



PEAKS MILL WATER DISTRICT  
7165 US 127 NORTH  
FRANKFORT, KY 40601  
502-227-5740

July 3, 2025

Ms. Linda Bridwell  
Executive Director  
Public Service Commission  
211 Sower Blvd,  
Frankfort, KY 40601

RE: Case No. # 2024-00256  
Peaks Mill Water District  
Response to First Request for Information dated June 7, 2025

Dear Ms. Bridwell:

Enclosed for filing in the referenced case is Peaks Mill Water District's response to Kentucky Public Service Commission Staff's First Request for Information.

Sincerely,

A handwritten signature in black ink that reads 'Church Quarles'. The signature is written in a cursive, flowing style.

Church Quarles  
Chairman

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

In the Matter of:

ELECTRONIC PEAKS MILL WATER  
DISTRICT UNACCOUNTED-FOR-WATER  
LOSS REDUCTION PLAN, SURCHARGE  
AND MONITORING

CASE NUMBER  
2024-00256

**RESPONSE OF PEAKS MILL WATER DISTRICT TO THE COMMISSION STAFF'S FIRST  
REQUEST FOR INFORMATION TO PEAKS MILL WATER DISTRICT DATED JUNE 17, 2025**

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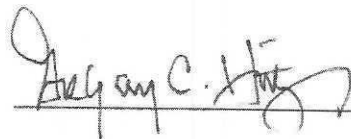
**VERIFICATION OF GREGORY C. HEITZMAN**

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COMMONWEALTH OF KENTUCKY

COUNTY OF JEFFERSON

Gregory C. Heitzman, on behalf of Peaks Mill Water District, states that he has prepared the response to the First Request for Information dated June 17, 2025, 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.



Gregory C. Heitzman

The foregoing Verification was signed, acknowledged, and sworn to before me this day of July 3, 2025, by Gregory C. Heitzman.



Nancy Sherrow

KY NP 99633

Commission Expiration: May 6, 2025

# RESPONSE OF PEAKS MILL WATER DISTRICT TO THE COMMISSION STAFF'S FORST REQUEST FOR INFORMATION TO PEAKS MILL WATER DISTRICT DATED JUNE 17, 2025

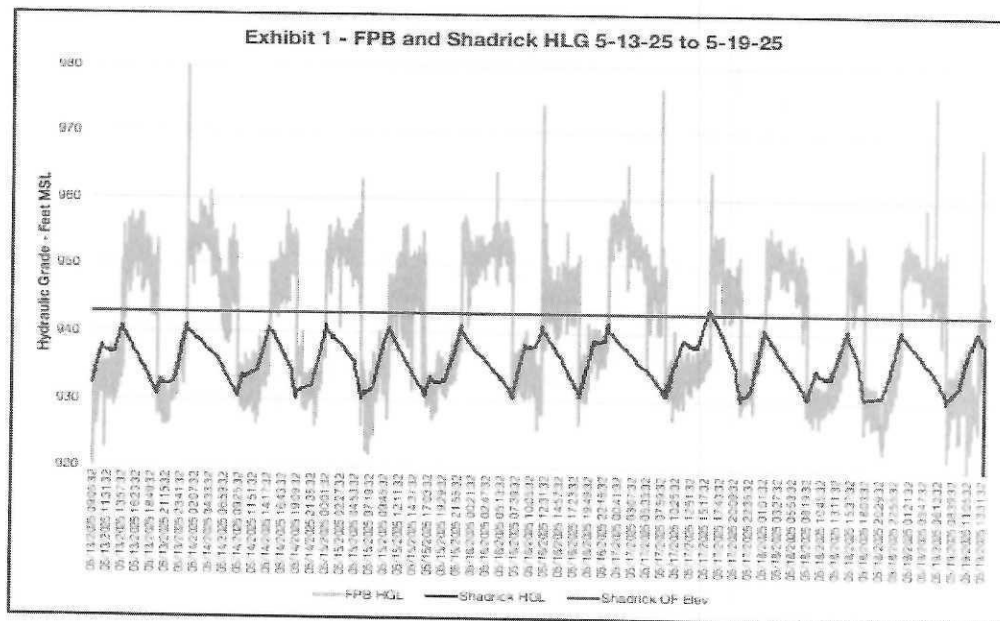
Peaks Mill Water District (PMWD) provides the following response to the data request for information in PSC Case # 2024-00256, dated June 17, 2025. The response to this Request for Information was prepared by Greg C. Heitzman, P.E., management consultant for the Peaks Mill Water District.

