

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

<b>ELECTRONIC INVESTIGATION INTO THE FINANCIAL</b>	)	
<b>AND OPERATING CAPACITY OF BLACK MOUNTAIN</b>	)	<b>CASE NO.</b>
<b>UTILITY DISTRICT</b>	)	<b>2023-00235</b>

**RESPONSES TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO BLACK MOUNTAIN UTILITY DISTRICT DATED DECEMBER 6, 2023**

**Filed: December 27, 2023**

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC INVESTIGATION INTO THE FINANCIAL )  
AND OPERATING CAPACITY OF BLACK MOUNTAIN )  
UTILITY DISTRICT )

CASE NO.  
2023-00235

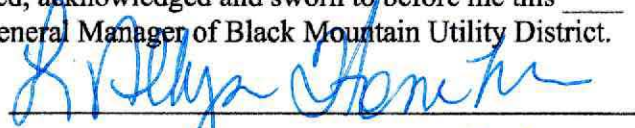
VERIFICATION OF GRANT COOPER

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF HARLAN )

Grant Cooper, General Manager of Black Mountain Utility District, being duly sworn, states that he has supervised the preparation of certain responses to Commission Staff's First Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
Grant Cooper

The foregoing Verification was signed, acknowledged and sworn to before me this \_\_\_ day of December 2023, by Grant Cooper, General Manager of Black Mountain Utility District.



Notary Commission No. 76727

Commission expiration: 8/2/27





**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 1**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 1.** Explain how the line of credit from June 16, 2015, (Line of Credit #5363200) was paid off on August 1, 2016.

**Response 1.** It appears that the funds from the new loan were used to pay off the line of credit from June 16, 2015. The bank that these loans were funded by is no longer in business and the only records that Black Mountain District has were provided to the Commission with its response filed on November 17, 2023.



**BLACK MOUNTAIN UTILITY DISTRICT  
PSC CASE NO. 2023-00235  
RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 2**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 2.** Explain how the line of credit from July 28, 2016, (Line of Credit # 5395900) was paid off on August 31, 2017.

**Response 2.** It appears that the funds of the new loan were used to pay off the line of credit from July 28, 2016. The bank that these loans were funded by is no longer in business and the only records that Black Mountain District has were provided to the Commission with its response filed on November 17, 2023.

**BLACK MOUNTAIN UTILITY DISTRICT  
PSC CASE NO. 2023-00235  
RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 3**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 3.** Provide the trial balance in Excel format with all formulas, rows, and columns fully accessible and unprotected for 2023 year to date.

**Response 3.** Please see attached. The attachment is an Excel spreadsheet and is being uploaded into the Commission's electronic filing system separately.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 4**

**RESPONSIBLE PARTIES: Dan Mosley**

**Request 4.** Provide the starting date for each current commissioner.

**Response 4.** The prior board all resigned effective July 31, 2020 and new board members were appointed in August of 2020 to finish the unexpired terms of the board members that resigned.

The current board members were appointed to new terms on the following dates:

Shawn Miller – 12/1/20  
Brandon Shepherd – 3/16/21  
Bill Clem – 3/15/22  
Chad Brock – 1/1/23  
Dewayne Williams – 1/17/23

Please see the information attached to Response 5 below.

**BLACK MOUNTAIN UTILITY DISTRICT  
PSC CASE NO. 2023-00235  
RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 5**

**RESPONSIBLE PARTIES: Dan Mosely**

**Request 5.** Provide the fiscal court appointments for any commissioner approved following the final Order entered on January 5, 2022, in Case No. 2021-00263.

**Response 5.** Please see attached.

<b><u>BMUD Commissioners:</u></b>	<b><u>Start Date:</u></b>
Shawn Miller	12/1/2020
Brandon Shepherd	3/16/2021
Bill Clem	3/15/2022
Chad Brock	1/1/2023
Dewayne Williams	1/17/2023

Revised: 01/24/2023

## BLACK MOUNTAIN UTILITY DISTRICT BOARD MEMBERS

### Expiration of Term

Brandon Shepherd  
P.O. Box 53  
Bledsoe, KY 40810  
(606) 558-3389 (Home)  
(606) 273-2577 (Cell)  
brandonshepherd95@gmail.com

December 1, 2025

Shawn Miller  
P.O. Box 462  
Baxter, KY 40806  
(606) 574-9076 (Home)  
(606) 273-0944 (Cell)

December 1, 2024

DeWayne Williams  
3450 Hwy 219  
Wallins Creek, KY 40873  
(606) 573-3850 (Work)  
(606) 273-2051 (Cell)

February 16, 2027

Chad Brock (Chairman)  
174 Doss Hollow  
Evarts, KY 40828  
(606) 837-9787 (Home)  
(606) 273-3388 (Cell)  
chadbrock5@gmail.com

January 1, 2027

Bill Clem  
P.O. Box 91  
Putney, KY 40865  
(606) 573-9752 (Home)  
(606) 909-3266 (Cell)

March 20, 2026

**Black Mountain Utility District  
609 Four Mile Road  
Baxter, KY 40806  
(606) 573-1277  
(606) 573-1276 (Fax)**

<b>Jeff North fill unexpired term of Ralph Tuner</b>	<b>December 1, 2021</b>
<b>Shawn Miller fill unexpired term of Raymond Cox</b>	<b>December 1, 2020</b>
<b>Chad Brock fill unexpired term of Charles Hyde</b>	<b>January 1, 2023</b>
<b>Bill Clem fill unexpired term of Robert Simpson</b>	<b>March 20, 2022</b>
<b>DeWayne fill unexpired term of Steve Sergent</b>	<b>February 16, 2023</b>
<b>Brandon Shepherd fill unexpired term of Jeff North</b>	<b>December 1, 2021</b>

**Ralph Turner  
Raymond Cox  
Charles Hyde  
Robert Simpson  
Steve Sergent  
Ray Metcalfe**

**All Resignations effective July 31, 2020**



PRESIDING: DAN MOSLEY

PRESENT: CLARK MIDDLETON, BILL MOORE, PAUL BROWNING, JIM RODDY,  
JAMES HOWARD, CO ATT FRED BUSROE, DEPUTY SHERIFF MATT COPE.

MOTION: BILL MOORE  
TO PAY BILLS.

SECOND: PAUL BROWNING

ALL YES

MOTION: PAUL BROWNING  
TO APPROVE MOA FOR CARES ACT FUNDING WITH COMMONWEALTH OF  
KENTUCKY DEPARTMENT FOR LOCAL GOVERNMENT, AUTHORIZE  
JUDGE/EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND: BILL MOORE

ALL YES

MOTION: PAUL BROWNING  
TO GIVE APPROVAL TO ENTER INTO LEASE AGREEMENTS WITH ENTERPRISE FM  
TRUST FOR 2020 CHEVROLET SILVERADO 1500 AND 2020 CHEVROLET EQUINOX,  
AUTHORIZE JUDGE/EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND: JIM RODDY

ALL YES

MOTION: PAUL BROWNING  
TO APPROVE TIME ONLY MODIFICATION TO EXTEND THE CONTRACT WITH  
COMMONWEALTH OF KENTUCKY EEC DIVISION OF ABANDONED MINE LANDS  
THROUGH 08/31/2021 FOR MOA RELATING TO THE PORTAL 31 ENHANCEMENTS,  
AND OTHER IMPROVEMENTS, AUTHORIZE JUDGE/EXECUTIVE TO SIGN ANY AND  
ALL DOCUMENTS.

SECOND: BILL MOORE

ALL YES

REFLECT RESIGNATION OF BLACK MOUNTAIN UTILITY DISTRICT (BMUD) BOARD  
MEMBERS: RALPH TURNER, RAYMOND COX, STEVE SERGENT, CHARLES HYDE,  
ROBERT SIMPSON AND DISTRICT MANAGER RAY METCALFE, ALL EFFECTIVE  
JULY 31, 2020.

MOTION: DAN MOSLEY  
TO APPOINT JEFF NORTH TO BLACK MOUNTAIN UTILITY DISTRICT BOARD TO  
FILL THE UNEXPIRED TERM OF RALPH TURNER, THROUGH DECEMBER 1, 2021.

SECOND: CLARK MIDDLETON

ALL YES

MOTION: DAN MOSLEY  
TO APPOINT SHAWN MILLER TO BLACK MOUNTAIN UTILITY DISTRICT BOARD TO  
FILL THE UNEXPIRED TERM OF RAYMOND COX, THROUGH DECEMBER 1, 2021.

SECOND: JAMES HOWARD

ALL YES

MOTION: DAN MOSLEY  
TO APPOINT CHAD BROCK TO BLACK MOUNTAIN UTILITY DISTRICT BOARD TO  
FILL THE UNEXPIRED TERM OF CHARLES HYDE, THROUGH JANUARY 1, 2023.

SECOND: BILL MOORE

ORDERS  
SPECIAL

HARLAN COUNTY FISCAL COURT  
AUGUST 5, 2020 (VIRTUAL MEETING  
PURSUANT TO SB 150)

MOTION: DAN MOSLEY  
TO APPOINT BILL CLEM TO BLACK MOUNTAIN UTILITY DISTRICT BOARD TO FILL  
THE UNEXPIRED TERM OF ROBERT SIMPSON, THROUGH MARCH 20, 2022.

SECOND: BILL MOORE

ALL YES

REFLECT THAT STEVE SERGENT'S UNEXPIRED TERM RUNS THROUGH FEBRUARY  
16, 2023 AND THE PUBLIC SERVICE COMMISSION WILL HAVE TO BE THE ONE TO  
FILL IT.

MOTION: BILL MOORE  
TO ADJOURN

SECOND: JIM RODDY

ALL YES

COPY ATTEST

\_\_\_\_\_  
DONNA G. HOSKINS HARLAN COUNTY  
CLERK

\_\_\_\_\_  
DAN MOSLEY HARLAN COUNTY  
JUDGE EXECUTIVE

\_\_\_\_\_  
DATE

HARLAN COUNTY FISCAL COURT  
REGULAR ORDERS

DECEMBER 15, 2020  
HYBRID MEETING

MOTION CLARK MIDDLETON  
APPROVE THE HARLAN COUNTY SHERIFF'S REVENUE BOND, AUTHORIZE JUDGE  
EXEC TO SIGN ANY AND ALL DOCUMENTS.

SECOND BILL MOORE

ALL YES

REFLECT SHERIFF'S BOND WENT FROM 300,000 TO 2,500,000 RETROACTIVE TO 10-1-  
2020

MOTION JIM RODDY  
APPROVE CY2021 APPALACHIA HIDTA SUBAWARD AGREEMENT FOR  
INVESTIGATIVE LAW ENFORCEMENT OFFICER, SUBAWARD#G21AP0001A,  
AUTHORIZE JUDGE EXEC TO SIGN ANY AND ALL DOCUMENTS.

SECOND CLARK MIDDLETON

ALL YES

MOTION BILL MOORE  
ACCEPT THE HARLAN COUNTY SHERIFF'S OFFICAL RECEIPTS FOR 2019 OIL TAX  
BILLS.

SECOND CLARK MIDDLETON

ALL YES

MOTION JIM RODDY  
ACCEPT THE HARLAN COUNTY SHERIFF'S OFFICAL RECEIPTS FOR 2020 GAS TAX  
BILLS.

SECOND CLARK MIDDLETON

ALL YES

MOTION CLARK MIDDLETON  
ACCEPT THE HARLAN COUNTY SHERIFF'S OFFICAL RECEIPTS FOR 2020 OIL TAX  
BILLS.

SECOND JIM RODDY

ALL YES

MOTION BILL MOORE  
ACCEPT THE HARLAN COUNTY SHERIFF'S OFFICAL RECEIPTS FOR 2020  
LIMESTONE SAND AND GRAVEL TAX BILLS.

SECOND JIM RODDY

ALL YES

MOTION CLARK MIDDLETON  
APPROVE MOA BY AND BETWEEN THE COMMONWEALTH OF KY, OFFICER OF  
GOVERNOR, DEPT OF LOCAL GOVERNMENT, OFFICE OF FEDERAL GRANTS AND  
HARLAN COUNTY FISCAL COURT, TO ESTABLISH AGREEMENTS FOR THE HARLAN  
COUNTY CRS REIMBURSEMENT PROJECT, AUTHORIZE JUDGE EXEC TO SIGN ANY  
AND ALL DOCUMENTS.

SECOND PAUL BROWNING

ALL YES

MOTION BILL MOORE  
TO GIVE THE AMERICAN RED CROSS \$2500.00 FOR ASSISTANCE RELIEF  
DURING COVID 19 TIME.

SECOND CLARK MIDDLETON

ALL YES

MOTION CLARK MIDDLETON  
TO RENEW A 3 YEAR LEASE WITH JRL AT THE PUTNEY INDUSTRIAL PROPERTY  
AND THE PRICE BE DETERMINED FOR THE LEASE BASED ON THE APPROVED  
METRIC THAT WAS ESTABLISHED IN 2017 CURRENT RATE WOULD BE 2100.00 A  
MONTH AND RENEW EVERY DEC.

