brian L. Rice
Utility Inspector
Kentucky Public Service Commission



BLUEGRASS WATER

Utility Operating Company

A CSWR Managed Utility

October 18, 2021

Mr. Brian Rice
Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RE: Response to First Periodic Wastewater Inspection
Bluegrass Water UOC – Carriage Park Wastewater System

Dear Mr. Rice,

Bluegrass Water UOC is sending you this letter in response to the report of periodic inspections of the Carriage Park Wastewater System dated September 23, 2021.

The periodic inspection identified the following deficiencies:

1. The entrance gate to the lagoon has a large gap between the two swinging gates. This causes concerns for unauthorized persons and animals to enter the lagoon area. This is contrary to 807 KAR 5:071, Section 7(1).

Response:

1. As part of the capital improvement plan for the facility, repairs to the fencing around the lagoon are to be made, which include the entrance gate. The improvements have been on standby until the access road was completed. Since the completion of the access road has been finished, the repairs to the fencing are able to begin. In the meantime, operations will ensure the gap is temporarily filled to prevent access.

Please let me know if you need any additional information to resolve the above noted deficiencies.

Sincerely,

A handwritten signature in black ink that reads "Michael Dick II".

Michael Dick II
Environmental Compliance Specialist

c: Midwest Water Operations, LLC

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Fox Run WWTP
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

AI Name: Fox Run WWTP **AI ID:** 1388 **Activity ID:** ENV20210003
County: Franklin
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

- 1 **Violation Description for Subject Item AIOO0000001388():**
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0086967, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 4 mg/L. The facility reported the following: concentration monthly avg. 5.3 mg/L for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Fox Run WWTP -- 1388

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

Natalie P. Bruner

Natalie P. Bruner, Environmental Control Manager

Date: January 6, 2022

COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENTAL CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement

NOTICE OF VIOLATION

To: Great Oaks WWTP
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

AI Name: Great Oaks WWTP **AI ID:** 3041 **Activity ID:** ENV20210004
County: McCracken
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item AIOO0000003041():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .06 mg/L; and concentration daily max. .06 mg/L for July 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 2 Violation Description for Subject Item AIOO0000003041():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 6 mg/L for July 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 3 Violation Description for Subject Item AIOO0000003041():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the

Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .02 mg/L; and concentration daily max. .02 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

4 Violation Description for Subject Item AIOO0000003041():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .02 mg/L; and concentration daily max. .02 mg/L for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

5 Violation Description for Subject Item AIOO0000003041():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 6.7 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Great Oaks WWTP -- 3041

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)

Issued By: Natalie P. Bruner
Natalie P. Bruner, Environmental Control Manager
Date: December 16, 2021

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Lake Columbia WWTP
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

AI Name: Lake Columbia WWTP **AI ID:** 458 **Activity ID:** ENV20210003
County: Bullitt
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item AIOO0000000458():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0077674, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 6.9 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Herrington Haven Subd
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

AI Name: Herrington Haven Subd **AI ID:** 1469 **Activity ID:** ENV20210004
County: Garrard
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

1 Violation Description for Subject Item AIOO0000001469():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0053431, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is loading 30-day avg., less than or equal to 1.63 lbs/day; and loading weekly avg., less than or equal to 2.45 lbs/day. The facility reported the following: loading 30-day avg. 17.05 lbs/day; and loading weekly avg. 17.05 lbs/day for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

2 Violation Description for Subject Item AIOO0000001469():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0053431, monitoring point 001-1, for Total Phosphorus (as P). The permitted limit for Total Phosphorus (as P) is concentration 30-day avg., less than or equal to 1 mg/L. The facility reported the following: concentration 30-day avg. 9.3 mg/L for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Herrington Haven Subd -- 1469

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

Natalie P. Bruner

Natalie P. Bruner, Environmental Control Manager

Date: January 11, 2022

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Lake Columbia WWTP
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

AI Name: Lake Columbia WWTP **AI ID:** 458 **Activity ID:** ENV20210003
County: Bullitt
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

- 1** **Violation Description for Subject Item AIOO0000000458():**
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0077674, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 6.9 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

Timberland Subdivision WWTP
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Timberland Subdivision WWTP
Alica Alexander
1650 Des Peres Rd Ste 303

Saint Louis, MO 63131

AI Name: Timberland Subdivision WWTP **AI ID:** 3070 **Activity ID:** ENV20210004
County: McCracken
Enforcement Case ID:
Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item AIOO0000003070():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL; and concentration 7-day geometric, less than or equal to 240 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 2420 MPN/100 mL; and concentration 7-day geometric 2420 MPN/100 mL for October 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 2 Violation Description for Subject Item AIOO0000003070():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .07 mg/L; and concentration daily max. .07 mg/L for July 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 3 Violation Description for Subject Item AIOO0000003070():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 5.6 mg/L for July 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 4 Violation Description for Subject Item AIOO0000003070():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .06 mg/L; and concentration daily max. .06 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 5 Violation Description for Subject Item AIOO0000003070():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 5.6 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 6 Violation Description for Subject Item AIOO0000003070():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for CBOD. The permitted limit for CBOD is concentration monthly avg., less than or equal to 10 mg/L; and concentration max. weekly avg., less than or equal to 15 mg/L. The facility reported the following: concentration monthly avg. 124 mg/L; and concentration max. weekly avg. 124 mg/L for October 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

7 Violation Description for Subject Item AIOO0000003070():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 2 mg/L; and concentration daily max., less than or equal to 3 mg/L. The facility reported the following: concentration monthly avg. 13 mg/L; and concentration daily max. 13 mg/L for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

8 Violation Description for Subject Item AIOO0000003070():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 6.13 mg/L for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

9 Violation Description for Subject Item AIOO0000003070():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Total

Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 2 mg/L; and concentration daily max., less than or equal to 3 mg/L. The facility reported the following: concentration monthly avg. 9.3 mg/L; and concentration daily max. 9.3 mg/L for July 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

1 Violation Description for Subject Item AIOO0000003070():
0

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 2 mg/L; and concentration daily max., less than or equal to 3 mg/L. The facility reported the following: concentration monthly avg. 15 mg/L; and concentration daily max. 15 mg/L for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

1 Violation Description for Subject Item AIOO0000003070():
1

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 2 mg/L; and concentration daily max., less than or equal to 3 mg/L. The facility reported the following: concentration monthly avg. 5.38 mg/L; and concentration daily max. 5.38 mg/L for October 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