## 1. Refer to the request to withdraw funds from water loss surcharge account from Peaks Mill District filed May 8, 2025:

### 1a. State how each item will help reduce unaccounted-for water loss.

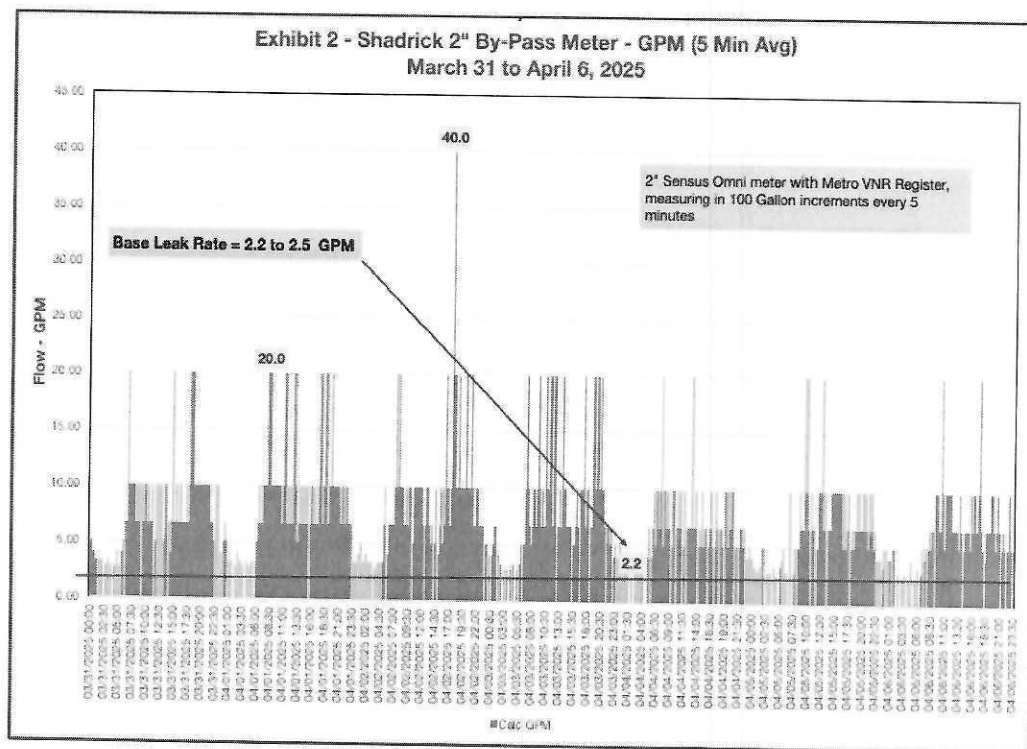
PMWD Response to Question 1a (prepared by Greg Heitzman):

Item 1 – Monarch pressure data loggers will be used in the field to monitor and record pressure in the system for leak analysis. Variations in pressure (i.e. a pressure drop) indicated a potential area for a leak. Also, pressure data logging allows operations staff to identify areas of high pressure (> 100 psi) that may also contribute to leaks from excessive pressure. Water loss can also be reduced by managing pressure in the system. Excessive pressure above 100 psi can lead to water main and service line failures and water loss. The data loggers are set up on hydrants and have the ability collect data in 1-minute increments and then graph a trend of pressure over time. Exhibit 1 provides an illustration of the data collected to evaluate the hydraulic grade line and pressure for the water supply from Frankfort Plant Board and the Shadrick Ferry storage tank to determine if pressure management would help reduce system leakage.