SECOND BILL MOORE

ALL YES

MOTION DAN MOSLEY  
TO REAPPOINT SHAWN MILLER TO THE BLACK MOUNTAIN UTILITY DISTRICT  
BOARD, RETROACTIVE TO DEC 1, 2020, 4 YEAR TERM EXPIRING 12-1-2024

SECOND JAMES HOWARD

ALL YES

MOTION DAN MOSLEY  
TO APPOINT LISA CAUDILL TO THE ANIMAL SHELTER ADVISORY BOARD 4 YEAR  
TERM EXPIRING 12-15-2024

SECOND PAUL BROWNING

ALL YES

MOTION DAN MOSLEY  
APPOINT BECKY BURGESS TO THE ANIMAL SHELTER ADVISORY BOARD 4 YR  
TERM EXPIRING 12-20-24

SECOND JAMES HOWARD

ALL YES



To approve permission to advertise for RFP's for Cardboard Removal  
**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by Clark Middleton  
To reappoint Annie Fox to the Harlan County Animal Shelter Advisory Board,  
retroactive to January 14, 2023, to serve a 4-year term, expiring January 14,  
2027

**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by Clark Middleton  
To reappoint Linda Parsons to the Harlan County Animal Shelter Advisory Board,  
retroactive to January 14, 2023, to serve a 4-year term, expiring January 14,  
2027

**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by James Howard  
To reappoint Sue Estep to the Harlan County Animal Shelter Advisory Board,  
retroactive to January 14, 2023, to serve a 4-year term, expiring January 14,  
2027

**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by Clark Middleton  
To reappoint Brenda Gergely to the Harlan County Animal Shelter Advisory  
Board, retroactive to January 14, 2023, to serve a 4-year term, expiring January  
14, 2027

**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by Bill Moore  
To reappoint Chad Brock to the Black Mountain Utility District Board, retroactive  
to January 1, 2023, to serve a 4-year term, expiring January 1, 2027 **ALL**  
**YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by James Howard  
To reappoint Dewayne Williams to the Black Mountain Utility District Board, to  
serve a 4-year term, expiring February 16, 2027

**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by Jim Roddy  
To reappoint Harold Sellers to the Cawood Water District Board, to serve a 4-  
year term, expiring February 19, 2027

**ALL YES** **MOTION CARRIED**

A motion was made by Dan Mosley and seconded by Jim Roddy  
To reappoint Tim Engle to the Cawood Water District Board, to serve a 4- year  
term, expiring February 17, 2027

**ALL YES** **MOTION CARRIED**

A motion was made by James Howard and seconded by Bill Moore

ORDERS  
HYBRID MEETING

HARLAN COUNTY FISCAL COURT  
MARCH 16, 2021

MOTION JAMES HOWARD  
APPROVE INTERLOCAL AGREEMENT WITH BELL COUNTY KENTUCKY AND LEE COUNTY KENTUCKY FOR DISASTER ASSISTANCE, AUTHORIZE JUDGE EXEC TO SIGN ANY AND ALL DOCUMENTS, RETROACTIVE TO MARCH 3, 2021  
ALL YES

SECOND JIM RODDY

MOTION DAN MOSLEY  
APPOINT BRANDON SHEPHERD TO BLACK MOUNTAIN UTILITY DISTRICT WATER BOARD EFFECTIVE MARCH 16, 2021 TO FILL THE UNEXPIRED TERM OF JEFF NORTH, WHO RESIGNED TERM EXPIRING DECEMBER 31, 2021.

SECOND CLARK MIDDLETON

ALL YES

MOTION DAN MOSLEY  
APPOINT LYNN COX TO THE HARLAN COUNTY LIBRARY BOARD TO FILL THE UNEXPIRED TERM OF MARILYN UNTHANK, WHO RESIGNED, TERM EXPIRING DECEMBER 31, 2023.

SECOND PAUL BROWNING

ALL YES

MOTION DAN MOSLEY  
APPOINT ROLAND CORNETT TO THE HARLAN LIBRARY BOARD TO FILL UNEXPIRED TERM OF MARK FORD WHO RESIGNED TERM EXPIRING DECEMBER 31, 2022.

SECOND PAUL BROWNING

ALL YES

MOTION JIM RODDY  
TO REFLECT CAWOOD WATER DISTRICT HAS SELECTED KENVIRONS, INC AS ENGINEERING FIRM FOR US 421 CHEVROLET/GRAYS KNOB WATERLINE EXTENSION, REQUEST FISCAL COURT APPROVAL OF THIS ACTION AUTHORIZE JUDGE EXEC TO NOTIFY CHIEF DISTRICT ENGINEER IN MANCHESTER OF CAWOOD WATER DISTRICT'S DECISION, AND ASK FOR WRITTEN APPROVAL FROM KYTC TO PROCEED WITH DESIGN OF PROJECT.

SECOND CLARK MIDDLETON

ALL YES

MOTION JAMES HOWARD  
TO TERMINATE THE LAND USAGE AGREEMENT WITH RONALD GOINS.

SECOND CLARK MIDDLETON

ALL YES

MOTION JAMES HOWARD  
TO APPROVE THE LAND USAGE AGREEMENT WITH LINCOLN SMITH.

SECOND PAUL BROWNING

ALL YES

MOTION CLARK MIDDLETON  
TO APPROVE THE LAND USAGE AGREEMENT FOR GARY AND KIM FEE #302-311-312 ON LOWE LANE AT BAXTER.

SECOND JAMES HOWARD

ALL YES

MOTION DAN MOSLEY  
TO APPROVE THE QUOTE FOR DEMOLITION AND DEBRIS REMOVAL FOR ARMY CORP PROPERTY LOCATED AT 614 N HWY 413 AT BAXTER FROM JOHNNY DEAN IN THE AMOUNT OF \$6800.00.

SECOND JIM RODDY

ALL YES

MOTION JAMES HOWARD  
GIVE PERMISSION TO SURPLUS AND ADVERTISE FOR BID ON A 2010 POLARIS ATV FROM THE HARLAN COUNTY SHERIFF'S OFFICE VIN # 4XATH76A1A161422

SECOND PAUL BROWNING

ALL YES

MOTION JAMES HOWARD  
TO ACCEPT CLOVER FORK LLC BUILDING FROM BUDDY CORNETT BY DEED AND PROVIDE MR. CORNETT WITH A RECEIPT OF CERTIFIED APPRAISED VALUE OF PROPERTY

SECOND CLARK MIDDLETON

ALL YES

ORDERS  
REGULAR  
MOTION PAUL BROWNING  
TO APPROVE A LAND USAGE CONTRACT FOR 95 DARTMONT RD THE REMAINDER  
EXCEPT FOR THE 50 FT FOR MARY WITTE TO MIKE LUNSFORD.

HARLAN COUNTY FISCAL COURT  
MARCH 15, 2022  
SECOND JAMES HOWARD  
ALL YES

MOTION CLARK MIDDLETON  
PERMISSION TO ADVERTISE FOR PORTABLE RESTROOM RENTALS.

SECOND JIM RODDY

MOTION DAN MOSLEY  
TO RE-APPOINT RANDY WILLIAMS TO THE CUMBERLAND TOURIST AND  
CONVENTION COMMISSION BOARD TO SERVE A 3 YEAR TERM, EXPIRING MARCH  
15, 2025.

ALL YES  
SECOND PAUL BROWNING

MOTION DAN MOSLEY  
RE-APPOINT BRANDON SHEPHERD TO THE BLACK MOUNTAIN UTILITY DISTRICT  
BOARD TO SERVE A 4 YEAR TERM, RETROACTIVE TO DECEMBER 1, 2021  
EXPIRING DECEMBER 1, 2025.

ALL YES  
SECOND JIM RODDY

MOTION DAN MOSLEY  
RE APPOINT BILL CLEM TO THE BLACK MOUNTAIN UTILITY DISTRICT BOARD, TO  
SERVE A 4 YEAR TERM EXPIRING MARCH 15, 2026.

ALL YES  
SECOND CLARK MIDDLETON

MOTION JIM RODDY  
TO ACCEPT THE VARIOUS REPORTS AS FOLLOWS TREASURERS, ANIMAL  
CONTROL, ROADS/BRIDGES, RECYCLING/ SOLID WASTE, PRIDE INMATE WORK  
PROGRAM AND SOLID WASTE ENFORCEMENT/FLOOD PLAIN .

ALL YES

REFLECT THAT THE BIDS FOR THE KY 2425 SANITARY SEWER LINE EXTENSION  
WILL BE OPEN MARCH 30<sup>TH</sup>.

MOTION DAN MOSLEY  
GO TO EXECUTIVE SESSION AT 12:35 PM PURSUANT TO KRS 61:810 (1) (F) AND  
KRS61:810 (1) ( C) FOR PERSONAL FOR A VACANCY IN A COUNTY DEPT AND  
POSSIBLE LITIGATION.

SECOND CLARK MIDDLETON

MOTION DAN MOSLEY  
RETURN TO SESSION AT 1:35 PM

ALL YES  
SECOND JAMES HOWARD

NO ACTION TAKEN ON LITIGATION  
DIRECT THE JUDGE EXEC TO POST A POSITION AT THE ANIMAL SHELTER

ALL YES

MOTION JIM RODDY  
TO SHOP FOR INSURANCE RATES FOR COUNTY HEALTH INSURANCE .

SECOND JAMES HOWARD

MOTION PAUL BROWNING  
TO AMEND THE PAYMENT ADD-ONS TO INCLUDE \$744.18 ADD'T BILL.

ALL YES  
SECOND CLARK MIDDLETON

MOTION PAUL BROWNING  
TO ADJOURN

ALL YES  
SECOND JAMES HOWARD

ALL YES

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 6**

**RESPONSIBLE PARTIES: Dan Mosley**

**Request 6.** State whether there were any commissioners, apart from the current commissioners, who served on the board of commissioners after July 31, 2020. Provide the names, appointing authority and term length.

**Response 6.** Please see the attachment for Response 5 above for the appointments made by the Harlan Fiscal Court immediately following the resignation of the prior board, these are contained in the Fiscal Court meeting minutes. The resignations were effective July 31, 2020. Each of these board members are currently on the board except for Jeff North who was appointed to fulfill the unexpired term of Ralph Turner. Mr. North served for a short time and Brandon Shepherd was appointed by the Harlan Fiscal Court to fulfill his unexpired term.



**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 7**

**RESPONSIBLE PARTIES:** Grant Cooper

**Request 7.** List all trainings attended for each of the current commissioners.

**Response 7.** Brandon Shepherd and Dwayne Williams attended the Commission's water training on October 9, 2023 and October 10, 2023 at 1050 State Park Road, Pineville, Kentucky. A copy of the Commission's Order documenting their attendance was filed into the record of this proceeding on November 10, 2023.

In addition, Shawn Miller and Bill Clem, Black Mountain Commissioners, Grant Cooper, Black Mountain's general manager and Troy Gaw, Black Mountain's accountant, attended the Commission's water training held at the Commission on December 5, 2023 and December 6, 2023. The Commission has not entered an Order documenting this attendance yet. Black Mountain will file the Order for this training once it is received.

Chad Brock was scheduled to attend these two trainings, but was unable to attend. Mr. Cooper is working with Mr. Brock to get him scheduled for a future water training.

**BLACK MOUNTAIN UTILITY DISTRICT  
PSC CASE NO. 2023-00235  
RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 8**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 8.** Provide documentation of any trainings attended by each commissioner, as well as any upcoming trainings each commissioner is scheduled to attend that have not yet been provided to the Commission.

**Response 8.** Please see Response 7 above.

**BLACK MOUNTAIN UTILITY DISTRICT  
PSC CASE NO. 2023-00235  
RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 9**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 9.** Provide all written policies passed by the Board within the last 12 months.

**Response 9.** The Board has not passed any written policies in the last 12 months. However, a financing policy will be reviewed by the board at the January board meeting. If that policy is passed, Black Mountain District will supplement this response with a copy of that policy.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 10**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 10.** Provide the most recent contract between Black Mountain District and the city of Evarts for the purchase of water.

**Response 10.** Please see attached for the most recent contract between Black Mountain District and the city of Evarts.

EVARTS

Position 5

WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into as of the 29<sup>th</sup> day of March, 1990, between the City of Evarts, City Hall Building, P.O. Box 208, Evarts, Kentucky 40828, hereinafter referred to as the "Seller" and the Black Mountain Utility District, P.O. Box 612, Evarts, Kentucky 40828, hereinafter referred to as the "Purchaser".

WITNESSETH:

Whereas, the Purchaser is organized and established under the provisions of Chapter 74 of the Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution system serving water users within the area described in plans now on file in the office of the Purchaser and to accomplish this purpose, the Purchaser will require a supply of treated water, and

Whereas, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the present customers of the Seller's system and the estimated number of water users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser, and

Whereas, by Resolution of City Council enacted on the 29<sup>th</sup> day of March, 1990, by the Seller, the sale of water to the Purchaser in accordance with the provisions of the said Resolution was approved, and the execution of this contract carrying out the said Resolution by the Mayor and attested by the City Clerk was duly authorized, and

Whereas, by Resolution of the Commissioners of the Purchaser, enacted on the 13th day of March, 1990, the purchase of water from the Seller in accordance with the terms set forth in the said Resolution was approved, and the execution of this contract by the Chairman, and attested by the Secretary was duly authorized;

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The Seller Agrees:

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Commonwealth of Kentucky in such quantity as may be required

by the Purchaser not to exceed 1,750,000 gallons per month at a rate of 150 gallons per minute.

2. (Point of Delivery and Pressure) That water will be furnished at a reasonably constant pressure calculated at 70 psi from an existing six inch main supply at a point located just to the south of the KY Highway 215 bridge over Yocum Creek at the Community of Redbud. If a greater pressure than that normally available at the point of delivery is required by the Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary to restore service.