1 Violation Description for Subject Item AIOO0000003070():
2

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply

with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL; and concentration 7-day geometric, less than or equal to 240 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 816 MPN/100 mL; and concentration 7-day geometric 816 MPN/100 mL for July 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

1 Violation Description for Subject Item AIOO0000003070():
3

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0083755, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 152 MPN/100 mL for August 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Timberland Subdivision WWTP -- 3070

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

Natalie P. Bruner

Natalie P. Bruner, Environmental Control Manager

Date: January 28, 2022

**COMMONWEALTH OF KENTUCKY
ENERGY and ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Division of Enforcement**

NOTICE OF VIOLATION

To: Woodland Acres
Michael Dick
1650 Des Peres Rd Ste 303

Des Peres , MO 63131

AI Name: Woodland Acres **AI ID:** 479 **Activity ID:** ENV20210003

County: Bullitt

Enforcement Case ID:

Date(s) Violation(s) Observed: 12/02/2021

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item AIOO0000000479():
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

Description of Non Compliance:

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0091600, monitoring point 001-2, for Total Suspended Solids. The permitted limit for Total Suspended Solids is concentration monthly avg., less than or equal to 30 mg/L; and concentration max. weekly avg., less than or equal to 45 mg/L. The facility reported the following: concentration monthly avg. 91 mg/L; and concentration max. weekly avg. 91 mg/L for September 2021.

The remedial measure(s), and date(s) to be completed by are as follows:

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Woodland Acres -- 479

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection
Division of Enforcement
300 Sower Blvd
Frankfort, KY 40601
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

Natalie P. Bruner

Natalie P. Bruner, Environmental Control Manager

Date: December 9, 2021



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Kent A. Chandler
Chairman

Amy D. Cabbage
Vice Chairman

Marianne Butler
Commissioner

December 28, 2021

Josiah Cox
CEO
Central States Water Resources
1650 Des Peres Road, Suite 303
St. Louis, MO 63131

Re: First Periodic Wastewater Inspection
Bluegrass Water Utility Operating Company, LLC – Great Oaks
McCracken County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Great Oaks wastewater system located in McCracken County, KY on August 12, 2021, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at Brian.Rice@ky.gov.

Sincerely,

Brian L. Rice
Utility Inspector
Public Service Commission

Enclosure(s)

Copy: Jake Freeman, Director of Engineering, Central States Water Resources
Terry Merritt, VP of Midwest Water Operations
1351 Jefferson Street, Suite 301
Washington, MO 63090

Kentucky Public Service Commission

Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC. – Great Oaks WWTF

Utility's Principal office location: 1650 Des Peres Road, Suite303 St. Louis, MO 63131

Utility representative during inspection: Jake Freeman and Enrique Chavez

Counties Served: McCracken

Customers: Approximately 164

Inspector: Brian L. Rice

Date(s) of inspection: August 12, 2021

Last Inspection Date: May 21 and 22, 2018 as Marshall Environmental Services, LLC

Deficiencies noted during the last inspection: N/A

Have deficiencies been corrected since last inspection?

Yes

No

N/A

If no, provide a response as to why these deficiencies have not been addressed.

Person(s) who should receive this inspection report:

Josiah Cox
Central States Water Resources, CEO
1650 Des Peres Road, Suite303
St. Louis, MO 63131
jcox@cswrgroup.com
314.736.4672

Terry Merritt
Midwest Water Operations, VP
1351 Jefferson Street, Suite 301
Washington, MO 63090
tmerritt@midwestwaterop.com
636.432.3001

Kentucky Public Service Commission

Periodic Compliance Inspection

General Questions

Treatment Facility: Yes No N/A

Collection System: Yes No N/A

Utility Information

Total number of Employees: Bluegrass Water Utility Operating Company, LLC has no employees. BWUOC contracts with Midwest Water Operations to operate and maintain the wastewater facility.

Does the utility have its own maintenance staff? Yes No N/A

If not, give the name the person(s) doing the work:

807 KAR 5:006 (General Rules)

Section 2: General Provisions. Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

Section 7: Billings, Meter Readings, and Information.

Billing and Collection is done by: Bluegrass Water Utility Operating Company, LLC has contracted with Nitro Billing Services

Does each bill for utility service issued periodically by a utility clearly show the following?

The date the bill was issued:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Class of service:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Present and last preceding meter readings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Date of the present reading:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Number of units consumed:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Net amount for service rendered:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
All taxes:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Adjustments, if applicable:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The gross amount of the bill:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The date after which a penalty may apply to the gross amount:			

Kentucky Public Service Commission

Periodic Compliance Inspection

If the bill is estimated or calculated: Yes No N/A
Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes No N/A
Also furnished by one (1) of the following methods, by:
Printing it on the bill: Yes No N/A
Publishing it in a newspaper of general circulation once each year: Yes No N/A
Mailing it to each customer once each year; or: Yes No N/A
Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates: Yes No N/A

Does the utility maintain the information required by this subsection, and is it available to the commission and any customer requesting this information?
Yes No N/A

Section 8. Deposits:

Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills? Yes No N/A

Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility keep a record of all written complaints concerning the utility's service? Yes No N/A

Does the record include the following?

The customer's name and address: Yes No N/A
The date and nature of the complaint: Yes No N/A
The disposition of the complaint: Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Does the utility maintain these records for two (2) years from the date of resolution of the complaint? Yes No N/A

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission? Yes No N/A

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission? Yes No N/A

Section 14: Utility Customer Relations

Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints? Yes No N/A

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer questions, disputes, and partial payment plan negotiations will be handled over the telephone.

If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays? Yes No N/A

If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer

Kentucky Public Service Commission

Periodic Compliance Inspection

than seven (7) hours per day, one (1) days per week?

Yes No N/A

Does the utility provide the following?

Maintain a telephone:

Yes No N/A

Publish the telephone number in all service areas:

Yes No N/A

Permit all customers to contact the utility's designated representative without charge:

Yes No N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky but does maintain a website with the necessary information for customers.

Section 20: Access to Property:

Do employees of the utility (whose duties require them to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes No N/A

Note: Bluegrass Water does not have any employees.

Section 23: System Maps and Records:

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky; however, all Bluegrass Water's system maps are available on Central States Water resources website via a link to the Kentucky Infrastructure Authority.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the map or maps available in electronic format as a PDF file or as a digital geographic database? Yes No N/A

Is the following data available on the map or maps?

Operating districts Yes No N/A

Rate districts: Yes No N/A

Communities served: Yes No N/A

Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes No N/A

Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees;
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations? Yes No N/A

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes No N/A

Note: Contractor Safe Practices Handbook

Kentucky Public Service Commission

Periodic Compliance Inspection

Instruct employees in safe methods of performing their work.