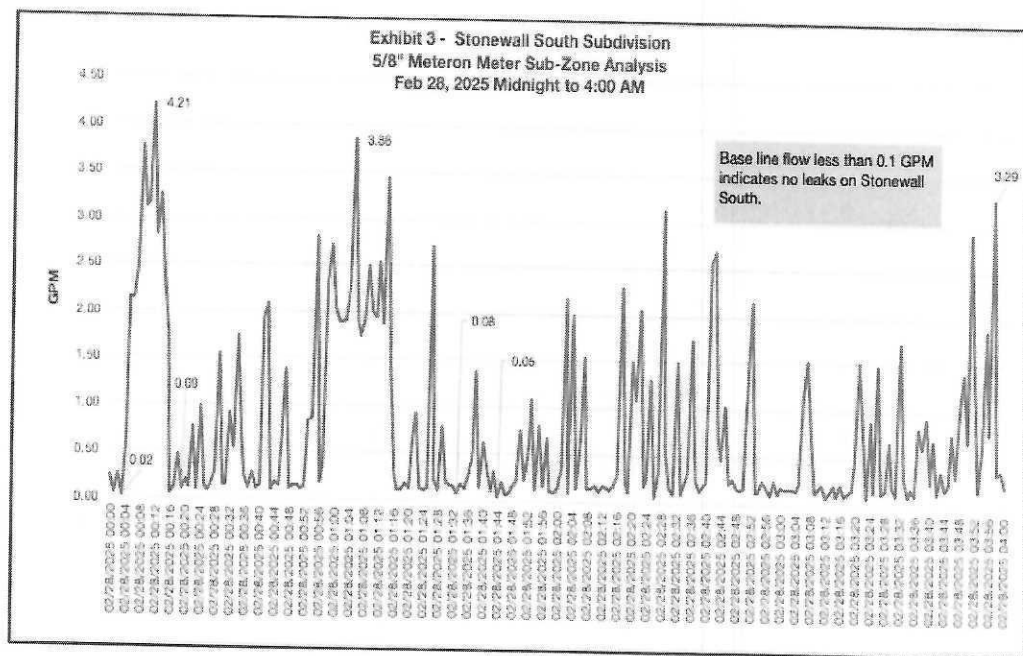


Item #2 – A portable flow meter allows operations staff to strap the meter on a 4",6",8" water main to measure flow in the pipe over time and produce a flow chart to monitor system leakage. The system can be isolated into smaller District Metered Areas (DMAs) or leak zones to measure flow in off-peak hours (1 AM to 4 AM) to identify areas of water leakage that can be pinpointed and repaired. The portable unit allows operating staff to move the meter to different locations in the distribution system as needed. This item has not been purchased as of 6/30/25.

Item #3 – Metron VNR Registers – The District was several DMA water loss zones supplied by 2-inch meters for leak detection. The VNR is a virtual network register meter register that connects to an existing by-pass meter and collects flow data in 5-minute increments and uploads the flow data at midnight over a cellular signal. This allows for data to be captured over days, weeks or months to develop flow trends and identify leaks in off-peak hours. This equipment has been used to isolate the system into smaller zones for leak detection. Exhibit 2 provides an illustration of the VNR data output on a 2-inch meter for flow over time serving an area with 100 customers. The base line leak of 2.2 GPM allowed staff to pursue and identify a leak for repair.



Item #4 – Metron 5/8" Spectrum Meters - These cellular AMI meters will be used for small DMA zones to capture flow in off-peak hours and identify areas of leaks in small subdivisions. Exhibit 3 illustrates a 5/8-inch Metron meter measuring flow to the Stonewall subdivision, indicating the subdivision does not have any significant leakage. These meters will also be used to accurately measure flow at flush locations so an accurate accounting of water can be determined for system flushing to improve water quality (rather than estimating). Exhibit 3 provides an illustration of the Metron 5/8" Spectrum meter data output for flow over time serving an area of 65 customers. The base line leak of less than 0.1 GPM indicates there is no significant leakage in the Stonewall sub-zone, thereby eliminating this area as a contributing factor to the District's 28 percent overall water loss.