3. (Metering Equipment) To operate, and maintain at its own expense at point of delivery, the necessary metering equipment, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but not more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the two (2) months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on or about the 25th of the month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. (Billing Procedure) To furnish the Purchaser at the above address not later than the first (1st) day of each month, with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. (Rates and Payment Date) To pay the Seller not later than the 20th day of each month, for water delivered in accordance with the following schedule of rates:

a. \$1.10/1,000 gallons, which amount shall also be the minimum rate per month.

2. (Connection Fee) To pay as an agreed cost, a connection fee to connect the Seller's system with the system

of the Purchaser, the sum of zero (0) dollars and to furnish and install at its own expense the necessary metering equipment, including a meter house or pit, plus the pipeline and appurtenances necessary to connect the metering device to the Seller's system and same to be approved by Seller before installation.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. (Term of Contract) That this contract shall extend for a term of 45 years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

2. (Delivery of Water) That 30 days prior to the estimated date of completion of construction of the Purchaser's water supply distribution system, the Purchaser will notify the Seller in writing the date for the initial delivery of water.

3. (Water for Testing) When requested by the Purchaser the Seller will make available to the contractor at the point of delivery, or other point reasonable close thereto, water sufficient for testing, flushing, and trench filling the system of the Purchaser during construction, irrespective of whether the metering equipment has been installed at that time, at a rate of \$1.10/1,000 gallons which will be paid by the contractor or, on his failure to pay, by the Purchaser.

4. (Failure to Deliver) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

5. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered may be reviewed after twelve (12) months initially, and every two (2) years thereafter. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such cost shall not include increased capitalization of the Seller's system. Other provisions of this contract may be modified or altered by mutual agreement.



6. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

7. (Miscellaneous) That the construction of the water supply distribution system by the Purchaser is being financed by a loan made or insured by, and/or a grant from, the United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and the provisions hereof pertaining to the undertakings of the Purchaser are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration.

8. (Successor to the Purchaser) That in the event of any occurrence rendering the Purchaser incapable of performing under this contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the Purchaser hereunder.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in nine (9) counterparts, each of which shall constitute an original.

Seller:

City of Evarts  
By Rory S. King  
Title Mayor

Attest:

Joy Kirby  
Secretary

Purchaser:

Black Mountain Utility District  
By Arnold Albert  
Title Chairman

Attest:

Eddie Penley  
acting Secretary

This contract is approved on behalf of the Farmers Home Administration this 16<sup>th</sup> day of April, 1990.

By Robert W. Letton  
Title Chief, Community & Business Programs

**NOTICE**

Pineville Utility Commission is providing notice that on December 27, 2022, it filed with the Public Service Commission to increase the wholesale rate it charges Black Mountain Utility District effective for water service on and after February 1, 2023. Pineville has also proposed a 1 percent increase effective January 1, 2024 and January 1, 2025. The proposed rates are as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Effective February 1, 2023	\$2.96 per 1,000 gallons	\$3.05 per 1,000 gallons	\$0.09 Increase	3.0% Increase
Effective January 1, 2024	\$3.05 per 1,000 gallons	\$3.08 per 1,000 gallons	\$0.03 Increase	1.0% Increase
Effective January 1, 2025	\$3.08 per 1,000 gallons	\$3.11 per 1,000 gallons	\$0.03 Increase	1.0% Increase

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the new rates.

In accordance with Public Service Commission procedures, the effective date of the new rates cannot be prior to the expiration of a 30-day notice given to both the Commission and Black Mountain Utility District.

This filing may be examined at the offices of Pineville Utility Commission located at 151 N Pine Street in Pineville, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The new rates are the rates proposed by Pineville Utility Commission in its filing but the Public Service Commission may order rates that differ from the proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

# Google Maps



Harkin Supplies

Evarts Supplies

Evarts and were

Pink Feed By Harkin Water  
 Orange :s BMUD  
 Yellow :s Evarts and were  
 Orange and Yellow mete is our master meter

Map data ©2023 1000 ft



# Google Maps



Orange :s BMUD  
 Yellow :s Evarts  
 Where orange meets Yellow  
 is where our master meters  
 are

Map data ©2023 Google 1 mi

<https://www.google.com/maps/@36.8743536,-83.0734794,13z?hl=en&entry=ttu>

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 11**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 11.** Provide any information related actions by Black Mountain District to enforce the contract.

**Response 11.** Mr. Cooper is in constant contact with Woody Fields with Evarts on almost a daily basis to monitor the water situation. Mr. Cooper and Mr. Fields discuss water tank levels, pumping availability, water sources and the stability of Evarts' system. A copy of the contract was attached to response 10 above. Black Mountain District has undertaken increased leak detection efforts in the area where the water must be purchased from Evarts and through these increased efforts, Black Mountain District has been able to decrease its water loss percentage to 15% or below in these areas. Attached to Response 10 is also a map of the areas of Black Mountain District's system that Evarts' water is supplied.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 12**

**RESPONSIBLE PARTIES:** Grant Cooper

**Request 12.** Explain how Black Mountain District plans to address Evarts' future water shortages, as it affects Black Mountain District.

**Response 12.** Black Mountain District has to rely on Evarts for water to supply those portions of Black Mountain District's system. There is no other source for Black Mountain District to purchase water from. Black Mountain District has over one thousand cases of 16 ounce bottled water on hand to supply to its customers in an event of an outage on Evarts' system. Black Mountain District is keeping its water tank levels up to the maximum limit so that the water supply is lost from Evarts, Black Mountain District will be able to continue water service to its customers in those areas for three to four days before the tanks are emptied. Black Mountain District also utilizes local volunteer fire departments in helping hand out water to these customers in an event of an outage. Black Mountain District will also continue its leak detection efforts in these areas.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 13**

**RESPONSIBLE PARTIES:        Dan Mosley**

**Request 13.**        Refer to Black Mountain District's response to the Commission's Order issued on October 9, 2023, Exhibit A, page 25.

- a. Confirm that in July 2017 the approval for the renewal of the line of credit at Monticello Banking Company occurred at a Harlan County Fiscal Court meeting.
- b. Confirm that the approval was granted for the county judge executive to execute all loan documents on behalf of Black Mountain District.
- c. Explain why collateral from the Harlan County Fiscal Court was provided on behalf Black Mountain District.
- d. Explain how the decision was made for Harlan County Fiscal Court to provide collateral on behalf of Black Mountain District, include any supporting documentation to substantiate the events.

**Response 13.**

- a. Confirmed. Please see the attached minutes documenting approval.
- b. Confirmed. Please see attached minutes documenting approval.
- c. The Harlan County Fiscal Court decided to pledge a certificate of deposit as collateral for the line of credit for mainly two reasons. The primary reason was that this type of collateral for the line of credit would allow Black Mountain District to receive the lowest possible interest rate on the line of credit. The second reason the Harlan Discal Court decided to establish this collateral was so that the previous board would understand the importance of operating within reason budgetarily. Prior to assuming the office of county Judge Executive in



2015, my predecessor had shared with me that water districts would tend to expect the fiscal court to dole out financial resources when the districts became cash strapped. However, due to the decline in revenues, this was not possible any longer. That practice also did not align with my fundamental beliefs related to fiscal responsibility. It was important for the district to understand there would not be any financial bailouts from the fiscal court moving toward. Therefore, the court informed them that they should pursue a line of credit for tough times, with the court pledging collateral in the form of a Certificate of Deposit. The court felt that this was a balance that would still help the district but not provide a handout so to speak.

d. Please see the response to 13 c. above. In addition, please see the documentation from 2015 when the collateral for the original line of credit was pledged. Other documents from the Bank of Harlan, which became Monticello Banking Company after a transition, are included as well.

ORDERS  
REGULAR

HARLAN COUNTY FISCAL COURT  
MAY 21, 2015

REFLECT AT 9:30 A. M. IN THE OLD CIRCUIT COURTROOM A LGEA AND CRA  
HEARING WAS HELD, SIGN IN SHEET INCLUDED

REFLECT 1<sup>ST</sup> READING OF BUDGET ORDINANCE 2015-16

MOTION DAVID KENNEDY

SECOND JAMES HOWARD

TO APPROVE THE ROAD FUND COST ALLOCATION WORKSHEET.

ALL YES

MOTION JAMES HOWARD

SECOND JIM RODDY

GIVE APPROVAL OF STANDING ORDER FOR COUNTY TREASURER AND COUNTY  
JUDGE EXEC TO PAY PAYROLL, UTILITIES AND REGULAR BILLS.

ALL YES

MOTION JIM RODDY

SECOND JAMES HOWARD

APPROVAL TO TRANSITION COUNTY BANK ACCOUNTS AS NECESSARY TO THE  
BANK OF HARLAN AND HOME FEDERAL, AUTHORIZE JUDGE EXEC TO SIGN ANY  
AND ALL DOCUMENTS.

ALL YES

REFLECT 1<sup>ST</sup> READING OF HARLAN COUNTY TOURIST COMMISSION ORDINANCE

MOTION DAVID KENNEDY

SECOND BILL MOORE

TO DO A C D FOR 2YRS AS PLEDGE OF \$150,000 FOR LINE OF CREDIT FOR THE  
BLACK MTN UTILITY DISTRICT AND AUTHORIZE JUDGE EXEC TO SIGN ANY AND  
ALL DOCUMENTS.

ALL YES

MOTION BILL MOORE

SECOND DAVID KENNEDY

TO WRITE A LETTER TO BLACK MTN UTILITY DISTRICT TO PRESENT A BUDGET  
WITHIN 60 DAYS OF THEIR MOST CURRENT AUDIT.

ALL YES

MOTION JIM RODDY

SECOND CLARK MIDDLETON

GIVE APPROVAL TO PURCHASE FIRE TRUCK BY SUNSHINE VFD CONTINGENT  
UPON RECOMMENDATION OF EM DIRECTOR AND SUNSHINE FIRE CHIEF,  
AUTHORIZE JUDGE EXEC TO SIGN ANY AND ALL DOCUMENT.

ALL YES

MOTION BILL MOORE

SECOND JIM RODDY

TO SET JUNE 16, 2015 AS NEXT F/C MEETING.

ALL YES

REFLECT APPROVAL OF MAYOR CITY OF HARLAN DANNY HOWARD'S  
APPOINTMENT OF JOE GREISHOP TO A 4 YR TERM ON THE TAX APPEAL BOARD,  
WITH TERM BEGINNING JUNE 1, 2015 THROUGH MAY 31, 2019.

REFLECT THE TAX APPEALS BOARD WILL BE IN SESSION JUNE 18 AND 19, 2015

MOTION JAMES HOWARD

SECOND JIM RODDY

TO PAY THE TAX APPEALS BOARD MEMBERS.

ALL YES

MOTION BILL MOORE

SECOND CLARK MIDDLETON

GIVE APPROVAL TO PAY ELECTION OFFICERS RETROACTIVE TO MAY 19, 2015

ALL YES

MOTION JIM RODDY

SECOND JAMES HOWARD

TO APPROVE THE JAIL POLICY AND PROCEDURE MANUEL NO CHANGES.

ALL YES

MOTION JIM RODDY

SECOND BILL MOORE

TO ACCEPT ONE AND ONLY BID FROM MOUNTAIN CONSTRUCTION CO FOR

ORDERS  
REGULAR

HARLAN COUNTY FISCAL COURT  
JULY 18, 2017

MOTION JIM RODDY  
TO APPROVE LEGAL SERVICES AGREEMENT DIRECTING THE EMPLOYMENT OF CERTAIN LAW FIRMS TO REPRESENT THE COUNTY IN POTENTIAL LITIGATION AGAINST THOSE PARTIES LEGALLY RESPONSIBLE FOR THE WRONGFUL DISTRIBUTION OF PRESCRIPTION OPIATES, AUTHORIZE JUDGE EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND BILL MOORE  
ALL YES

MOTION JIM RODDY  
TO APPROVE RESOLUTION REQUESTED BY KENTUCKY TRANSPORTATION CABINET TO EXCHANGE MAINTENANCE AND OWNERSHIP OF VARIOUS HARLAN COUNTY ROADWAYS KY 1137, MP 2.045 TO 3.207 END OF STATE MAINTENANCE, KY 3450, MP 0.00 - 0.559 END OF STATE MAINTENANCE, AND OLD US 421 LOOP MP 0.00 - MP 0.139, AUTHORIZE JUDGE EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND JAMES HOWARD  
ALL YES

MOTION BILL MOORE  
TO RENEW LINE OF CREDIT AT MONTICELLO BANKING COMPANY FOR BLACK MOUNTAIN UTILITY DISTRICT, AUTHORIZE JUDGE EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND DAVID KENNEDY  
ALL YES

MOTION JIM RODDY  
TO APPROVE GRANT EASEMENT FOR KENTUCKY WIRED STATEWIDE BROADBAND NETWORK INITIATIVE, AUTHORIZE JUDGE EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND BILL MOORE  
ALL YES

MOTION JIM RODDY  
TO APPROVE LETTER OF AGREEMENT WITH GRW FOR COURTROOM LEVEL RESTROOMS, AUTHORIZE JUDGE EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND BILL MOORE  
ALL YES

MOTION BILL MOORE  
TO ACCEPT THE AUDIT REPORT OF THE HARLAN COUNTY FISCAL COURT, FOR THE YEAR ENDED JUNE 30, 2016.

SECOND DAVID KENNEDY  
ALL YES

MOTION CLARK MIDDLETON  
TO GIVE PERMISSION TO ADVERTISE FOR A GENERATOR FOR THE COURTHOUSE.