Yes No N/A

Note: Bluegrass Water has no employees

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes No N/A

Note: Bluegrass Water has no employees

Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes No N/A

Have these inspection procedures been filed with the commission for review?

Yes No N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes No N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes No N/A

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Section 27: Reporting of Accidents, Property Damage, or Loss of Service: (1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

- (a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization;
- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes No N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes No N/A

Actual or potential property damage of \$25,000 or more:

Yes No N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes No N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations? Yes No N/A

If so, provide the case no.

807 KAR 5:011 (Tariffs)

Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes No N/A

Note: Bluegrass Water does not have an office in Kentucky; however, the tariffs and statutes are available on Central States Water Resources website.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes No N/A

Note: Bluegrass Water does not have an office in Kentucky.

Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff?

Yes No N/A

If yes, has the utility filed the special contracts with the PSC?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

807 KAR 5:071 (Sewage)

Section 1: General. The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

Section 4: Information Available to Customers.

(1) System maps or records. Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

(2) Rates, rules, and regulations. A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

Section 5. Quality of Service.

(1) General. Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.

(2) Limitations of service. No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its aforementioned responsibilities.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the utility in compliance with the Division of Water? Yes No N/A

Note: See Attachments

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes No N/A

Section 6: Continuity of Service.

(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at such hours as will provide least inconvenience to the customers.

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public?

Yes No N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption? Yes No N/A

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers?

Kentucky Public Service Commission

Periodic Compliance Inspection

	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Does the utility maintain a record of all interruptions of service with regard to the following items?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Cause of interruption	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Date	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Time	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Duration	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Remedy	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
# of customers affected	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Steps taken to prevent recurrence	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

(3) Adequacy of facilities. The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) Inspection of facilities. Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment on a daily basis. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property?

Yes No N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules?

Yes No N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections?

Yes No N/A

Does the utility inspect all mechanical equipment on a daily basis?

Yes No N/A

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Deficiencies

Additional Inspector Comments

Kentucky Public Service Commission

Periodic Compliance Inspection

Comment: During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

Report by:

Date: December 28, 2021



Brian L. Rice
Utility Inspector
Kentucky Public Service Commission

Kentucky Public Service Commission

Periodic Compliance Inspection

- Attachments: A – Agreed Order
B – Corrective Action Plan
C – Corrective Action Plan Revision
D – DOW Approval Letter
E – Pictures

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment A

Agreed Order

J. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0148

IN RE: Bluegrass Water Utility Operating Company, LLC
Great Oaks Subdivision Wastewater Treatment Plant
Creekside Drive
Paducah, KY 42003
AI No 3041
Activity ID No ERF20190001

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 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Great Oaks Subdivision Wastewater Treatment Plant (hereinafter "Great Oaks WWTP" or "facility"), is located at Creekside Drive, Paducah, Kentucky 42003. The facility has a design capacity of 0.070 million gallons per day and discharges to Blizzard Pond Drainage Canal.
4. Great Oaks WWTP is currently owned and operated by Marshall County Environmental Services, LLC (hereinafter "MCES") and/or Allen Artis. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems (hereinafter "KPDES").

permit number KY0080845, issued by the Cabinet's Division of Water (hereinafter "DOW") on March 27, 2012. The facility's KPDES permit expired on April 30, 2017, however, the DOW has administratively continued the permit to allow the facility to operate under its expired permit.

5. MCES 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 Great Oaks 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 Great Oaks WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Great Oaks WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

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 Great Oaks 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 Great Oaks 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. Following the initial ninety (90) days of its operation of the facility, 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 the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the 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 the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the 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 the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B The 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 Great Oaks 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 his designee. 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.

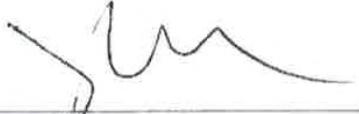
24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his 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.

AGREED TO BY




Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC

CASE NO. DOW 19-3-0148

8/14/19

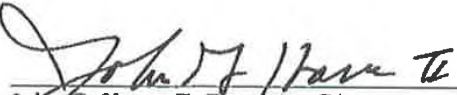
Date

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date



R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

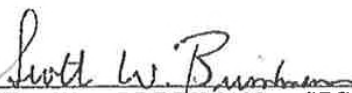
8/23/19
Date

CASE NO. DOW 19-3-0148

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET



SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE 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 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to

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

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601


DOCKET COORDINATOR

Distribution:
DOW
BGD
FBT
S&H

Exhibit A

Civil Engineering
Surveying & Mapping
Potable Water
Wastewater Treatment



Civil Site Design
Construction Support
Transportation
Wastewater Collection

Great Oaks-Kentucky (Wastewater, KY0080845)

Engineering Memorandum

Date: February 19, 2019

Wastewater Treatment Facility Understanding

The wastewater treatment facility is made up of a standard extended aeration activated sludge facility. It doesn't appear this system has an active permit to operate. The permit appears to have expired on May 1, 2012. The plant consists of an aeration tank, clarifier, and chlorine. (Appendix Picture 1) The facility most likely has dechlorination due to meeting past TRC limits but I could not determine if present from the information provided. The facility has not had any preventive maintenance in a number of years. This can be seen in the excessive flaking paint and rusted metal components. The air piping and sludge returns appear to be getting by but need to be replaced. Some of this piping is PVC and will not have a long useful life as they are installed. The plant appeared to have some treatment occurring. However, the videos only showed portions of the process actually operating while other sections of the aeration appeared stagnant. Additionally, I could not see if the sludge returns from the clarifier were actually functioning. You will also notice that the wastewater facility has some vegetation growing in various portions of the facility and these will need to be removed to avoid affecting the facility process. I performed a quick estimate of capacity. The facility's operating permit states it has capacity of 70,000 gpd. I believe the actual capacity is closer to around 65,000 gpd. It does appear that there are only about 161 houses that would be serviced by the facility. If this is the case, the facility does appear to have the capacity to treat for normal flows (without I and I problems) from the houses that are connected.

A review was performed of EPA's Echo compliance website which lists violations. Prior to 2018, the facility exceeded only ammonia, E. coli, and CBOD once during the 9 previous monthly quarters. However, the first quarter of 2018, the plant started to exceed limits on Ammonia, DO, E. Coli, TRC, and CBOD. Observing these results and if violations occurred in this manner, I would tend to believe an equipment failure occurred at the facility or the facility has been abandoned. I do not believe the facility was fully operating and so it would most likely be one of these two items.