Item #5 – Cartwright Contracting Shenandoah Leak Repair – Through a combination of the technology and field expertise used in Items #1, 3.4 and 6 the PMWD's contractor was directed to excavate and repair the leak. The leak was estimated at 10 gallons per minute (GPM) or 489,600 for the 34-day billing cycle, yielding an estimated monthly savings of \$1,390 for water purchase from Frankfort Plant Board at the sale-for-resale cost of \$2.84 per gallon. Exhibit 4 includes the Shenandoah Leak Log prepared by CL Consulting, documenting an estimated 10 GPM leak (489,600 gallons for 34-day billing cycle - \$1,390). The invoice is included in Exhibit 5 in response to data request 1b.



# Exhibit 4

**PMWD**

Zone 1

## LEAK LOG

PEAKS MILL WATER DISTRICT (PMWD)

KY 0370346

REQUIRED BY 401 KAR 8:150, SECTION 4(2)

DATE: 3/17/25 TIME LEAK/BREAK DISCOVERED: 3:00pm  
 LOCATION OF BREAK: Shenandoah - Ridgemoor Subdivision  
 AREA AFFECTED: Shenandoah, Appomattox, Chic  
 CUSTOMERS/POPULATION AFFECTED: 160 population  
 LENGTH OF TIME TO REPAIR: 2 hours 10gpm 134 days 489,100 gal.  
 DATE AND TIME CHLORINE RESIDUALS DETECTED: 3/17/25 6:30pm  
 DATE AND TIME BACT SAMPLES TAKEN: 10:30am 3/18/25  
 WATER TURNED OFF (YES/NO): yes - Subdivision valved off  
 PRESSURE DROP BELOW 30 PSI (YES/NO): yes  
 BOIL WATER ADVISORY (BWA) REQUIRED: yes lifted: 1:35pm 3/19/25  
 OTHER COMMENTS:  
 (REPAIRS DONE AND PREVENTION OF OTHER OCCURRENCE MEASURES):  
4" PVC SDR26 - split about a foot long with a hole in pipe  
cut section out and rymaxed line to repair.  
Installed Valve in area, so that Subdivision can be  
isolated.  
 REPORT BY: [Signature] DATE: 3/20/25

Item #6 – CL Consulting for Leak Detection – The District contracts with Jeff Lee of CL Consulting for monitoring and leak detection and his monthly fees for February and March were \$1,600.00 at \$50 per hour. His services included analysis of the pressure and flow data and then hunting for leaks by local sounding and surface water investigation and then directing the contractor for excavation and repair. CL Consulting invoices are included in Exhibit 5 in response to data request 1b.

Item #7 – Bluewater QIIP and Water Loss Plan – Bluewater prepared the water QIIP and Water loss Reduction Plan approved by the PSC. The invoice of \$2,325.00 is included in response to data request 1b provides a detailed summary of the work performed.

Item #8 – Bluewater Project Management – Bluewater Kentucky (Greg Heitzman) provided project management services for the period of January to March 2025, including the following: e=guidance in executing the QIPP Water Loss Reduction Plan, procurement of equipment, direction to both Cartwright contracting and C&L Consulting regarding leak monitoring, leak detection and leak repair, update of system maps for identification of infrastructure, system hydraulics and leak detection, and providing analysis of field flow/leak data collection for operations staff and Board reports.. The invoices totaling \$2,477.50 are included in response to data request 1b provide detailed summary of the work performed by Bluewater to identify and reduce water loss..

Item #9 – CL Consulting will continue to provide leak monitoring and detection support as identified in Item #6 on a monthly basis, estimated at \$750 per month. A detailed hourly report of work for April, May and June 2025 will be provided in the second draw request submitted to the PSC for approval.

Item #10 – See response to Item 1f.

Item #11 – See response to Item 1d.