SECOND JAMES HOWARD  
ALL YES

MOTION DAVID KENNEDY  
TO ADVERTISE FOR COOLING TOWER REPAIRS AT THE JUSTICE CENTER.

SECOND JIM RODDY  
ALL YES

MOTION DAVID KENNEDY  
TO APPROVE AGREEMENT WITH BRANDSTETTER CARROLL INC FOR ENGINEERING SERVICES TO FISCAL COURT FOR BUILD READY CERTIFICATION SITE FOR SLEEPY HOLLOW GOLF COURSE, AUTHORIZE JUDGE EXECUTIVE TO SIGN ANY AND ALL DOCUMENTS.

SECOND JIM RODDY  
ALL YES





		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Principal Payment Split Out	Principal	(\$18.71)	\$101,177.83
Interest Payment Split Out	Interest Payment	(\$361.81)	\$101,196.54
11/02/2022 Regular Payment		(\$389.89)	\$101,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Principal Payment Split Out	Principal	(\$177.83)	\$101,000.00
Interest Payment Split Out	Interest Payment	(\$212.06)	\$101,177.83
11/29/2022 Regular Payment		(\$1,186.79)	\$100,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Principal Payment Split Out	Principal	(\$1,000.00)	\$100,000.00
Interest Payment Split Out	Interest Payment	(\$186.79)	\$101,000.00
12/29/2022 Additional Interest Payment		(\$190.97)	\$100,000.00
12/29/2022 Additional Principal Payment		(\$15,000.00)	\$85,000.00
01/06/2023 Interest Payment Reversal - Affects N		\$190.97	\$85,000.00
01/06/2023 Regular Payment		(\$190.97)	\$85,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Interest Payment Split Out	Interest Payment	(\$190.97)	\$85,000.00
02/13/2023 Late Charge Assessed		\$7.98	\$85,000.00
02/14/2023 Regular Payment		(\$159.66)	\$85,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Interest Payment Split Out	Interest Payment	(\$159.66)	\$85,000.00
03/13/2023 Late Charge Assessed		\$7.34	\$85,000.00
03/24/2023 Regular Payment		(\$146.71)	\$85,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Interest Payment Split Out	Interest Payment	(\$146.71)	\$85,000.00
04/11/2023 Late Charge Assessed		\$8.12	\$85,000.00
04/24/2023 Regular Payment		(\$343.07)	\$85,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Late Charge Split Out	Late Charge	(\$8.12)	\$85,000.00
Late Charge Split Out	Late Charge	(\$7.34)	\$85,000.00
Interest Payment Split Out	Interest Payment	(\$157.20)	\$85,000.00
Late Charge Split Out	Late Charge	(\$7.98)	\$85,000.00
Interest Payment Split Out	Interest Payment	(\$162.43)	\$85,000.00
05/25/2023 Regular Payment		(\$162.43)	\$85,000.00
		Payment Break Down	
Transaction Description	Affects	Amount	Balance
Interest Payment Split Out	Interest Payment	(\$162.43)	\$85,000.00
06/27/2023 Regular Payment		(\$157.19)	\$85,000.00

Transaction Description	Payment Break Down Affects	Amount	Balance
Interest Payment Split Out	Interest Payment	(\$157.19)	\$85,000.00

## SECURITY AGREEMENT

**DATE AND PARTIES.** The date of this Security Agreement (Agreement) is July 1, 2020. The parties and their addresses are:

**SECURED PARTY:**  
MONTICELLO BANKING CO.  
PO Box 421  
Monticello, KY 42633

**DEBTOR:**  
HARLAN COUNTY FISCAL COURT  
PO BOX 956  
HARLAN, KY 40831-0000

**Definitions.** For the purposes of this document, the following terms have the following meanings.

"Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

The pronouns "you" and "your" refer to the Secured Party. The pronouns "I," "me" and "my" refer to each person or entity signing this Agreement as Debtor and agreeing to give the Property described in this Agreement as security for the Secured Debts.

Where the owner of the Property is different from the obligor or guarantor whose obligation this Agreement secures, "Debtor" refers to each person or entity who is an owner of the Property and "Obligor" or "Guarantor," as applicable, refer to such parties as designated in the SECURED DEBTS section.

**1. SECURED DEBTS.** The term "Secured Debts" includes and this Agreement will secure each of the following:

**A. Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, No. [REDACTED], dated July 1, 2020, from BLACK MTN UTILITY DISTRICT (Obligor) to you, in the amount of \$107,624.43.

**B. All Debts.** All present and future debts from Obligor to you, even if this Agreement is not specifically referenced, the future debts are also secured by other collateral, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Agreement, each agrees that it will secure debts incurred either individually or with others who may not sign this Agreement. Nothing in this Agreement constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing.

This Agreement will not secure any debt which is also secured by real property or for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. In addition, this Agreement will not secure any other debt if, with respect to such other debt, you fail to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

**C. Sums Advanced.** All sums advanced and expenses incurred by you under the terms of this Agreement.

Loan Documents refer to all the documents executed in connection with the Secured Debts.

**2. NON-OBLIGATED OWNER.** Any one of us, who is not also identified as an Obligor in the Secured Debts section of this Agreement and who signs this Agreement, is referred to herein as a Non-Obligated Owner for purposes of subsection 7(d)(4) of 12 C.F.R. 1002 (Regulation B) which implements the Equal Credit Opportunity Act (ECOA). By signing this Agreement, I, as a Non-Obligated Owner, do grant a security interest, and assign my rights and interests, in the Property to secure payment of the Secured Debts, to create a valid lien, to pass clear title, to waive inchoate rights and to assign earnings or rights to payment under any lease or rent of the Property. However, I, as a Non-Obligated Owner, am not personally liable for the Secured Debts.

**3. SECURITY INTEREST.** To secure the payment and performance of the Secured Debts, I grant you a security interest in all of the Property described in this Agreement that I own or have sufficient rights in which to transfer an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products from the Property (including, but not limited to, all parts, accessories, repairs, replacements, improvements, and accessions to the Property). Property is all the collateral given as security for the Secured Debts and described in this Agreement, and includes all obligations that support the payment or performance of the Property. "Proceeds" includes cash proceeds, non-cash proceeds and anything acquired upon the sale, lease, license, exchange, or other disposition of the Property; any rights and claims arising from the Property; and any collections and distributions on account of the Property.

This Agreement remains in effect until terminated in writing, even if the Secured Debts are paid and you are no longer obligated to advance funds to me under any loan or credit agreement.

**4. PROPERTY DESCRIPTION.** The Property is described as follows:

**A. Specific Property.** Certificate of Deposit/Share Certificate. Certificate Number [REDACTED], with a face amount of \$107,624.43, issued on July 1, 2020 and issued by Monticello Banking Co. located at PO Box 421, Monticello, Kentucky 42633.

**5. WARRANTIES AND REPRESENTATIONS.** I have the right and authority to enter into this Agreement. The execution and delivery of this Agreement will not violate any agreement governing me or to which I am a party. I am located at the address indicated in the DATE AND PARTIES section. I will provide you with at least 30 days notice prior to any change in my name or principal residence location.

BLACK MTN UTILITY DISTRICT  
Kentucky Security Agreement  
KY/4XXXXXXXXX0000000002247014070120N

Wolters Kluwer Financial Services ©1998, 2020 Bankers Systems™

Initials \_\_\_\_\_  
Page 1

**A. Ownership of Property.** I represent that I own all of the Property. Your claim to the Property is ahead of the claims of any other creditor, except as disclosed in writing to you prior to any advance on the Secured Debts. I represent that I am the original owner of the Property and, if I am not, that I have provided you with a list of prior owners of the Property.

**6. DUTIES TOWARD PROPERTY.**

**A. Protection of Secured Party's Interest.** I will defend the Property against any other claim. I agree to do whatever you require to protect your security interest and to keep your claim in the Property ahead of the claims of other creditors. I will not do anything to harm your position.

I will keep books, records and accounts about the Property and my business in general. I will let you examine these and make copies at any reasonable time. I will prepare any report or accounting you request which deals with the Property.

**B. Use, Location, and Protection of the Property.** I will keep the Property in my possession and in good repair. I will use it only for commercial purposes. I will not change this specified use without your prior written consent. You have the right of reasonable access to inspect the Property and I will immediately inform you of any loss or damage to the Property. I will not cause or permit waste to the Property.

I will keep the Property at my address listed in the DATE AND PARTIES section unless we agree I may keep it at another location. If the Property is to be used in other states, I will give you a list of those states. The location of the Property is given to aid in the identification of the Property. It does not in any way limit the scope of the security interest granted to you. I will notify you in writing and obtain your prior written consent to any change in location of any of the Property. I will not use the Property in violation of any law. I will notify you in writing prior to any change in my name or address.

Until the Secured Debts are fully paid and this Agreement is terminated, I will not grant a security interest in any of the Property without your prior written consent. I will pay all taxes and assessments levied or assessed against me or the Property and provide timely proof of payment of these taxes and assessments upon request.

**C. Selling, Leasing or Encumbering the Property.** I will not sell, offer to sell, lease, or otherwise transfer or encumber the Property without your prior written permission. Any disposition of the Property contrary to this Agreement will violate your rights. Your permission to sell the Property may be reasonably withheld without regard to the creditworthiness of any buyer or transferee. I will not permit the Property to be the subject of any court order affecting my rights to the Property in any action by anyone other than you. If the Property includes chattel paper or Instruments, either as original collateral or as proceeds of the Property, I will note your security interest on the face of the chattel paper or Instruments.

**7. AUTHORITY TO PERFORM.** I authorize you to do anything you deem reasonably necessary to protect the Property, and perfect and continue your security interest in the Property. If I fail to perform any of my duties under this Agreement or any other Loan Document, you are authorized, without notice to me, to perform the duties or cause them to be performed.

These authorizations include, but are not limited to, permission to:

- A. pay and discharge taxes, liens, security interests or other encumbrances at any time levied or placed on the Property.
- B. pay any rents or other charges under any lease affecting the Property.
- C. order and pay for the repair, maintenance and preservation of the Property.
- D. file any financing statements on my behalf and pay for filing and recording fees pertaining to the Property.
- E. place a note on any chattel paper indicating your interest in the Property.
- F. take any action you feel necessary to realize on the Property, including performing any part of a contract or endorsing it in my name.
- G. handle any suits or other proceedings involving the Property in my name.
- H. prepare, file, and sign my name to any necessary reports or accountings.
- I. make an entry on my books and records showing the existence of this Agreement.

If you perform for me, you will use reasonable care. If you exercise the care and follow the procedures that you generally apply to the collection of obligations owed to you, you will be deemed to be using reasonable care. Reasonable care will not include: any steps necessary to preserve rights against prior parties; the duty to send notices, perform services or take any other action in connection with the management of the Property; or the duty to protect, preserve or maintain any security interest given to others by me or other parties. Your authorization to perform for me will not create an obligation to perform and your failure to perform will not preclude you from exercising any other rights under the law or this Loan Agreement. All cash and non-cash proceeds of the Property may be applied by you only upon your actual receipt of cash proceeds against such of the Secured Debts, matured or unmatured, as you determine in your sole discretion.

If you come into actual or constructive possession of the Property, you will preserve and protect the Property. For purposes of this paragraph, you will be in actual possession of the Property only when you have physical, immediate and exclusive control over the Property and you have affirmatively accepted that control. You will be in constructive possession of the Property only when you have both the power and the intent to exercise control over the Property.

**8. DEFAULT.** I will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

- A. **Payments.** I or Obligor fail to make a payment in full when due.
- B. **Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against me, Obligor, or any co-signer, endorser, surety or guarantor of this Agreement or any other obligations Obligor has with you.
- C. **Failure to Perform.** I fail to perform any condition or to keep any promise or covenant of this Agreement.
- D. **Other Documents.** A default occurs under the terms of any other Loan Document.
- E. **Other Agreements.** I am in default on any other debt or agreement I have with you.