While the plant appears adequate, there are a few items of concern for the facility. The facility looks to have the capacity to serve the current customer base but has gone unmaintained for an extended period of time. The tankage will need to be sand blasted and painted to extend the life of the facility. (See Picture 2)

The influent pump station should receive some investment. The structure appears to be a manhole without the cone section and manhole lid. The actual lid is a rusted metal cap that is serving the purpose, but is failing. I'm also concerned about the emergency storage volume of this influent station. I question that if power goes out or a pump goes down, how long will your operator have to respond to the call before the station is overflowing. If I and I is bad, you could also over top the station which would also become a liability for the owner. I will recommend additional flow equalization volume at

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Civil Engineering
Surveying & Mapping
Portable Water
Wastewater Treatment



Civil Site Design
Construction Support
Transportation
Wastewater Collection

the head of the facility and connected to the manhole. It will also be recommended to raise the top of this manhole structure and provide a property lid. (See Picture 3)

The aeration process of the treatment facility appears to be in reasonable shape. However, some portions of the tankage was either on a timer based situation or not functioning. The current owner has PVC piping installed for aeration that some of the components have already failed and have been removed. Additionally, some of the aeration piping and diffusers might be fouled up and should be replaced with a metal header to provide a more secure system. Blowers should be evaluated as well to determine if they have the capacity to provide the aeration needed. Again, seeing the facility meet limits for 9 quarters prior to the issues of 2018, I would believe the blowers have the capacity if they will function. But I will assume blower replacement in the budget. (Appendix Picture 4)

The clarifier appears to be adequate in size to provide treatment for the current customer base. While limits are not being met over the last 12 months, I feel the track record before 2018 shows the clarifier can produce a quality effluent. However, I feel the clarifier can be further evaluated after operational control is acquired. I will recommend replacing the sludge returns while the contractor is on site replacing the air header system of the aeration. (Appendix Picture 5)

Minimal pictures were provided of the chlorination system that would aid in 21DG providing an opinion of its state. However, the system was meeting limits prior to the last quarter of 2017. Therefore, I feel the system will be adequate but may need some investment to repair anything that might be damaged.

No pictures were provided of the stream or effluent but in review of the clarifier, I do not believe the facility was meeting limits during your visit.

It did not appear any monitoring was in place for this facility. I recommend Mission monitoring be installed for improvement control and access.

Improvements: Provide flow equalization, replace diffusers, replace return sludge lines, install mission monitoring, replace blowers, sand blast and repaint tankage and all metal components.

Wastewater Collection System Understanding

No information in regards to the collection system was provided to the Engineer for review to drafting this memo. It is recommended to obtain actual DMRS and/or flow data for the facility from the current owner to evaluate how bad I and I is a problem. It was discussed with CSWR that there doesn't appear to be an excessive I and I problem. Additionally, and if there were I and I problems, I would also expect to see remnants outside the influent pump station. While the influent pumps might be oversized for their use, only further investigation can provide a true recommendation to the influent flow and I and I situation at this facility.

No maps of the system were provided. The system will need to be mapped for future operation as it appeared nothing has been compiled for our review or operational maintenance purposes. The Engineer was not informed if this system was all gravity, pressure, or had any pump stations. The system should also be smoke tested. Video inspection is anticipated on parts of the system as well.

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Civil Engineering
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Potable Water
Wastewater Treatment

21 DESIGN

Civil Site Design
Construction Support
Transportation
Wastewater Collection

Improvements Required: Map the system. Install a flow meter. Smoke test and video inspect the collection system.

APPENDIX



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Civil Engineering
Surveying & Mapping
Potable Water
Wastewater Treatment

21 DESIGN

Civil Site Design
Construction Support
Transportation
Wastewater Collection



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Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment B

Corrective Action Plan

Civil Engineering
Surveying & Mapping
Potable Water
Wastewater Treatment



Civil Site Design
Construction Support
Transportation
Wastewater Collection

December 26, 2019

Wes Dement
Kentucky Department for Environmental Protection
Division of Enforcement
300 Sower Blvd., 3rd Floor
Frankfort, KY 40601

Bluegrass Water Utility Operating Company, Inc.
Great Oaks WWTF
KYPDES Permit No. KY0080845
Agency Interest No. 3041
Corrective Action Plan

In light of the Great Oaks WWTF's failure to meet permitted limits, Bluegrass Water Utility Operating Company (BWUOC) submits the following corrective action plan.

BWUOC has recently purchased this treatment plant. With the change of ownership, operational modifications have been implemented and are ongoing. With proper operation, the facility should be capable of meeting permit limits without process modification. Over the next several months, repairs will be made and monitoring will continue to confirm that the existing processes can meet permit limits.

1. Causes of the Effluent Violations

- Total Suspended Solids (TSS)
- Carbonaceous Biological Oxygen Demand (CBOD)
- Ammonia
- E. Coli
- Total Residual Chlorine (TRC)
- Dissolved Oxygen (DO)

Testing results since the date of acquisition depict several samples violating various effluent limits. This facility was recently placed into receivership prior to BWUOC acquisition. Operations were taken over by a local sanitary sewer district, Paducah-McCracken County Joint Sewer Agency. The state elected to do this based on poor management of the system by the previous owner. The sewer agency improved operations and made a few initial equipment repairs, but they were too restricted on funds to return the facility to a reliable state. At operational startup after acquisition by BWUOC, it was determined that the system still requires improvements in order to meet permit limits on a consistent basis. Prior to acquisition by BWUOC, the facility was regularly exceeding permit limits on CBOD, TRC, E. Coli, Ammonia, DO, and TSS. After acquisition by BWUOC and through two months of sampling, effluent exceedances have been reduced to one test each on CBOD, Ammonia and TRC. Most of these exceedances are due to failed aeration headers/diffusers and possibly an undersized blower. Improvements are necessary to consistently meet operating permit limits.

2. System Evaluation and Corrective Actions

21 Design Group, Inc
636-432-5029

CONFIDENTIAL TO CSWR

1351 Jefferson St., Suite 301
Washington, MO 63090

Civil Engineering
Surveying & Mapping
Potable Water
Wastewater Treatment



Civil Site Design
Construction Support
Transportation
Wastewater Collection

An analysis of sample results since acquisition shows the facility will struggle to consistently meet permit limits in its current condition. A redundant blower is being ordered and will be installed. Aeration drop pipes and diffusers are also being pulled for inspection and replacement. The sludge returns are not working properly and are currently being evaluated for repairs or improvements to make them fully operational. After the new blower is installed and all aeration components operating properly, the capabilities of the facility will be re-evaluated to determine if additional improvements or process changes will be necessary.