1b. Provide a copy of quotes, bids, or other proof of cost for each item.

PMWD Response to Question 1b (prepared by Greg Heitzman):: Exhibit 5 (included at end of this report) includes the quotes, bids, or invoice for items #1 to #8 included in the First Draw Request. Items #9,10,11 will be included in the second draw request.

1c. Provide the location of the intended by-pass meters and advanced metering infrastructure (AMI) meters.

PMWD Response to Question 1c (prepared by Greg Heitzman):: Exhibit 6 shows the locations of the intended by-pass meters that were proposed in the QIIP and water loss Reduction plan. As leaks are identified and repaired, the location of by-pass meters with AMI meters may be adjusted from the original QIIP plan. Through June 30, 2025, By-pass locations with Metron AMI have been installed at the following locations:

Pressure Zone 1:

- Stonewall Subdivision
- Shadrick Ferry Road at storage tank site
- Owenton Road and Glass Farm Road
- Owenton Road at Shadrick Ferry North

Zone 2:

Owenton Road at Perkins Lane

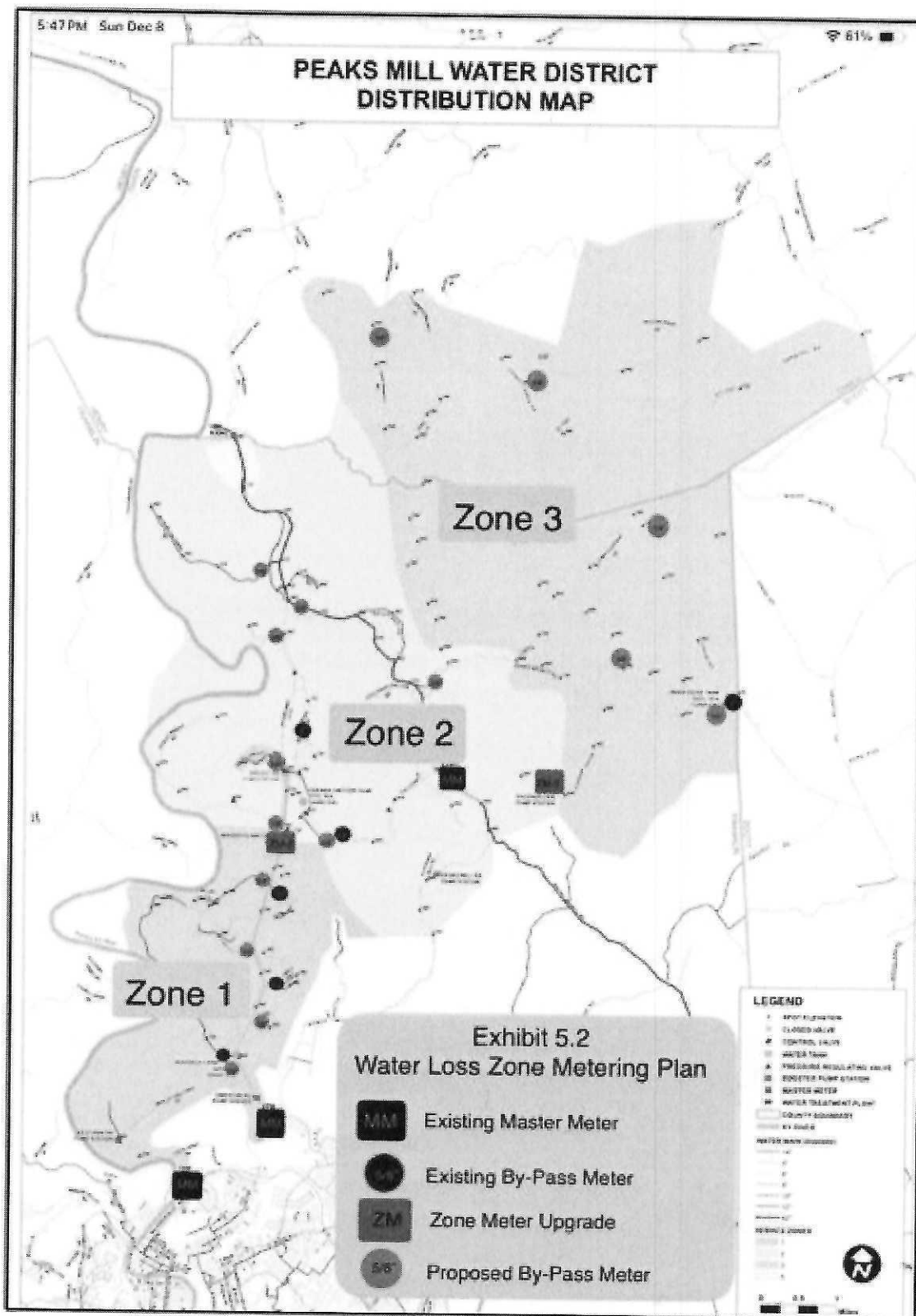


Exhibit 6 – Proposed By-pass Meter Locations in QIIP and WLRP



1d. Explain the role of the proposed summer intern for May to June 2025 and provide the hourly wage. Include in this explanation where this position is listed in the Qualified Infrastructure Improvement Plan (QIIP) and how the person would assist in executing the priority projects listed on page 16 of the plan.

PMWD Response to Question 1d (prepared by Greg Heitzman):. The District hired a part time, summer intern at \$15.00 per hour beginning June 2, 2025, to assist with GPS locations of system infrastructure, DMA zone by-pass meters, and mapping of the system using the field data. The position was not included in the original QIIP Plan approved by the PSC. After submitting the QIIP, BlueWater recommended the Board hire a part time summer intern at a more cost-effective rate than paying a consultant to perform the GPS mapping of field data. An up to date, accurate distribution system map will provide management and operations and effective tool to identify, locate and repair leaks. A detailed hourly report of work hours and costs for June 2025 will be provided in the second draw request submitted to the PSC for approval of reimbursement from the Water Loss Surcharge account.