- F. **Misrepresentation.** I make any verbal or written statement or provide any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.
- G. **Judgment.** I fail to satisfy or appeal any judgment against me.
- H. **Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.
- I. **Name Change.** I change my name or assume an additional name without notifying you before making such a change.
- J. **Property Transfer.** I transfer all or a substantial part of my money or property.
- K. **Property Value.** You determine in good faith that the value of the Property has declined or is impaired.
- L. **Insecurity.** You determine in good faith that a material adverse change has occurred in Borrower's financial condition from the conditions set forth in Borrower's most recent financial statement before the date of this Agreement or that the prospect for payment or performance of the Secured Debts is impaired for any reason.
9. **DUE ON SALE OR ENCUMBRANCE.** You may, at your option, declare the entire balance of this Agreement to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.
10. **REMEDIES.** After I default, you may at your option do any one or more of the following.
- A. **Acceleration.** You may make all or any part of the amount owing by the terms of the Secured Debts immediately due.
- B. **Sources.** You may use any and all remedies you have under state or federal law or in any Loan Document.
- C. **Insurance Benefits.** You may make a claim for any and all insurance benefits or refunds that may be available on my default.
- D. **Payments Made On My Behalf.** Amounts advanced on my behalf will be immediately due and may be added to the Secured Debts.
- E. **Assembly of Property.** You may require me to gather the Property and make it available to you in a reasonable fashion.
- F. **Repossession.** You may repossess the Property so long as the repossession does not involve a breach of the peace. You may sell, lease or otherwise dispose of the Property as provided by law. You may apply what you receive from the disposition of the Property to your expenses, your attorneys' fees and legal expenses (where not prohibited by law), and any debt I owe you. Subject to the NON-OBLIGATED OWNER section, if what you receive from the disposition of the Property does not satisfy the debt, I will be liable for the deficiency (where permitted by law). In some cases, you may keep the Property to satisfy the debt.
- Where a notice is required, I agree that ten days prior written notice sent by first class mail or via a nationally recognized overnight courier to my address listed in this Agreement will be reasonable notice to me under the Kentucky Uniform Commercial Code. If the Property is perishable or threatens to decline speedily in value, you may, without notice to me, dispose of any or all of the Property in a commercially reasonable manner at my expense following any commercially reasonable preparation or processing (where permitted by law).
- If any items not otherwise subject to this Agreement are contained in the Property when you take possession, you may hold these items for me at my risk and you will not be liable for taking possession of them (where permitted by law).
- G. **Use and Operation.** You may enter upon my premises and take possession of all or any part of my property for the purpose of preserving the Property or its value, so long as you do not breach the peace. You may use and operate my property for the length of time you feel is necessary to protect your interest, all without payment or compensation to me.
- H. **Waiver.** By choosing any one or more of these remedies you do not give up your right to use any other remedy. You do not waive a default if you choose not to use a remedy. By electing not to use any remedy, you do not waive your right to later consider the event a default and to use any remedies if the default continues or occurs again.
11. **WAIVER OF CLAIMS.** I waive all claims for loss or damage caused by your acts or omissions where you acted reasonably and in good faith.
12. **PERFECTION OF SECURITY INTEREST AND COSTS.** I authorize you to file a financing statement and/or security agreement, as appropriate, covering the Property. I will comply with, facilitate, and otherwise assist you in connection with obtaining perfection or control over the Property for purposes of perfecting your security interest under the Uniform Commercial Code. I agree to pay all taxes, fees and costs you pay or incur in connection with preparing, filing or recording any financing statements or other security interest filings on the Property. I agree to pay all actual costs of terminating your security interest.
13. **APPLICABLE LAW.** This Agreement is governed by the laws of Kentucky, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law. In the event of a dispute, the exclusive forum, venue and place of jurisdiction will be in Kentucky, unless otherwise required by law.
14. **JOINT AND SEVERAL LIABILITY AND SUCCESSORS.** Each Debtor's obligations under this Agreement are independent of the obligations of any other Debtor. You may sue each Debtor individually or together with any other Debtor. You may release any part of the Property and I will still be obligated under this Agreement for the remaining Property. Debtor agrees that you and any party to this Agreement may extend, modify or make any change in the terms of this Agreement or any evidence of debt without Debtor's consent. Such a change will not release Debtor from the terms of this Agreement. If you assign any of the Secured Debts, you may assign all or any part of this Agreement without notice to me or my consent, and this Agreement will inure to the benefit of your assignee to the extent of such assignment. You will continue to have the unimpaired right to enforce this Agreement as to any of the Secured Debts that are not assigned. This Agreement shall inure to the benefit of and be enforceable by you and your successors and assigns and any other person to whom you may grant an interest in the Secured Debts and shall be binding upon and enforceable against me and my successors and assigns.
15. **AMENDMENT, INTEGRATION AND SEVERABILITY.** This Agreement may not be amended or modified by oral agreement. No amendment or modification of this Agreement is effective unless made in writing. This Agreement and the other Loan Documents are the complete and final expression of the understanding between you and me. If any provision of this Agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.
16. **INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Agreement.

**17. NOTICE AND ADDITIONAL DOCUMENTS.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail or via a nationally recognized overnight courier to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Debtor will be deemed to be notice to all Debtors. I will inform you in writing of any change in my name, address or other application information. I will provide you any other, correct and complete information you request to effectively grant a security interest on the Property. I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Agreement and to confirm your lien status on any Property. Time is of the essence.

**18. AGREEMENT TO ARBITRATE.** You or I may submit to binding arbitration any dispute, claim or other matter in question between or among you and me that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this section or as you and I agree to in writing. For purposes of this section, this Transaction includes this Agreement and the other Loan Documents, and proposed loans or extensions of credit that relate to this Agreement. You or I will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws.

You or I may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to you or me; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

You and I acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among you and me involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this section.


The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this Agreement, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Agreement or another writing.


**19. WAIVER OF TRIAL FOR ARBITRATION.** You and I understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, you and I voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

**SIGNATURES.** By signing, I agree to the terms contained in this Agreement. I also acknowledge receipt of a copy of this Agreement.

**DEBTOR:**


HARLAN COUNTY FISCAL COURT

By  Date 7-1-2020  
DAN MOSLEY, JUDGE EXECUTIVE

By  Date 7/1/2020  
RYAN CREECH, TREASURER

**SECURED PARTY:**

Marticello Banking Co.

By  Date 7/1/2020  
KEVIN W. CAVINS, PERSONAL BANKER

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 14**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 14.** Confirm that the principal balance of the line of credit was what was financed in the loan reference in Black Mountain District's response paragraph 1 in 2018.

**Response 14.** Black Mountain District believes that this statement is correct, however it has requested documentation from the bank which has not been received to confirm this. Black Mountain District will supplement this response if that documentation is provided and changes this response.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 15**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 15.** Provide all monthly water loss reports from January 2023 to present.  
Consider this an ongoing request.

**Response 15.** Please see attached.

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:	BLACK MOUNTAIN UTILITY DISTRICT		
For the Month of:	January	Year:	2023
<b>1 WATER PRODUCED AND PURCHASED</b>			
2	Water Produced		
3	Water Purchased		22,858,844
4	<b>TOTAL PRODUCED AND PURCHASED</b>		22,858,844
5			
6	<b>WATER SALES</b>		
7	Residential		14,684,520
8	Commercial		
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale		
12	Public Authorities		
13	Other Sales (explain)		
14	<b>TOTAL WATER SALES</b>		14,684,520
15			
16	<b>OTHER WATER USED</b>		
17	Utility and/or Water Treatment Plant		40,000
18	Wastewater Plant		
19	System Flushing		
20	Fire Department		20,000
21	Other Usage (explain)		
22	<b>TOTAL OTHER WATER USED</b>		60,000
23			
24	<b>WATER LOSS</b>		
25	Tank Overflows		
26	Line Breaks		
27	Line Leaks		8,114,324
28	Excavation Damages		
29	Theft		
30	Other Loss		
31	<b>TOTAL WATER LOSS</b>		8,114,324
32			
33	<b>Note: Line 14 + Line 22 + Line 31 MUST Equal Line 4</b>		
34			
35	<b>WATER LOSS PERCENTAGE</b>		
36	(Line 31 divided by Line 4)		35.50%

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: February Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	25,659,787
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>25,659,787</b>

6	<b>WATER SALES</b>	
7	Residential	11,865,330
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>11,865,330</b>

16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain) _____	
22	<b>TOTAL OTHER WATER USED</b>	<b>-</b>

24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	13,794,457
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>13,794,457</b>

**Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

35	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	53.76%

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: March Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	21,426,315
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>21,426,315</b>

6	<b>WATER SALES</b>	
7	Residential	11,865,330
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>11,865,330</b>

16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain) _____	
22	<b>TOTAL OTHER WATER USED</b>	<b>-</b>

24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	9,560,985
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>9,560,985</b>

**Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

35	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	44.62%



# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: April Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	18,972,737
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>18,972,737</b>

6	<b>WATER SALES</b>	
7	Residential	
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>9,213,240</b>

16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	
18	Wastewater Plant	
19	System Flushing	1,457,859
20	Fire Department	124,879
21	Other Usage (explain) <u>DBP</u>	1247850
22	<b>TOTAL OTHER WATER USED</b>	<b>2,830,588</b>

24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	6,928,909
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>6,928,909</b>

**Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

35	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	36.52%



# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: May Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	21,426,602
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>21,426,602</b>

5		
6	<b>WATER SALES</b>	
7	Residential	12,190,490
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>12,190,490</b>

15		
16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	75,000
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain) _____	
22	<b>TOTAL OTHER WATER USED</b>	<b>75,000</b>

23		
24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	9,161,112
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>9,161,112</b>

32  
 33 **Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

34		
35	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	42.76%

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

BLACK MOUNTAIN UTILITY DISTRICT

For the Month of:

June

Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	19,277,860
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>19,277,860</b>

6	<b>WATER SALES</b>	
7	Residential	13,577,330
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>13,577,330</b>

16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain) _____	
22	<b>TOTAL OTHER WATER USED</b>	<b>-</b>

24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	5,700,530
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>5,700,530</b>

Note: Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

34	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	29.57%

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: July Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>		
2	Water Produced		
3	Water Purchased		20,960,981
4	<b>TOTAL PRODUCED AND PURCHASED</b>		<b>20,960,981</b>

5	<b>WATER SALES</b>		
7	Residential		13,669,260
8	Commercial		
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale		
12	Public Authorities		
13	Other Sales (explain) _____		
14	<b>TOTAL WATER SALES</b>		<b>13,669,260</b>

15	<b>OTHER WATER USED</b>		
17	Utility and/or Water Treatment Plant		3,000
18	Wastewater Plant		40,000
19	System Flushing		
20	Fire Department		
21	Other Usage (explain) _____		
22	<b>TOTAL OTHER WATER USED</b>		<b>43,000</b>

23	<b>WATER LOSS</b>		
25	Tank Overflows		
26	Line Breaks		
27	Line Leaks		7,248,721
28	Excavation Damages		
29	Theft		
30	Other Loss		
31	<b>TOTAL WATER LOSS</b>		<b>7,248,721</b>

32 **Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

33	<b>WATER LOSS PERCENTAGE</b>		
34	(Line 31 divided by Line 4)		34.58%

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: August Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	22,687,644
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>22,687,644</b>

5	<b>WATER SALES</b>	
7	Residential	12,599,230
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>12,599,230</b>

15	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	2,475
18	Wastewater Plant	40,000
19	System Flushing	
20	Fire Department	
21	Other Usage (explain) _____	
22	<b>TOTAL OTHER WATER USED</b>	<b>42,475</b>

23	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	10,045,939
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>10,045,939</b>

32  
33 **Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

34	<b>WATER LOSS PERCENTAGE</b>	
35	(Line 31 divided by Line 4)	44.28%



# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

BLACK MOUNTAIN UTILITY DISTRICT

For the Month of:

September

Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	19,466,552
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>19,466,552</b>

5	<b>WATER SALES</b>	
7	Residential	13,729,680
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain)	
14	<b>TOTAL WATER SALES</b>	<b>13,729,680</b>

15	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	2,700
18	Wastewater Plant	50,000
19	System Flushing	
20	Fire Department	
21	Other Usage (explain) DBP	103254
22	<b>TOTAL OTHER WATER USED</b>	<b>155,954</b>

23	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	5,580,918
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>5,580,918</b>

32  
33 **Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

34	<b>WATER LOSS PERCENTAGE</b>	
35	(Line 31 divided by Line 4)	28.67%



# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: October Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	19,217,299
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>19,217,299</b>

5	<b>WATER SALES</b>	
7	Residential	12,786,677
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain)	
14	<b>TOTAL WATER SALES</b>	<b>12,786,677</b>

15	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	4,000
18	Wastewater Plant	25,000
19	System Flushing	254,321
20	Fire Department	30,000
21	Other Usage (explain) DBP	354,687
22	<b>TOTAL OTHER WATER USED</b>	<b>668,008</b>

23	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	5,762,614
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>5,762,614</b>

**Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

32	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	29.99%

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility: BLACK MOUNTAIN UTILITY DISTRICT

For the Month of: November Year: 2023

1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	
3	Water Purchased	19,913,290
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>19,913,290</b>

5		
6	<b>WATER SALES</b>	
7	Residential	12,813,650
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain) _____	
14	<b>TOTAL WATER SALES</b>	<b>12,813,650</b>

15		
16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	3,000
18	Wastewater Plant	40,000
19	System Flushing	487,000
20	Fire Department	70,000
21	Other Usage (explain) <u>DBP</u>	574,000
22	<b>TOTAL OTHER WATER USED</b>	<b>1,174,000</b>

23		
24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	5,925,640
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>5,925,640</b>

33 **Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4

32		
33		
34		
35	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	29.76%

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 16**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 16.** Provide the meter testing reports, leak detection reports and all Board minutes from January 2023 to present. Consider this an ongoing request.

**Response 16.** Please see attached for the meter testing reports and the board minutes. Black Mountain District does not have leak detection reports.