There are concerns with the integrity of the existing treatment plant steel wall as some portions are reaching the end of their useful life. Current plans are to weld in steel plates to extend life in areas that are hindering performance. If the facility can be salvaged and is capable of providing acceptable treatment, the remaining portions of the tank that are in poor shape will be repaired to further extend the life of the facility.

The facility does have a sludge holding tank, but it has been decommissioned. For facilities of this size, it is recommended to have a sludge holding tank to allow better control of the facility's mixed liquor and reduce sludge hauling costs. The sludge holding tank should be returned to service to reduce future operational costs.

The system does have an influent lift station. A crane is being installed for pump maintenance and is almost complete. Additionally, this facility had only one working pump so a redundant pump has been ordered. Installation of this redundant pump will be completed within 10 working days of delivery, pending weather.


Inflow and infiltration is a known problem within this system. Flow monitoring will help determine the extents of I and I. The collection system will be evaluated using a multi-step process. The first step involves smoke testing the system, which is already complete. Next, the collection system will be cleaned and jetted. The results of these two processes allow problem areas to be identified and targeted for repair/replacement. Cleaning and jetting is being scheduled currently and will be completed soon.

Mission remote monitoring systems will be installed at the plant and influent lift stations for active monitoring. A flow meter will also be installed at the plant. This will improve capabilities to monitor the effect of inflow and infiltration and status of the facility. The monitoring system will improve operations and maintain reliable service for the customers.

3. Project Milestones

- Continue monitoring performance of facility (June 30, 2020)
- Install new blower and repair/replace aeration piping and diffusers (March 31, 2020)
- Repair existing lift station pump after new redundant pump is installed (March 31, 2020)
- Return sludge holding tank to operational service (April 30, 2020)
- Install new magnetic flow meter and Mission monitoring systems (May 31, 2020)
- Repair aeration tank by spot welding corroded areas (June 30, 2020)
- Submit status report detailing improvements and whether process changes are required (June 30, 2020)

Sincerely,


Benjamin Kuenzel, PE
Principal of 21 Design Group, Inc.

21 Design Group, Inc
636 432 5029

CONFIDENTIAL TO CSWR

1351 Jefferson St., Suite 301
Washington, MO 63090

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment C

Corrective Action Plan Revision



BLUEGRASS WATER
Utility Operating Company

A CSWR Managed Utility

July 29, 2020

Michael Kroeger (CC. Wesley Dement)
Kentucky Department for Environmental Protection
Division of Enforcement
300 Sower Blvd., 3rd Floor
Frankfort, KY 40601

Bluegrass Water Utility Operating Company, Inc.
Great Oaks WWTF
KYPDES Permit No. KY0080845
Agency Interest No. 3041

Corrective Action Plan Revision:

I am pleased to submit this update to the Corrective Action Plan for the Great Oaks WWTF approved by EEC/DEP on 2/17/2020. The scope of the original CAP was completed within the projected schedule of the CAP. Triage and repair work has been completed and the main aeration plant is in better shape than it was at acquisition. The aeration system has had many parts repaired and/or replaced where they had been allowed to fall not disrepair by previous ownership. The influent line had been damaged and abandoned in favor of flex pipes. The influent lift station was repaired, and the proper influent line repaired and brought back into use. Steel walkways, handrails, and tanks have been sanded, patched, and painted to halt deterioration. Solids have been removed from the plant and it was discovered that the previous ownership had made a practice of dumping sections of piping and other materials into the clarifier. Many pipes, several cell phones and radios, and other debris were removed from the clarifier, restoring proper function. It was found that the damaged steel tank was allowing the digester to leak into the contact chamber, resulting in increased BOD, TSS, and ineffective disinfection. The digester has been removed from service as a result. Effluent quality has improved significantly with occasional exceedances of BOD and TRC; performance is being optimized. At acquisition, the effluent was an opaque grey color, and since our improvements the effluent is now very clear. The facility still struggles during rain events, and with the leak in the existing digester and having had to remove it from service, the facility struggles to handle solids without regular solids removal.

Per the original CAP, our evaluation following triage improvements has determined that the facility does require a construction permit to complete improvements. A construction permit has been submitted to install a new digester and wet weather storage basin. The construction permit has been issued and we have begun to order parts and materials. We believe that work will proceed fairly quickly expect to complete the improvements at Great Oaks by February 18, 2022. Following the improvements included in the construction permit the facility should be able to consistently comply with permitted limits.

Sincerely,

1650 Des Peres Rd., Suite 303, St. Louis, MO 63131
www.centralstateswaterresources.com

JON MEANY
Utility Engineer

-  (314) 380-8537 Ext. 215
-  (314) 482-0342
-  (314) 736-4759
-  jmeany@cswrgroup.com
-  1650 Des Peres Rd., Suite 303,
Des Peres, MO 63131

1650 Des Peres Rd., Suite 303, St. Louis, MO 63131
www.centralstateswaterresources.com

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment D

DOW Approval Letter

ANDY BESHEAR
GOVERNOR



REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

February 17, 2020

Jake Freeman
Central States Water Resources
500 Northwest Plaza Dr., Suite 500
St. Ann, MO 63074

Re: AI Name: Great Oaks WWTP
AI No. 3041
Case No. DOW-19-3-0148
Activity No. ERF20190001
Facility ID: KY0080845
McCracken County

Dear Mr. Freeman:

Thank you for your submission of a Corrective Action Plan ("CAP") dated December 26, 2019, for the facility listed above, which the Cabinet has reviewed and accepted. The Division of Water has no comments regarding this CAP. Feel free to contact me at 502-782-8638 or wesley.dement@ky.gov should you have any questions or concerns

Sincerely,

A handwritten signature in black ink that reads "Wesley T. Dement".

Wesley T. Dement,
Environmental Enforcement Specialist
Division of Enforcement

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment E

Pictures



Great Oaks WWTF





Great Oaks WWTF





Top View of the Plant



Effluent Discharge



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Kent A. Chandler
Chairman

Amy D. Cabbage
Vice Chairman

Marianne Butler
Commissioner

January 3, 2022

Josiah Cox
CEO
Central States Water Resources
1650 Des Peres Road, Suite 303
St. Louis, MO 63131

Re: First Periodic Wastewater Inspection
Bluegrass Water Utility Operating Company, LLC – Golden Acres
Marshall County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Golden Acres wastewater system located in Marshall County, KY on August 12, 2021, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at Brian.Rice@ky.gov.