1e. Provide a copy of the Cartwright Contracting Shenandoah Leak Repair 3-17-25 invoice and an explanation of the services rendered. Include in this explanation what this company assisted with in executing the projects listed on page 16 of the QIIP and provide any agreements between Peaks Mill District and Cartwright Contracting Shenandoah.

PMWD Response to Question 1e (prepared by Greg Heitzman):: Exhibit 5 includes Cartwright invoice # 89491 for \$3,065.46. The invoice lists the services provided in the leak repair, including excavation, leak repair, backfill and site restoration. Cartwright Contracting was selected by the District for emergency repairs with contract services provided on a time and material basis, since Cartwright was the successful bidder on two construction projects for the District and is familiar with the system. This item is listed as 5.2.5 on page 16 of the QIIP.

1f. Provide a copy of the invoice for BlueWater Project Management for January 2025 through March 2025, and an explanation of the services rendered. Include in this explanation what this company assisted with in executing the projects listed on page 16 of the QIIP and provide any agreements between Peaks Mill District

PMWD Response to Question 1f (prepared by Greg Heitzman):: Exhibit 5 includes the invoices for BlueWater services from January to March 2025. These services are included in the QIIP and Water Loss Reduction Plan (WLRP) as follows:

Items 5.1.1, 5.1.2, 5.1.3, 5.1.4 – BlueWater researched equipment, solicited quotes and procured various materials and equipment for PMWD.

Items 5.5.1 – provided project management services for the QIIP and WLRP, including preparing reports for Board and PSC, data analysis, support for field operations, coordination with contractors for work and repairs, reviewing invoices for payments, and update of distribution system infrastructure on maps and records.

Exhibit 6 includes a copy of the BlueWater Professional Services Contract with PMWD.

Exhibit 7 includes an updated Water Loss Reduction Plan (WLRP) to reflect the items referenced in this response to the Request for Information.

Exhibit 5 – Invoices For Items #1 To # 8 Requested In Data Request 1b.

