

Case No. 2023-00120  
Union County Water District  
Responses to Staff's Second Request for Information

**STAFF DR 2-1:**

Provide the name of the person or persons who negotiated or executed the United Community Bank (United Bank) Loan on behalf of Union District. If more than one individual person was involved on behalf of Union District, please explain the involvement of each individual.

**Response:** Chairman Andrew Arnold and Commissioner Gerald Hunter went to United Community Bank to secure the loan.

**Witness:** Andrew Arnold

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**STAFF DR 2-2:**

Provide the name of the person or persons who prepared the annual reports to the Commission for the years 2021 and 2022 on behalf of Union District.

**Response:** Robbie Baird with Kemper CPA Group prepares the annual reports.

**Witness:** Gary Sheffer

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**STAFF DR 2-3:**

Provide any informational package presented or minutes from any Board Meeting (other than the minutes previously provided for August 10, 2021) or other materials discussing the United Bank Loan, both before and after execution of the loan.

**Response:** See attached minutes. No informational package or other materials were presented.

**Witness:** Gary Sheffer

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**STAFF DR 2-4:**

Explain in detail the circumstances that led to the decision to purchase the property at 409 North Court Street, Morganfield, Kentucky, rather than continue leasing the property from Union County. Please provide any board meeting minutes or informational packages presented where the decision to purchase the property was discussed.

**Response:** For board meeting minutes or informational packages presented where the decision to purchase the property was discussed, please see response to Staff DR 2-3.

The circumstances that led to the decision to purchase the property are detailed in the response filed on June 19, 2023.

The Union County Water District has rented from the Union County Fiscal Court an office building at 409 North Court Street since 2008. The building had begun to need repair and updating. UCWD Manager Gary Sheffer approached County Judge/Executive Adam Onan about making much needed repairs. The discussion came about whether the Union County Fiscal Court would possibly sell the property to UCWD at a reasonable cost to help offset the upgrades needed to the building. After discussion with the UCWD Board members we agreed to purchase the building if the price was agreeable. The Fiscal court agreed to sell the property for \$50,000. This seemed to be a good move for the Water District to own instead of rent. The UCWD Board and its Manager believed that purchasing the building was a good business decision. Therefore, UCWD obtained a loan for the purchase price plus \$25,000 for needed upgrades and repair.

In addition, the County had approached UCWD on two occasions several years ago about possibly moving out so that the County's emergency management agency could occupy the building. UCWD believed that purchasing the building would also secure the office and avoid future disruption or increased rent.

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**Witness:** Gary Sheffer

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF UNION )  
COUNTY WATER DISTRICT AND ITS )  
INDIVIDUAL COMMISSIONERS, RAYMOND )  
ARNOLD AND JOYCE GREENWELL, AND )  
MANAGER GARY SHEFFER ALLEGED FAILURE )  
TO COMPLY WITH KRS 278.300 AND KRS )  
278.020 )

Case No. 2023-00120

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**CERTIFICATION**

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This is to certify that I have supervised the preparation of Union County Water District's responses to the Public Service Commission Staff's Supplemental First Request for Information and Second Request for Information and that the responses are true and accurate to the best of my knowledge, information, and belief after reasonable inquiry.

Date: 8/2/23

Gary Sheffer  
Gary Sheffer, Manager