Sincerely,

Brian L. Rice
Utility Inspector
Public Service Commission

Enclosure(s)

Copy: Jake Freeman, Director of Engineering, Central States Water Resources
Terry Merritt, VP of Midwest Water Operations
1351 Jefferson Street, Suite 301
Washington, MO 63090

Kentucky Public Service Commission

Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC. – Golden Acres

Utility's Principal office location: 1650 Des Peres Road, Suite303 St. Louis, MO 63131

Utility representative during inspection: Jake Freeman and Enrique Chavez

Counties Served: Marshall

Customers: Approximately 31

Inspector: Brian L. Rice

Date(s) of inspection: August 12, 2021

Last Inspection Date: May 21 and 22, 2018 as Marshall Environmental Services, LLC

Deficiencies noted during the last inspection: N/A

Have deficiencies been corrected since last inspection?

Yes

No

N/A

If no, provide a response as to why these deficiencies have not been addressed.

Person(s) who should receive this inspection report:

Josiah Cox
Central States Water Resources, CEO
1650 Des Peres Road, Suite303
St. Louis, MO 63131
jcox@cswrgroup.com
314.736.4672

Terry Merritt
Midwest Water Operations, VP
1351 Jefferson Street, Suite 301
Washington, MO 63090
tmerritt@midwestwaterop.com
636.432.3001

Kentucky Public Service Commission

Periodic Compliance Inspection

General Questions

Treatment Facility: Yes No N/A

Collection System: Yes No N/A

Utility Information

Total number of Employees: Bluegrass Water Utility Operating Company, LLC has no employees. BWUOC contracts with Midwest Water Operations to operate and maintain the wastewater facility.

Does the utility have its own maintenance staff? Yes No N/A

If not, give the name the person(s) doing the work:

807 KAR 5:006 (General Rules)

Section 2: General Provisions. Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

Section 7: Billings, Meter Readings, and Information.

Billing and Collection is done by: Bluegrass Water Utility Operating Company, LLC has contracted with Nitro Billing Services

Does each bill for utility service issued periodically by a utility clearly show the following?

The date the bill was issued:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Class of service:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Present and last preceding meter readings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Date of the present reading:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Number of units consumed:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Net amount for service rendered:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
All taxes:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Adjustments, if applicable:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The gross amount of the bill:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
The date after which a penalty may apply to the gross amount:			

Kentucky Public Service Commission

Periodic Compliance Inspection

If the bill is estimated or calculated: Yes No N/A
Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes No N/A
Also furnished by one (1) of the following methods, by:
Printing it on the bill: Yes No N/A
Publishing it in a newspaper of general circulation once each year: Yes No N/A
Mailing it to each customer once each year; or: Yes No N/A
Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates: Yes No N/A

Does the utility maintain the information required by this subsection, and is it available to the commission and any customer requesting this information? Yes No N/A

Section 8. Deposits:

Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills? Yes No N/A

Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility keep a record of all written complaints concerning the utility's service? Yes No N/A

Does the record include the following?
The customer's name and address: Yes No N/A
The date and nature of the complaint: Yes No N/A
The disposition of the complaint: Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Does the utility maintain these records for two (2) years from the date of resolution of the complaint? Yes No N/A

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission? Yes No N/A

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission? Yes No N/A

Section 14: Utility Customer Relations

Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints? Yes No N/A

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office? Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky. All customer questions, disputes, and partial payment plan negotiations will be handled over the telephone.

If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays? Yes No N/A

If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer

Kentucky Public Service Commission

Periodic Compliance Inspection

than seven (7) hours per day, one (1) days per week?

Yes No N/A

Does the utility provide the following?

Maintain a telephone:

Yes No N/A

Publish the telephone number in all service areas:

Yes No N/A

Permit all customers to contact the utility's designated representative without charge:

Yes No N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky but does maintain a website with the necessary information for customers.

Section 20: Access to Property:

Do employees of the utility (whose duties require them to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes No N/A

Note: Bluegrass Water does not have any employees.

Section 23: System Maps and Records:

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes No N/A

Note: Bluegrass Water does not have an office located in Kentucky; however, all Bluegrass Water's system maps are available on Central States Water resources website via a link to the Kentucky Infrastructure Authority.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the map or maps available in electronic format as a PDF file or as a digital geographic database? Yes No N/A

Is the following data available on the map or maps?

Operating districts Yes No N/A

Rate districts: Yes No N/A

Communities served: Yes No N/A

Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes No N/A

Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees;
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations? Yes No N/A

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes No N/A

Note: Contractor Safe Practices Handbook

Kentucky Public Service Commission

Periodic Compliance Inspection

Instruct employees in safe methods of performing their work.

Yes No N/A

Note: Bluegrass Water has no employees

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes No N/A

Note: Bluegrass Water has no employees

Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes No N/A

Have these inspection procedures been filed with the commission for review?

Yes No N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes No N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 27: Reporting of Accidents, Property Damage, or Loss of Service: (1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

- (a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization;
- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes No N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes No N/A

Actual or potential property damage of \$25,000 or more:

Yes No N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes No N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations? Yes No N/A

If so, provide the case no.

807 KAR 5:011 (Tariffs)

Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes No N/A

Note: Bluegrass Water does not have an office in Kentucky; however, the tariffs and statutes are available on Central States Water Resources website.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes No N/A

Note: Bluegrass Water does not have an office in Kentucky.

Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes No N/A

If yes, has the utility filed the special contracts with the PSC? Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

807 KAR 5:071 (Sewage)

Section 1: General. The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

Section 4: Information Available to Customers.

(1) **System maps or records.** Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

(2) **Rates, rules, and regulations.** A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

Section 5. Quality of Service.

(1) **General.** Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.

(2) **Limitations of service.** No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its aforementioned responsibilities.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the utility in compliance with the Division of Water? Yes No N/A

Note: See Attachments

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes No N/A

Section 6: Continuity of Service.

(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at such hours as will provide least inconvenience to the customers.

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public?

Yes No N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes No N/A

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers?

Kentucky Public Service Commission

Periodic Compliance Inspection

	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Does the utility maintain a record of all interruptions of service with regard to the following items?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Cause of interruption	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Date	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Time	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Duration	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Remedy	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
# of customers affected	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Steps taken to prevent recurrence	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

(3) Adequacy of facilities. The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) Inspection of facilities. Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment on a daily basis. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Kentucky Public Service Commission

Periodic Compliance Inspection

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property?

Yes No N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules?

Yes No N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections?

Yes No N/A

Does the utility inspect all mechanical equipment on a daily basis?