Pressure Data Loggers

Peaks Mill Water District


Exhibit 5 - Item #1




3:15 PM Tue Mar 25

monarchinstrument.com


54%

FREE shipping in the contiguous United States for orders over \$250!






Search for Products



Order summary



1


Track-It™ Gauge Pressure/Temperature Data Logger

\$473.00

Gauge Range: 350 PSIG

NIST Certificate: No Certificate

\$473.00



1


Track-It™ Gauge Pressure/Temperature Data Logger with Display

\$605.00

Gauge Range: 350 PSIG

NIST Certificate: No Certificate

\$605.00



1


Replacement Lithium Battery for Track-It™ Pressure Logger

\$23.00

Replacement 1/2 AA 1.2Ah lithium battery is suited for all models of Track-It™ Pressure/Temperature and

\$23.00

Add a gift card



Subtotal

\$1,101.00

Delivery

Free shipping over \$250

FREE

Total

\$1,101.00

Contact information

We'll use this email to send you details and updates about your order.

Email address

You are currently checking out as a guest

☐ Sign me up to receive email updates and news



Peaks Mill Water District  
Portable Flow Meter Quote  
Bluebook 3/25/25

## Exhibit 5 - Item #2

3:46 PM Tue Mar 25

usabluebook.com

46%

USABlueBook  
Get the Best Treatment

Product name or part number

DXN Transit Time Flow Meter  
Portable, with Basic 0.5-12"  
Transducer Kit, DXNP-ABS-NN

Item number 10137

Brand Name Dynasonics

Catalog Page 421

Netweight 19

Condition New

Hover to zoom | Click to enlarge

\$7,435.00 price per each excl. tax

Call for availability

- 1 +

Add to cart

Add to wish list

Add to Order Template

Need Help? Call 800-548-1234

### Product Details

#### Features touchscreen color interface and built-in data logger

These portable flowmeters provide accurate, reliable readings in closed full-pipe applications—great for verifying sensor, pump and valve performance throughout your plant's plumbing infrastructure. Simply clamp flowmeters to the outside of the pipe and they'll measure flow using non-invasive ultrasonic sensors. Wizard-based system setup is easy to configure, while the 7" full-color touchscreen graphing display offers excellent readability.

The built-in data logger with 1 gigabyte internal memory stores values in a CSV format. Extract data via USB flash drive for further analysis in Excel®. Features standard Modbus TCP/IP Ethernet communications, digital input, analog output and pulse output. Internal rechargeable battery will operate continuously for 6 to 9 hours. Choose from basic or hybrid flowmeters.



## Exhibit 5 - Item #3 & #4

Company: 5665 Airport Blvd  
Address: Boulder, Colorado 80301  
United States

Purchase Order #:  
Quote Number: Q-06303  
Created Date: 03/25/2025  
Expiration Date: 04/24/2025

Prepared By: Mike Giarratano  
Email: mikeg@metronfarnier.com

Bill To Name: Peaks Mill Water District  
Bill To: 7165 U.S. Highway 127 North  
Frankfort, Kentucky 40601  
United States

Ship To Name: Peaks Mill Water District  
Ship To: 7165 U.S. Highway 127 North  
Frankfort, Kentucky 40601  
United States

Quote To:

Additional To:

Quantity	Product	Line Item Description	Sales Price	Total Price
5	Spectrum 30D 5/8x3/4	This package contains the following products: Spectrum 30D 5/8x3/4 Innov8-VN PITMOUNT-5FT	\$395.00	\$1,975.00
10	Cellular Connectivity	10 Year Annual Service Plan	\$0.00	\$0.00
5	Innov8-VNR	This package contains the following products: Innov8-VNR PITMOUNT-5FT	\$350.00	\$1,750.00

Residential Programming: 100 Gallons

Commercial Programming: 100 Gallons

Description: Give VN-r devices to Mike G for Programming to 2" Sensus Omni meters.