**CITCO Water**  
*Solutions Driven. Commitment Given.*  
 4034 Altizer Ave.  
 Huntington, WV 25705  
 Phone (800) 999-3484

## CITCO Large Meter Test Record

**Customer Name:** Black Mountain Water District

**Date:** 11/23/2022

**Make/Model:** Hersey MVR 650 - Turbo

**Serial #:** Missing

**Size:** 4"

**Location:** Sukey Ridge

**Meter Tester Information:**

**Begin Reading:** 25,666,915

**Make:** Sensus

**Model:** V2 Tester

**End Reading:** 25,670,230

**Serial #:** TESTER 3

**Size:** 3"

**Test As Found In US Gallons**

	Flow Rate	Residual Pressure	Meter	Prover	Result %=(A/B)x100	Curve	Meter Accuracy
<b>HIGH</b>	500/2500	120	2703	2642.93	102.27%	99.60%	<b>101.86%</b>
<b>MED</b>	50/250	146	253	251.98	100.40%	99.80%	<b>100.20%</b>
<b>LOW</b>	15/150	166	153	150.72	101.51%	99.90%	<b>101.41%</b>
<b>Average of Tests As Found:</b>							<b>101.64%</b>

**Result:** PASS

**Oxygen:** 20.9%

**Aaron Matthews 1543**

Size	High Flow	AWWA Standard	Mid Flow	AWWA Standard	Minimum Flow	AWWA Standard	TURBINE
1.5"	90 gpm for 300 gal	98.5% - 101.5%	50 gpm for 100 gal	98.5% - 101.5%	4 gpm for 100 gal	98.5% - 101.5%	TURBINE
2"	120 gpm for 300 gal	98.5% - 101.5%	50 gpm for 100 gal	98.5% - 101.5%	4 gpm for 100 gal	98.5% - 101.5%	TURBINE
3"	275 gpm for 600 gal	98.5% - 101.5%	50 gpm for 100 gal	98.5% - 101.5%	8 gpm for 100 gal	98.5% - 101.5%	TURBINE
4"	500 gpm for 1000 gal	98.5% - 101.5%	50 gpm for 100 gal	98.5% - 101.5%	15 gpm for 100 gal	98.5% - 101.5%	TURBINE
6"	1100 gpm for 2500 gal	98.5% - 101.5%	50 gpm for 100 gal	98.5% - 101.5%	30 gpm for 1000 gal	98.5% - 101.5%	TURBINE
8"	1500 gpm for 4000 gal	98.5% - 101.5%	50 gpm for 100 gal	98.5% - 101.5%	50 gpm for 1000 gal	98.5% - 101.5%	TURBINE



**CITCO Water**  
*Solutions Driven. Commitment Given.*  
 4034 Altizer Ave.  
 Huntington, WV 25705  
 Phone: (800) 999-3484

## CITCO Large Meter Test Record

Customer: Black Mountain Water District

Date: 11/23/2022

Make/Model: Badger Compound

Serial #: 89334492

Size: 6"

Location: Dayhoit

**Meter Tester Information:**

Start Reading: 409,989,721

Make: Sensus

Model: V2 Tester

End Reading: 409,991,968

Serial #: TESTER 3

Size: 3"

**Test As Found In US Gallons**

	Flow Rate	Residual Pressure	Meter	Prover	Result %=(A/B)x100	Curve	Meter Accuracy
HIGH	400/2000	100	2057	2080.86	98.85%	99.80%	98.66%
MED	35/175	145	180.00	179.57	100.24%	99.90%	100.14%
LOW	1.5/15	155	0	15.11	0.00%	100.10%	0.00%
<b>Average of Tests As Found:</b>							<b>66.26%</b>

**Result: FAIL**

Oxygen: 20.9%

*Aaron M. Matthews 1543*

Size	High Flow	AWWA Standard	Mid Flow	AWWA Standard	Minimum Flow	AWWA Standard	TURBINE
2"	100 gpm for 100 gal	97% - 103%	15 gpm for 100 gal	90% - 103%	.25 gpm for 10 gal	95% - 101%	COMPOUND
3"	150 gpm for 500 gal	97% - 103%	15 gpm for 100 gal	90% - 103%	.50 gpm for 10 gal	95% - 101%	COMPOUND
4"	200 gpm for 500 gal	97% - 103%	25 gpm for 100 gal	90% - 103%	.75 gpm for 10 gal	95% - 101%	COMPOUND
6"	500 gpm for 1000 gal	97% - 103%	35 gpm for 100 gal	90% - 103%	1.5 gpm for 100 gal	95% - 101%	COMPOUND
8"	600 gpm for 2000 gal	97% - 103%	45 gpm for 100 gal	90% - 103%	2 gpm for 100 gal	95% - 101%	COMPOUND





**CITCO Water**  
*Solutions Driven. Commitment Given.*  
 4034 Altizer Ave.  
 Huntington, WV 25705  
 Phone: (800) 999-3484

## CITCO Large Meter Test Record

Customer: Black Mountain Water District

Date: 11/23/2022

Make/Model: Badger Compound

Serial #: 18205210

Size: 6"

Location: Kitts Creek

**Meter Tester Information:**

Start Reading: 13,943,679.2

Make: Sensus

Model: V2 Tester

End Reading: 13,946,666.85

Serial #: TESTER 3

Size: 3"

**Test As Found In US Gallons**

	Flow Rate	Residual Pressure	Meter	Prover	Result %=(A/B)x100	Curve	Meter Accuracy
HIGH	500/2500	140	2610.6	2568.15	101.65%	98.60%	100.23%
MED	35/175	185	198.70	192.32	103.32%	99.90%	103.21%
LOW	1.5/15	195	16.05	16.28	98.59%	100.10%	98.69%
<b>Average of Tests As Found:</b>							<b>100.71%</b>

Result: PASS

Oxygen: 20.9%

Aaron M. Matthews 1543

Size	High Flow	AWWA Standard	Mid Flow	AWWA Standard	Minimum Flow	AWWA Standard	TURBINE
2"	100 gpm for 100 gal	97% - 103%	15 gpm for 100 gal	90% - 103%	.25 gpm for 10 gal	95% - 101%	COMPOUND
3"	150 gpm for 500 gal	97% - 103%	15 gpm for 100 gal	90% - 103%	.50 gpm for 10 gal	95% - 101%	COMPOUND
4"	200 gpm for 500 gal	97% - 103%	25 gpm for 100 gal	90% - 103%	.75 gpm for 10 gal	95% - 101%	COMPOUND
6"	500 gpm for 1000 gal	97% - 103%	35 gpm for 100 gal	90% - 103%	1.5 gpm for 100 gal	95% - 101%	COMPOUND
8"	600 gpm for 2000 gal	97% - 103%	45 gpm for 100 gal	90% - 103%	2 gpm for 100 gal	95% - 101%	COMPOUND

REGULAR BOARD MEETING

January 10, 2023

Present: Shawn Miller, Chad Brock, Brandon Shepherd, Dwayne Williams, Grant Cooper, Marcella Fuson and Ken Taylor.

The meeting was called to order at 6:00 p.m. by Chairman Chad Brock

The minutes were given to each board member. Dwayne Williams made a motion to accept the minutes as read. Brandon Shepherd seconded the motion. All in favor.

Brandon Shepherd made a motion to pay the monthly bills. Shawn Miller seconded the motion. All in favor.

Customer Complaints: Stanley Smith did not show up for the meeting about the Closplint water.

Water lose report: Grant said it was really bad. Louellen and Coxton didn't have much water lose, but everywhere else was really bad. Shawn Miller said the Rosspoint and Putney area was the only ones that complain about lack of communication. He said they didn't know why they didn't have water. Grant talked to the board about BMUD getting an app. so people will know about outages. They can get it on their phones it will cost \$4,000 to set it up, then \$1000 per year. Grant said you can get notifications through the app for boiled water advisories and a lot of other things. The board will discuss the app. more and Grant is going to try to get a demo for the next meeting.

Chad also asked about automatic draft for payments. We explain what happened before was the BMUD didn't want to pay a fee for customers to use credit or debit cards they also didn't want use a system that BMUD would have to take out the service fee and pay it. With Paystar they get all the money keep the fee and send BMUD the rest of the money through direct deposit.

Sewer plant update: Grant said the Dan Mosley wants BMUD to still be over the Closplint system even when they change it to a septic tank and the county will pay BMUD \$10,000 per year to keep it up. Grant said when he talked to them about a tank in their yard they were upset. The board discussed having an oversize tank on 2 lots that would require a road bore or 1 big septic tank or individual tanks. Even if they are not on a sewer system like they are on now if it is septic tank or tanks and BMUD has to keep them up they will still be required to pay a sewer bill. PSC says we have to do all or nothing on the sewer. Grant will try to get easements for this area. Division of water will have to approve either way if we have 1 tank to service them or individual tanks. So Grant will see if he can get easements for individuals to put a septic tank in there yard. Dwayne said he is and was against individual tanks.

Grant said he bought a Chevy Colorado 32,000 actual miles. Paid \$10,299 it gets 23/24 miles per gallon. He said the only thing is the 4X4 is real slow-going in. We may have to change it. It will cost \$2,100 to fix the F250 and it will be fixed, he said we are taking it down there Friday.

Troy was absent. Grant gave an update on the rate case study. He said we couldn't get all the things they needed for the 2020 year because it was things the accountant has. DOW told him to check with FEMA to see if they will help where we had all these meters bust and line breaks. Grant said he had enough meters to replace Rosspoint and we had to use a lot of them to replace all the busted meters.

Brandon said he is the last to go without water and he ran out. Grant told them he had quotes for 2 drives, \$6,996 lead time 6-8 weeks.

Shawn Miller made a motion to pay the cost to buy the Variable frequency Drives for the pump station at Green Hills. Brandon Shepherd seconded the motion. All in favor.

There is a leak around the gas station the only leak we have that needs to be fixed that we are aware of. Brandon has direct contact with the power Company, if we lose power again, he can get ahold of someone. Grant said we need to get the county attorney or someone to write us up an easement. Chad Brock said get Karen Davenport to draw one up.

Shawn Miller made a motion to adjourn the meeting at 7:01 p.m. Brandon Shepherd seconded the motion. All in favor.

Minutes taken and typed by: Marcella Fuson

Minutes approved with correction:

Minutes approved: Don Taylor (TEMP CHAIR)

Regular Board Meeting

March 14, 2023

Present: Dewayne Williams, Bill Clem, Brandon Shepherd, Ken Taylor, Grant Cooper, Dewayne Blevins  
Troy Gaw and Shirley Leitch

The meeting was called to order by Dewayne Williams at 6:06 PM

The minutes were given to each board member present. <sup>B:LL</sup> Ken made motion to accept minutes and was seconded by Brandon. All In favor.

Guest speaker David Hensley request his bill be adjusted. He was not billed for water for 18 months and when his bill was presented to Grant, he requested it be cut in half because of an error made in system. Mr. Hensely feels it was not his fault and he should be only a standard bill. Dewayne made motion to bill him for 18 months at standard water usage. Brandon seconded and all in favor.

Guest speaker Randy Middleton stated he did not have hardly any water pressure at his meter. Boards members, Grant and Dewayne made suggestions on how he could increase pressure to his property. Dewayne told Mr Middleton we would work with him in anyway possible to solve his problem.

KIA money-Grant discussed the possible purchase of a back hoe. He presented two quotes one on a CAT and the other on a John Deer. Both were close to same price. Discussed dump truck and trailer. We need pumps in Wallins-both needs worked on.

Grant presented quotes for truck trackers. Priced at 122.00 per month for all vehicles. Trackers will also keep up with trucks speed, idle time, location setting time and come with maintenance program. Board members will have access to information via logging into app. Service can be cancelled at anytime. Bill motion to accept and seconded by Brandon. All in favor.

Board reviewed letter from customer Shelvey Long requesting a review of her bill. After reviewing location, it was determined a bad meter. Dewayne made motion to adjust bill and and seconded by Bill. All In favor.

Water loss-Pine Mt at 66%, Coxtton down, Ages up a little, Kenvir holding, Rosspoint several leaks at old service line from meter to meter found problem and fixed them, Sukey Ridge down to 45 form 52% all PVC system. Dewayne asked what we needed to control water waste. What would it cost to get away from Software Solutions and upgrade. We need a leak crew, their primary job is to check for leaks and not be pulled for work orders and reads.

Sewer- 2-3 customers do not want tanks in yard. Summit plan for public septic and send to KAR. Cannot put tanks in everyone's yard with and easement. Need statement from each homeowner showing approval or disapproval.

Black Mt Offroad Park- Steven Foster want us to run a line alone road to put in more RV parking and cabins. Grant said he can put in a tap next to road and Mr. Foster and run his lines.

Ranger truck leases are good to 2024. Checking on truck that is available. Dewayne made motion for Grant to check on truck a Colorado and see the condition of it. Priced at 14,000.00 may get a little cheaper. All agreed to keep Ranger trucks in service. Seconded by Brandon all in favor.

## REGULAR BOARD MINUTES

APRIL 11, 2023

Present: Chad Brock, Shawn Miller, Brandon Shepherd, Grant Cooper, Marcella Fuson, Ken Taylor and Troy Gaw.

The meeting was called to order by Chairman Chad Brock at 6:06 p.m.

A motion was made by Brandon Shepherd to accept the minutes for March 2023 with the correction to the third paragraph to change the name from Ken to Bill that made a motion to accept the previous minutes. Shawn Miller seconded the motion with correction. All in favor.

There were no customer complaints.

Grant discussed the water loss. He said Kenvir was up a little we found several people stealing water. We had three leaks in Closplint, he said we found one on Pine Mountain today. Putney had a service line break, busted under the road. We still have leaks at Wallins and we still are working to get water loss down.

Troy gave a financial report. He said we are waiting on money to come in on the rate increase around 6,00 per month for operating. The board discussed needing to replace the meters. Chad said he thought we had that covered. Grant told him we had a lot of meters busted over that cold spell. All the meters are gone. The rate increase was based on 3,000 usage was estimated at \$6,000 per month 4.14% and the surcharge will be 2.63 the first year 5.13 second year 7.91 third year.

Chad asked about the trash increase. He said it should have been on there a few months ago, it was going up 50 cents. Grant and Marcella both told him we never got anything on it. Marcella will put the increase on the next billing.