Yes No N/A

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date?

Yes No N/A

Kentucky Public Service Commission

Periodic Compliance Inspection

Deficiencies

Additional Inspector Comments

Kentucky Public Service Commission

Periodic Compliance Inspection

Comment: During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

Report by:

Date: December 28, 2021



Brian L. Rice
Utility Inspector
Kentucky Public Service Commission

Kentucky Public Service Commission

Periodic Compliance Inspection

- Attachments: A - Agreed Order
B - Corrective Action Plan
C - Corrective Action Plan Revision
D - Pictures

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment A

Agreed Order

J. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0156

IN RE Bluegrass Water Utility Operating Company, LLC
Golden Acres Subdivision Wastewater Treatment Plant
US Highway 68 Golden Acres Loop
Calvert City, KY 42029
AI No 2935
Activity ID No ERF20190001

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 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Golden Acres Subdivision Wastewater Treatment Plant (hereinafter "Golden Acres WWTP" or "facility"), is located at US Highway 68, Golden Acres Loop, Calvert City, Kentucky 42029. The facility has a design capacity of 0.025 million gallons per day and discharges to an unnamed tributary to Clarks River.
4. Golden Acres WWTP is currently owned and operated by Marshall County Environmental Services, LLC. The facility's discharges are permitted under Kentucky Pollutant

Discharge Elimination Systems (hereinafter "KPDES") permit number KY0044164, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expires on January 31, 2020.

5. Marshall County Environmental Services 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 Golden 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 Golden Acres WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Golden Acres WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

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 Golden 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 Golden 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. Following the initial ninety (90) days of its operation of the facility, 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 the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the 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 the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the 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 the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B The 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 Golden 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 his designee. 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 his designee as evidenced by his 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 19-3-0156

AGREED TO BY



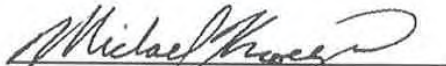
Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC

8/14/19

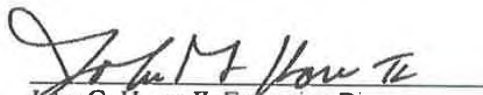
Date

CASE NO. DOW 19-3-0156

APPROVAL RECOMMENDED BY:


Michael B. Krøeger, Director
Division of Enforcement

8/27/19
Date


John G. Horne II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date

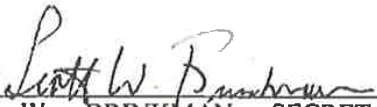

R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/28/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET



SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE 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 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

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

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd
Frankfort, Kentucky 40601



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Exhibit A

Civil Engineering
Surveying & Mapping
Potable Water
Wastewater Treatment



Civil Site Design
Construction Support
Transportation
Wastewater Collection

Golden Acres-Kentucky (Wastewater, KY0044164)

Engineering Memorandum

Date: February 17, 2019

Wastewater Treatment Facility Understanding

The wastewater treatment facility is made up of a standard extended aeration activated sludge facility. It doesn't appear this system has an active permit to operate. The permit appears to have expired on February 1, 2015. The plant consists of an aeration tank, clarifier, and chlorine. (Appendix Picture 1) The facility appears to be in reasonable shape. Structure, air piping, and sludge returns appear they are still capable of functioning. However, the plant was not operating in the pictures and video provided. You will also notice that the aeration and the clarifier liquid coloration and makeup appear to be the same. The facility looks like it hasn't been operating as of lately. I performed a quick estimate of capacity. The facility's operating permit states it has capacity of 25,000 gpd. I believe the actual capacity is closer to around 18,000 gpd. It does appear that there are only about 31 houses that would be serviced by the facility. If this is the case, the facility does appear to have the capacity to treat for normal flows (without I and I problems) from the houses that are connected.

A review was performed of EPA's Echo compliance website which lists violations. Prior to the first quarter of 2018, the facility exceeded only ammonia on two quarters and E. coli on one quarter over 10 quarters of testing. After the first quarter of 2018, the plant started to exceed limits on Ammonia, DO, E. Coli, and CBOD. Observing these results and if violations occurred in this manner, I would tend to believe an equipment failure occurred at the facility or the facility has been abandoned. Keep in mind the previous note that the liquid makeup in aeration and clarifier were very similar, which would make me believe one of these two ideas is true. (See Picture 2)

While the plant appears adequate, there are a few items of concern for the facility. The facility looks to be a reasonable facility that can be salvaged. However, the facility is not operating and you can see the rock discoloration where the water level of the plant has reached. (Appendix Picture 3)

The system does have a substantial amount of rock discoloration around the plant. (Appendix Picture 3) Additionally, this appears to be a designed in approach with the facility. I and I must be exorbitant for the facility to back wastewater up approximately 2' above the tank. This design approach also causes problems with increased I and I due to its nature of sitting in a bowl. The facility's grading is built up around the facility and appears to be designed to shed overland rainwater directly into the facility. This will cause issues of overloading the plant, washing leaves into the plant and disrupting the process, and will be a liability for electrocution and potential for equipment failure. At a minimum, I would recommend to modify grades at least down to the ponding water level, but also provide flow equalization up at the front of the treatment process. I and I must be evaluated and for a facility of this size, will be detrimental for treatment as well as expense to repair.

The aeration process of the treatment facility appears to be in reasonable shape. From the coloration of the aeration liquid, I do not see a benefit in running any samples to trouble shoot the facility. However,

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the facility needs to have a startup in order to provide a true evaluation. It is recommended that the diffusers be pulled and checked. Most likely they will need replaced. If sludge were to enter the piping or diffuser holes, this would cause fouling and the diffusers would need to be replaced. This is not a real expensive item to replace and can be done as a maintenance project for a reasonable cost. Blowers should be evaluated as well to determine if they have the capacity to provide the aeration needed. Again, seeing the facility meet limits for 2.5 years prior to these last couple of quarters, I would believe the blowers have the capacity if they will function. (Appendix Picture 3)

I am unable to evaluate the clarifier's functionality in the state it is in. This facility appears to not be functioning and it is not possible to evaluate. However, in estimating the capacity, it appears the volume should be sufficient to operate efficiently to meet limits for serving the estimate 31 homes. I also believe the clarifier can provide treatment for around 18,000 gpd. Again, see note above in regards to meeting limits for 2.5 years. The clarifier should be cleaned, put into operation, and further evaluated for size after actual dimensions and/or as-built drawings are provided. (Appendix Picture 4)

Minimal pictures were provided of the chlorination system that would aid in 21DG providing an opinion of its state. However, the system has violated E. coli in the past and it should be evaluated. The facility does not have a TRC limit which tends me to believe the system does not have dechlorination. You should plan for dechlorination, which is minimal cost to add to the facility. Again, this system did violate E. coli in the last few quarters but appeared to meet limits in the same 2.5 year period stated above, with the exception of one single event.

No pictures were provided of the stream or effluent but in review of the clarifier, I do not believe the facility was meeting limits during your visit.

It did not appear any monitoring was in place for this facility. I recommend Mission monitoring be installed for improvement control and access.

Improvements: Provide flow equalization, replace diffusers, regrade around the treatment plant, install new fencing due to grading, install mission monitoring, install dechlorination.

Wastewater Collection System Understanding

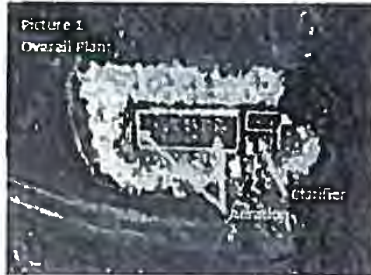
No information in regards to the collection system was provided to the Engineer for review to drafting this memo. It is recommended to obtain actual DMRS and/or flow data for the facility from the current owner to evaluate how bad I and I is a problem. It appears I and I is a problem due to the perimeter pictures around the wastewater facility. However, a pipe could have clogged to cause the discoloration. Additional research should be completed to determine the quality of the collection system.

No maps of the system were provided. The system will need to be mapped for future operation as it appeared nothing has been compiled for our review or operational maintenance purposes. The Engineer was not informed if this system was all gravity, pressure, or had any pump stations. The system should also be smoke tested. Video inspection is anticipated on parts of the system as well.

Improvements Required: Map the system. Install a flow meter. Smoke test and video inspect the collection system.

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APPENDIX



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Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment B

Corrective Action Plan

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December 26, 2019

Wes Dement
Kentucky Department for Environmental Protection
Division of Enforcement
300 Sower Blvd., 3rd Floor
Frankfort, KY 40601

Bluegrass Water Utility Operating Company, Inc.
Golden Acres WWTF
KYPDES Permit No. KY0044164
Agency Interest No. 2935
Corrective Action Plan

In light of the Golden Acres WWTF's failure to meet permitted limits, Bluegrass Water Utility Operating Company (BWOC) submits the following corrective action plan.

BWUOC has recently purchased this treatment plant. With the change of ownership, operational modifications have been implemented and are ongoing. With the repairs noted below and proper operation, the facility may be capable of meeting permit limits consistently without process modification. Over the next several months, repairs will be made and monitoring will continue in order to determine if existing processes can meet permit limits.

1. Causes of the Effluent Violations

- Ammonia
- Carbonaceous Biological Oxygen Demand (CBOD)
- Total Suspended Solids (TSS)
- E. Coli
- Total Residual Chlorine (TRC)
- Dissolved Oxygen (DO)

At operational startup, it appeared previous ownership had abandoned the facility. On multiple site visits prior to acquisition, the plant was not operating and appeared to have the power turned off. After acquisition, the initial analysis showed poor operational process control. The first sample violated Ammonia, CBOD, TSS, TRC, and DO. The blowers installed are undersized and can't supply the required air to provide treatment. Not having adequate aeration will hinder the operator's capabilities to maintain a quality mixed liquor and remove Ammonia, CBOD, TSS and maintain DO. It is also apparent that inflow and infiltration are causing issues in regard to TSS, TRC and E. Coli. The facility cannot treat waste properly due to accelerated flow through the plant with this I and I issue.

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2. System Evaluation and Corrective Actions

New blowers have been ordered that will be adequately sized for this treatment facility. The aeration drop pipes and diffusers are also being pulled for inspection, repair and/or replacement. Additionally, the returns are not working properly and are under evaluation. They may need to be repaired or replaced as well. After the blowers are onsite and operating with proper aeration and process control, it will then be possible to determine if the facility is capable of meeting limits, or an expansion is needed.

While the permitted sampling requirement for this facility are quarterly, in order to expedite the evaluation of any necessary improvements for this facility samples will temporarily be taken on a monthly basis for data gathering purposes.

Various components of the system must be evaluated for repair or replacement. There are concerns with the integrity of the existing treatment plant steel wall as some portions look to be reaching the end of their useful life. Current plans are to weld in steel plates to extend life in areas that are hindering performance. If the facility can be salvaged for the treatment process, the remaining portions of the tank that are in poor shape will be repaired to further extend the life of the facility.

The facility does not have a sludge holding tank. For facilities of this size, it is recommended to have a sludge holding tank, allowing the operator more operational control of the facility's mixed liquor and reducing sludge hauling costs. Depending on priority of system needs and upgrades, a sludge holding tank may be considered for a future capital project rather than being included in initial plant improvements.

Inflow and infiltration is a known problem within this system. Flow monitoring will help determine the extents of I and I and will be addressed later in this memo. A multi-step process is employed on the collection system to determine the extent of inflow and infiltration. The first step involves smoke testing the system, which is already complete. Next, the sanitary sewers will be cleaned and jetted. Analysis of the information obtained from these processes will be used to create a plan to address inflow and infiltration issues. A contractor is currently being engaged to schedule the sanitary sewer jetting and cleaning.

The collection system has one lift station. This lift station is in poor shape. This facility requires new pumps, a control panel and likely rails in order to make the station more reliable.

A Mission remote monitoring system and magnetic flow meter will be installed to provide real time monitoring of the facility. This will improve capabilities to monitor the effect of inflow and infiltration and status of the facility. The monitoring system will improve operations and maintain reliable service for the customers. A mission monitoring system will also be installed at the lift station.

3. Project Milestones

- Continue monitoring the facility for performance (July 31, 2020)

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-
- Blower, aeration piping and diffuser replacement (March 31, 2020)
 - Sludge return piping repairs/replacement (March 31, 2020)
 - Install new magnetic flow meters and mission alarms (April 30, 2020)
 - Repair aeration tank by spot welding corroded areas (May 31, 2020)
 - Evaluate disinfection system (May 31, 2020)
 - Repair collection system lift station (May 31, 2020)
 - Clean and jet the collection system (August 31, 2020)
 - Submit status report detailing improvements and whether process changes are required (August 31, 2020)

Sincerely,

A handwritten signature in blue ink that reads 'Benjamin Kuenzel'.

Benjamin Kuenzel, PE
Principal of 21 Design Group, Inc.

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment C

Corrective Action Plan Revision