The \$15,000 BMUD paid for the property at Closplint, won't be paid back from the county till the project is done. Two customers at Closplint says they will not put a septic tank in their yard. Pam Kelly is one of them. Grant gave Chad a list of customers and phone numbers he will contact them and see what he can get them to do.

Shawn Miller asked about the audit. Troy or Grant will find out because it has to be done before money is awarded.

Shawn Miller made a motion to accept the financial report. Brandon Shepherd seconded the motion all in favor.

Shawn Miller made a motion to pay the monthly bills. Branden Shepherd seconded the motion. All in favor.

The health insurance is going up from \$8,000 to \$9,550. One of the options is that the deductible would go up to \$3,400 per month which would save money. The board decided to table till the next board meeting.



Shawn asked is it legal to opt out of health insurance. Somewhere unless you have 100 employees you can pay them so much a month/ \$600 and it's up to the employee to get their own insurance. Shawn Miller will call about the health insurance, he will ask about the group insurance Farm Bureau offers.

Grant said they are relocating the water and sewer lines at Ages Hollow Bridge. He said they talked to Larry Rigney.

Ken Taylor said he's bill is pretty high. He said He needs to get papers signed to get second pot of money. He said lady at KIA told him you can't apply for draw for money till you can show you are up to date on audits. Troy said we just like 2021 right now. The same people that did audit before needs to do it again. Grant said he thinks it's in the minutes to use the same people. Ken Taylor said he met with a Rigney and they need two meters moved in Ages. He hasn't met with Hub Dean yet. Ken said he has the Rigney mans son's phone number too. Hub Dean wants Ken to meet with his son-in-law.

Branden made a motion to adjourn the meeting. Shawn Miller seconded the motion. All in favor.

Minutes were taken and typed by: \_\_\_\_\_

Minutes were accepted with correction: \_\_\_\_\_

Minutes accepted as read: \_\_\_\_\_

BLACK MOUNTAIN UTILITY BOARD MEETING 06/13/2023

- PRESENT: DEWAYNE WILLIAMS, BRANDON SHEPHERD, BILL CLEM, GRANT COOPER AND KEN TAYLOR
- MEETING CALLED TO ORDER BY : DEWAYNE WILLIAMS AT 6:09 PM
- BILL CLEM MADE MOTION TO APPROVE LAST MONTHS MINUTES. BRANDON SECONDS (4-23)
- DISSUSED WATER LOSS IS 32% DOWN. PINE MOUNTAIN 64%.
- SEWER PLANT AND BRIDGES, DO NOT HAVE AN UPDATE ABOUT THE SINGLE TANK. WAITING ON-
- CHAD TO GET THE APPROVAL FROM THE CUSTOMERS.
- ALSO WAITING TO GIVE KEN THE GO AHEAD WITH THE PLANS.
- DEWAYNE- TABLE THE SEWER TOPIC UNTIL THE NEXT MEETING.
- BRIDGES- NEED TO MOVE TWO METERS, (PULL TWO METERS AT THE OLD TRAILERS. (RIGNEY MAN) WANTS THEM NEXT TO HIS.
- RATE INCREASE UPDATE, WILL EITHER GET AN ORDER, HAS TO RUN IN THE PAPER. PEOPLE HAVE 30 DAYS TO APPEAL. GOING IN THREE PHASES. WATERLOSS SUR CHARGE 1<sup>ST</sup> PHASE \$2.63
- 2<sup>ND</sup> PHASE \$5.27 AND, 3ED PHASE IS \$7.91. AFTER 3ED PHASE ENDS THE SUR CHARGE WILL DISAPPEAR.
- WHOLESALE PRICE WENT UP ON LEAK ADJUSTMENT.
- NO BILLS ARE TO BE PAID OUT OF THE SUR CHARGE MONEY. ONLY TO BE USED FOR WHAT THE SUR CHARGE IS INTENDED TO PAY.
- CAN NOT PAY MONTICELLO BANK NOTE WITH THE SUR CHARGE MONEY.
- DEWAYNE MOTION TO PAY THE BILLS.
- BRANDON MOTION TO PAYS BILLS WITHOUT THE SURCHARGE MONEY.
- BILL SECONDS THE MOTION.
- BILL MOTIONS TO DISMISS MEETING, BRANDON SECONDS MOTION.
- MEETING ENDS AT 7:15 PM.



*Black Mt Utility District*

*Reg Board Meeting*

*July 11, 2023*

- *In attendance: Shaun Miller, Brandon Shepherd, Troy Gaw, Bill Clem, Ken Taylor, Grant Cooper and Shirley Leitch*
- *Called to order and roll called by Shaun Miller*
- *Shaun Miller made motion to approve last month's minutes, 2<sup>nd</sup> by Brandon all in favor*
- *Financials-Can not pay interest payments our of surcharge, will correct. Putting 15,000.00 in surcharge when it is usually around 12,000.00. Mondays Troy transfers from the revenue account to meet everything and payroll. Detailed list of what was paid last month and on the older bills. Bills paid up through July 10. About 180,000. Evarts water bill, Harlan Sewer and Harlan Co fiscal court on garbage. Use surcharge to pay loans in Dec. KU bills- 6 pumps are billed together, which is the larger invoice. Discussed an interest in getting a new software carrier. Motion to present to Dan Mosley about board members getting paid 2<sup>nd</sup> by Dewayne all in favor. Dewayne made motion to pay bill, 2<sup>nd</sup> by Shaun all in favor.*
- *Water loss- Coxtton down to 27 from 32, found small leak. Having problems finding leak due to crossing river and in sand. Ages up a little due to a of piece of pipe busted, hard to find, going down in gravel. Kenvir-caught three customers stealing water, took out setters. Several leaks fixed. Clossplint down from 37 to 19. Pine mountain down 74 to 60, found a few leaks. Trying to get it down to pull from Harlan. Rosspoint- good found a few leaks, fixed supply line. Putney 4 service lines fixed, down this month. Wallins, repaired 3 service lines. Sukey Ridge down 3 % repaired one service line on rock shelf, hard to find. Dayhoit, fixed 2 leaks. Coldiron holding good, down some from 30 to 26. Dayhoit-state hitting lines twice in two days will have a big water loss next month. Need quote for directional bore for state to move lines.*
- *Sewer plant-4<sup>th</sup> violation for not having operator. Seven homes on plant, two do not want tanks in yard. We will have to bore across road and put tanks in driveways and run lines. Brandon made motion to put in big tank, Bill 2<sup>nd</sup> motion all in favor.*
- *Ken-waste water money, we need to make sure everything is in order to start purchasing-meters, backhoe, pumps, motors, etc. Discussed cameras on tanks, much better to view and manage. Cost is 119.00 yearly per camera We have at Wallins, Big Lowe and Divide. Ok with PSC with it as long as we can see and monitor tanks. Ken has to redo budget. Grants to get list together and review next month. We have to*

*move quickly. Include budget for new software, appr. 22,000.00. Ken need this to Ken by mid-day on 07-12-23.*

- *We are in the window with audit. We are ok, not on the bad list. Ken discussed bridge on 840 need to be relocated.*
- *Motion to adjourn-Dewayne, 2<sup>nd</sup> by Brandon all in favor.*

*Minutes taken and typed by* \_\_\_\_\_

*Minutes accepted as read* \_\_\_\_\_

*Minutes accepted with corrections* \_\_\_\_\_

REGULAR BOARD MEETING  
SEPTEMBER 12, 2023

Present: Brandon Shepherd, Chad Brock, Shawn Miller, Dewayne Williams, Bill Clem, Grant Cooper, Marcella Fuson, Ken Taylor and Magistrate James Howard.

Meeting called to order by Shawn Miller

Brandon Shepherd made a motion to accept the July 11<sup>th</sup> board minutes. Bill Clem seconded the motion. All in favor. There was no meeting in August.

-Water Loss: Down 68 from 73. Grant said, they found leaks in Ages, some from the sewer lines they put it. Wallins is up, he said they were several leaks and where the PRV is getting so old. Every three weeks it has to be adjusted. We might be able to get them replaced with KIA. He said the cells in the motor was wore out on Daniels Mountain. Grant will fix the water to drain before winter that runs across the road. We fixed a leak in Coxtan. Louellen had a leak in the pump house the gasket blew out. We fixed two leaks in Rosspoint three on Sukey Ridge.

Inmet Mining had a big leak around 250,000 gallons. We pulled the meter then Dwayne had talked to their plumber so they put it back in until they fix the leak. He said we found three leaks across pine mountain. Shawn asked if Rural Water could help across the mountain. Grant said when he comes and helps with Sukey Ridge we will get him to look at it.

James Howard asked about a water line in Platts Fork around Grover Saylor's house. He said they only have pressure a certain time of the day. He asked if the pressure could be turned up. Grant said it was busting the lines everywhere. PSC says we need 30 psi at the meter and they have that, they can put them in a in-line pump to boost pressure to their house.

-Trucks: Grant had two quotes for two new trucks. The board wants information on what we owe on the two we have and see if we need to keep them or trade them in. This was tabled to get pay offs before next meeting.

-Financials: Dewayne said not all the water purchases are on there. So, the profit and lose is not correct, tabled till next meeting.

-Sewer plant: Ken Taylor said we are working on it. He said we have two Resolutions that need to be voting on to appoint a person to sign all documents.

Chad Brock made a motion authorizing Grant Cooper to sign all documents regarding the grant per resolution 22CWW292. Brandon Shepherd seconded the motion. All in favor.

Chad Brock made a motion to accept the grant, authorizing the amendment of the Annual Budget per Resolution 21 CWW235. Dewayne Williams seconded the motion. All in favor.

Where the money was most needed was discussed. New meters are at the top of the list. Grant told the board even some of the meters that read are reading slow because they are old. He said we need motors and pumps for the pump stations, new PRV, Walter Street service lines, Dayhoit replace pump and motor at Watts Creek.

Dewayne Williams is getting a list from David McGill of all the Fire Hydrants not working. They were supposed to train the fire fighters how to use the hydrants cutting them off and on.

Bill Clark made a motion to pay the monthly bills. Brandon Shepherd seconded the motion. All in favor. Grant said he has Attorney Scott Leisbee to work for BMUD. He said he can be on retainer or by the hour. Grant said by the next board meeting I will know more about it. Brandon Shepherd motion to adjourn the meeting. Dewayne Williams seconded the motion. All in favor.

Minutes taken by: Maudie Fuson  
Minutes approved with correction:  
Minutes approved as read: [Signature]

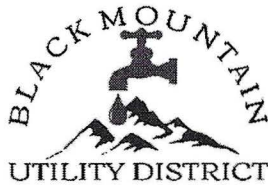
BLACK MOUNTAIN UTILITY DISTRICT BOARD MEETING 10/10/2023

- SHAWN MILLER, BRANDON SHEPHERD, DEWAYNE WILLIAMS, TROY GAW,
- GRANT COOPER AND MARY HATMAKER ATTENDED MEETING.
- MEETING CALLED TO ORDER BY SHAWN MILLER AT 6:05 2<sup>ND</sup> BY BRANDON SHEPHERD
- MOTION TO ACCEPT AUGUST MINUTES BY BRANDON SHEPHERD, 2<sup>ND</sup> BY SHAWN MILLER.
- WATER LOSS- DOING SOME BETTER. ALL AREAS DOWN EXCEPT PINE MOUNTAIN.
- AT LEAST ONE MILLION GALLON LOSS ON PINE MOUNTAIN.
- FIXED BIG LEAK ON PINE MOUNTAIN, AND ROSSPOINT.
- PUTTING IN FLOW METER ON SUKEY RIDGE
- DEWAYNE WILLIAMS MAKES MOTION TO CONTACT MONTICELLO BANK. NEEDING TO KNOW ABOUT LOAN. CONTACT PSC ABOUT THIS SITUATION. 2<sup>ND</sup> NY SHAWN MILLER, MOTION CARRIED.
- DEWAYNE WANTS TO MAKE MOTION TO CHANGE BILLING TO EXCEL.
- KIA MONEY- RESOLUTION HAS BEEN SENT TO THE ATTORNEY. CAN ON BE SPENT ON WHAT IS IN THE SCOPE. GRANT COOPER AND TROY GAW TO CHECK ON NEW BILLING SOFTWARE, IF IT GOES WITH KIA MONEY. DEWAYNE WILLIAMS BROUGHT MOTION, 2<sup>ND</sup> BY BRANDON SHEPHERD. MOTION CARRIED.
- TROY GAW IS GOING OVER FINANCIALS. SAID REVENUE WAS UP 30 TO 40 THOUSAND SINCE LAST YEAR.
- ALL BILLS ARE LESS THAN 30 DAYS PAST DUE.
- SHAWN MILLER HAD TO STEP OUT OF MEETING FOR A MOMENT.
- DEWAYNE WILLIAMS MADE MOTION TO PAY BILLS, BRANDON SHEPHERD SECONDED THE MOTION.
- SHAWN MILLER REENTERED THE MEETING.
- RATE INCREASE UPDATE WAS APPROVED ON 10/09/2023.
- GRANT HAS TO REPORT WATER LOSS INCREASE EVERY MONTH BY TH 15<sup>TH</sup>.
- SEPARATE BANK ACCOUNT FOR THE SUR CHARGE.
- DEWAYNE MADE MOTION TO OPEN SEPARATE ACCOUNTS FOR THE SUR CHARGE AND THE KIA MONEY. 2<sup>ND</sup> BY BRANDON SHEPHERD. MOTION CARRIED.
- DEWAYNE MADE MOTION TO ADJOURN MEETING, 2<sup>ND</sup> BY SHAWN MILLER.
- MEETING ENDED AT 7:20 PM.

\_\_\_\_\_ MINUTES TAKEN AND TYPED WITH CORRECTION

\_\_\_\_\_ ACCEPTED BOARD MINUTES WITH CORRECTIONS

\_\_\_\_\_ ACCEPTED BOARD MINUTES AS READ



## Board Meeting:

- NOVEMBER 14, 2023, 6:00 PM meeting called to order by Shawn Miller (BOARD CHAIRMAN).
- The people in attendance are Shawn Miller, Brandon Shepherd, Dewayne Williams, Bill Clem, Grant Cooper, and Shirley Leitch. Chad Brock wasn't present at the meeting.
- Shawn Miller asked for a motion to go into executive session. Dewayne Williams made the motion Brandon Shepherd seconded. Shawn Miller, Brandon Shepherd, Bill Clem, and Dewayne Williams were in favor and the motion passed. Board went into Executive session for Attorney Consol
- Returned from Executive session. No action taken
- Ken was asked about the sewer plant update, and it will be turned in on Monday November 20, 2023, Ken was asked did he thought there was going to be any hold up on the sewer and he don't think so, and we are close to biding it out. All the KIA documents are turned in waiting on the draw down book.
- Shawn told me to be proactive on materials. Keep an inventory in stock in case it gets hard to get. Brass fittings have been out for six months.
- Daniel and Dwayne wanted to talk to the board about health insurance and compensation packages.
- Talked about any feedback from the rate increase and was there any feedback and changing meters. We are going to start changing the meters and putting the radios in when they come.
- Water loss Coxtton 15%, Ages 6%, Kenvir 6%, Cloversplint 34%, Pine Mountain 66%, fixed one leak and cut out 890,500 gallons of water Rosspoint 37%, Putney 17%, Sukey Ridge 50%, Dayhoit 1%, Wallins 28%, and Coldiron 11% over all 25% water loss. Talked about what needs to be done with pine mountain to reduce water loss on pine mountain.



- Shawn Miller asked for a motion to go into executive session to talk about pay roll. Dewayne Williams made a motion too, and Brandon Shepherd seconded.
- Shawn Miller as new chairman asked to get meeting paperwork the Friday before the meeting so the board could go over everything and to put the paperwork in a binder so that the material will be in a binder so they will have all the paperwork for past meeting and the currant meeting. Find a solution to getting the bills to Troy so that the bills will be taken care of. Talked about the boil water adviser and the process to get boil water off. Going to take more steps to inform the public and to keep communication up to date. Radio social media on the phone system and after hours.
- Shawn Miller asked for a motion to pay the bills. Bill Clem made the motion and Brandon Shepherd seconded. Shawn Miller, Bill Clem, Brandon Shepherd, and Dewayne Williams was in favor and the motion passed.
- Shawn Miller asked for a motion to adjourn. Brandon Shepherd made a motion to adjourn Bill Clem seconded. Shawn Miller, Bill Clem, Brandon Shepherd, and Dewayne Williams were in favor and the motion passed.

Minutes prepared by: Grant Cooper

Minutes approved by:

Shawn Miller



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Brandon Shepherd \_\_\_\_\_

Bill Clem \_\_\_\_\_

Dewayne Williams \_\_\_\_\_

Chad Brock \_\_\_\_\_



## BOARD MEETING OCTOBER 17, 2023

Meeting called to order at 6:10 PM. The agenda is PSC order retain representation or legal representation and the election of board officers.

call the roll first. Dewayne. Here. Brandon here. Chad here Bill Clem not here Grant Cooper here.

We have a special visitor. Our county judge Executive Dan Mosley.

Basically, the judge myself spoke to me. We spoke to a couple of the board members, and it's under the advice of Judge Mosley that we go ahead and get some representation, someone who can address all the issues that have been supplied to us in the PSC order, and someone who is accustomed to dealing with those directly. I'll just give Dan Mosley kind of the opportunity and you can kind of tell us what your best advice or what you've done in the past or so.

I appreciate the opportunity to be here tonight and appreciate your service to the board of this district

The utility carriage requires commission for utility may issue any securities or evidence of indebtedness that's related to the Bank of Harlem Loan. Monticello Bank loan that was taken well before any of you all were commissioners. I knew that long term debt must be approved by the commission, but that's like 30- or 40-year loans in my viewpoint. I didn't think that carrying that from year to year. Yeah, year to year, we're doing a lot of credit. And it wasn't even a lot of credit. It was a lot of credit initially that got capped and you all paid it down from 150 down to 100. So that's an issue that they had because it wasn't approved by us, backed up with the CD, and it's backed up with the CD that the fiscal court pledged. So, it's not there's no if the loan went default, it's paid by, you know, liquidating the CD to be able to cover the loan.

As I explained to Shawn, we explained to him. That this order is a result of you all following their guidance to do a rate case study. Had you all not followed, they would not have reviewed. All of this is from staff review of what was compiled for the rate case study. Now some of it, as I said, may have been left out. Some of it maybe it's being incomplete. There are some things that do need to be corrected. But what I'm trying to say is it is a direct result of you all following the guidance that the PSC outlined.

the board has demonstrated the capability and the competence to be able to operate with competent management that is implemented, to improve the district. And I think that's arguable. And I think that will be proven. Allison Honaker. I spoke with her yesterday. She does have the capacity to take it on. She sent an engagement letter over. And I'll give this to chairman.

She's worked with Mark David for several years. She was part of their Goss Sanford firm. Initially, he says, she is one of the best attorneys in public service commission work he's ever seen. She worked. At the Public Service Commission. At one point, there is another attorney that works with her that recently came from the PSC, less than a year ago, that is familiar with Black Mountain and everything. So, they know kind of what's going on. I sent her a copy of the order yesterday. She reviewed it and sent it back last night. Said that, you know, she's reviewed it. There are some things that will have to be addressed. But she felt like that it was all things that could be addressed. If you all wanted to hire her to represent the district, then she would like to schedule another meeting soon to go over what she feels needs to be done initially. She said there needs to be a letter sent to the PSC at some point requesting more time, which she could do, but to respond to all this. But that

I'd like to make a motion to hire Honaker Law Office to represent Black Mountain utility. I have a motion.

Do I have a second?

Second. All in favor, signify by saying aye. Aye. Motion passes.

We need to have Grant sign the bottom of that and reach out.

Give him the ability to sign.

I would probably have Grant sign it and have you sign it as chairman of the board. And the minutes have probably should probably reflect that. You've authorized the manager and the chairman to sign the engagement letter. Okay.

I need a motion to allow Grant Cooper to sign. And then as well the chairman will follow up with signature Shawn).

I have a motion(Chad).

I have a second (Brandon).

all in favor? Aye.

And then I guess you will need to reach out to her first thing in the morning.

Yes, sir.

And I will email her.

I think her information is on that, right.

We're good. We're good. I need a motion too. To adjourn. Do we need to do the election for the officers? Do you all want to do that tonight?

Is it on the agenda?

It is on the agenda, but.

It's put on the agenda in case you didn't want to keep it.

Yeah, I don't want to.

I don't want to keep it.

Let's be very clear. I'm not. You're still chair. Yeah. You are. And I know it was mentioned you mentioned something to Shawm that you had interest in dropping it, but until you specifically say I don't want it, I don't want it. I didn't.

I said it, I did. All right. Yeah.

I've got a lot going on and its, but you got to know.

This is the part that I told you about the other night. It's great for you to be here because, you know, the infrastructure. I mean, I know it's somewhat you know, it much better than I do. And that's the value that we don't have as a board without you.

Yeah. Well, I mean, I'll stay on the, the board. That's what I was going to say.

Yeah. I mean, it's just important. I mean, it really is important that we that you stay the.

The chair needs to be more involved in the day to day. And I'm not I'm not as I'm a little busy for.

And I guess it's just important to me, you know, because I know you know it. Yeah. And you know where things are that nobody else knows. And you've been around a day or two. You're old.

Yeah, I am.

Sure, we're all going in that direction. Yeah.

Well, let's get this party on the road. I got to get to Middlesboro.

Well, one last chance. Are you sure? Yes. All right, you could, you could. You could have reflected for a minute. Yes.

I thought we'd done it last.

No, no.

No, no, you're not getting off that easy, all right? In fact, I told Shawn, I said, we am not going to do Jack. I am not going to vote for Jack squad until Chad shows up.

Yeah. No, my horse gig is about over. So.

In lieu of Chad wishing to, uh.

Remove himself from the chair. (Dewayne Williams) I'd like to nominate Shawn as chairman, and I.

Think we need to have an election. I think every year that we've not been having, I'm pretty sure that. And that's another reason that an attorney or an attorney would be helpful is keeping stuff like that.

So have a nomination. On the table for Shawn Miller to take the chair and to be able to sign all documentation and request information on all the following for Black Mountain Utility District on the Monticello bank loan KIA loans and RD bonds that's vacated by Chad. (Brandon Shepherd) I second all in favor signify by saying aye. Aye. Aye. Motion carries.

Now I need a vice chair nomination.

I nominate. Dewayne Williams

For vice chair. So, we have a nomination. We have vice chair for Duane Williams. And we have a second by Chad. All in favor, signify by saying aye. There we go. All right. Is that anything? Judge? Thank you for coming.

Thank you all. I appreciate you guys.

Guys have made a motion to adjourn quick (Shawn).

I'll make a motion to adjourn (Brandon).

I need a second. Second (Dewayne).

Grant, you're going to reach out to her. She won't set up a meeting.

You'll set that up with him? Yeah. Okay. I'll take care of everything from here on out.

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Minutes approved by

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 17**

**RESPONSIBLE PARTIES:**           **Grant Cooper**

**Request 17.**           Refer to Black Mountain District's response to the Commission's Order issued on October 9, 2023, paragraph 9. Explain how Black Mountain District reduced its water loss from 47.9 percent to 25 percent. Provide any supporting documentation, including reports, and calculations.

**Response 17.**           Black Mountain District saw the need to address its water loss percentage and hired Grant Cooper as its general manager. Once Mr. Cooper came on board as general manager, he recognized that Black Mountain District had several sites where telemetry wasn't working properly. Too much water was being pumped to the tanks which resulted in the tanks overflowing and water spilling out onto the ground. Mr. Cooper had the telemetry repaired and got it working properly so that these tanks were no longer overflowing and were pumping the correct amount of water. These corrections were made in the Louellen system, Kenvir system (which includes the Mary Wynn, Holms Mill and Ages tanks), Green Hills system (the tanks in this system were on a timer which was not set properly and allowed the tanks to overflow. The timer was corrected and monitored to make sure it was working properly). Before the corrections to the telemetry system and the timers on the Green Hills tanks, Black Mountain District was purchasing 3.4 million gallons of water per month. After these corrections were made, Black Mountain District only needed to purchase approximately 2 million gallons of water per month. After these large issues were addressed and monitored to make sure they were now working properly, Black Mountain District began increased leak detection on its system. After the leak detection in that area, Black Mountain District was able to reduce its purchases to 1.2 gallons of water per month. By finding and repairing leaks on the system, Black Mountain was able to lower



its water loss percentage. Black Mountain District found that in the Ages system, when sewer lines were installed, some of Black Mountain District's water lines were broken and were repaired with improper materials and those fittings failed and created leaks on the system. By repairing these issues, Black Mountain District was able to reduce its water purchases from Evarts from 1.3 million gallons per month to approximately 600,000 gallons per month. Black Mountain also found several service line issues in the Wallins area. The Pressure Release Valves ("PRV") were set above the recommended pressures which resulted in too much pressure on the service lines causing them to blow. Black Mountain District corrected the pressures on the PRVs and then began repairing the leaks on the service lines in that area. By correcting this issue, Black Mountain District was able to reduce its water purchases in that area from 7 million gallons a month to 4 million gallons a month. Black Mountain District also did increased leak detection and repairs in its Rosspoint, Dayhoit and Sukey Ridge areas which has allowed Black Mountain District to get its water loss percentage to what it is today.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 18**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 18.** Refer to Black Mountain District's response to the Commission's Order issued on October 9, 2023, paragraph 9. Provide an estimated completion date for the qualified infrastructure improvement plan, comprehensive unaccounted for water loss reduction plan, and the detailed spending plan for the water loss surcharge. Provide these plans once completed. Considered this an ongoing request.

**Response 18.** Black Mountain District anticipates having all of these documents finalized by February 1, 2024. Upon completion, Black Mountain District will provide those documents to the Commission.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 19**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 19.** State when Black Mountain District plans to file their annual reports for years 2020, 2021, and 2022.

**Response 19.** Black Mountain District believes that each of these annual reports have been filed with the Commission. There were errors that needed to be corrected, and to Black Mountain District's knowledge, those errors have now been corrected and the annual reports filed.

**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00235**  
**RESPONSE TO FIRST REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 12/6/23**

**REQUEST 20**

**RESPONSIBLE PARTIES: Grant Cooper**

**Request 20.** State whether the debt service surcharge funds used to pay for garbage bills have been returned to the debt service surcharge account.

**Response 20.** Black Mountain District is working on this issue. It appears that debt service was paid from a different account, which should have been the account that the garbage bills were paid from. Black Mountain is tracing these amounts back to see what the difference was in the debt service paid from the wrong account and the garbage bills paid from the surcharge account. Once that difference is determined, Black Mountain will begin to return any amounts needed to the surcharge account.