### Terms and Conditions:

- FOB Boulder, CO
- Quote is good for 30 days
- Payment net 30 days from date of shipment
- All Non-Stock/Custom product sales are non-returnable and non-refundable

Subtotal:	\$3,725.00
Shipping Cost:	\$55.00
Tax:	
Grand Total:	\$3,780.00



Cartwright Contracting LLC

2190 McDonalds Ferry Rd  
KY 40601

# Exhibit 5 - Item #5

## Invoice

Date	Invoice #
2/28/2025	89491

Bill To
Peaks mill water frankfort ky 40601

Ship To

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			2/28/2025			

Quantity	Item Code	Description	Price Each	Amount
15	backhoe hours	excavator hours for digging up water main leak in road at 552 Shenandoah Dr. water main leak in middle of roadway. - backfilling, loading out shot material	90.00	1,350.00
22	Man Hours	man hours - hand digging, installing new water line, installed a new valve and valve tube.	35.00	770.00
1	Driveway Rock	Hauled Rock 22 tons - hauled in rock to backfill in road way per road department to be able patch the asphalt.	585.21	585.21
5	straw bales	straw bales installed in the grass were we exploratory dug up to fin water main and water main leak.	9.25	46.25
25	Grass seed	Grass Seed per pound installed.	5.36	134.00
2	dump truck	hauling out old dirt from digging up water main in road.	90.00	180.00
<p style="text-align: center;">Leak repair on Shenandoah/Ridgewood 3/17/25</p> <p style="text-align: center;">Charge to Water Loss Surcharge Expenses 3/25/25 GH</p>				
552 Shenandoah dr Water Main leak 3-17-2025			<b>Total</b>	\$3,065.46

## Exhibit 5 - Item #6

**03/03/2025**

**C & L Consultants**

132 Coal Ridge Lane

Georgetown, KY 40324

859-619-9835

water.chek@gmail.com

**Peaks Mill Water District**

P.O. Box 7165 US 127 North

Frankfort, KY 40601

502-227-5740

**CONSULTANT**

Jeff Lee

**JOB**

Peaks Mill Water District

**PAYMENT TERMS**

Due on Receipt

**DUE DATE**

**QUANTITY**

**DESCRIPTION**

**UNIT PRICE**

**LINE TOTAL**

2/21 and 2/24/2025

5 hours spent on leak detection in Zone 3, checking valves for side streets off Cedar Rd and Cedar Rd. Issue detected on Cedar Rd and located an Air Release had frozen and burst.

2/26, 2/27, and 2/28/25

8 hours spent on Leak detection in Zone 1. Check valves for leaks on Manlee Leestown, Miller Ln, Shadrack Ferry, Tracy Ln, Black Oak, and Shrader Hill (old road). From the old water tank - Tracy Ln to Wright Rd pump station-Hwy 127.

13 hrs in February  
on Leak Detection  
@\$50 = \$650.00

BlueWater Kentucky, LLC  
 625 Myrtle Street  
 Louisville, Kentucky 40208  
 502-533-5073  
[gheitzman@bluewaterky.com](mailto:gheitzman@bluewaterky.com)  
[www.BlueWaterKy.com](http://www.BlueWaterKy.com)

## Exhibit 5 - Item #7



### INVOICE 25-100 WATER LOSS SURCHARGE PROJECT

3.1.2025

#### BILL TO

Mr. Church Quarles  
 Chairman  
 Peaks Mill Water District  
 7165 US 127  
 Frankfort, KY 40601

#### SHIP TO

Nancy Sherrow  
 Office Manager  
 Peaks Mill water District  
 7165 US 127 North  
 Frankfort, KY 40601

#### INSTRUCTIONS

Make Check Payable to:  
  
**BlueWater Kentucky, LLC**  
**625 Myrtle Street**  
**Louisville, Kentucky 40208**

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
9.5	December 2024 - Development of QHP and Water Loss Plan	N/A	\$1,425.00
6.0	January 2025 - Development of QHP and Water Loss Plan, submittal to KY PSC	N/A	\$900.00

Actual Hours and Expenses Attached

Payment to be reimbursed by KIA from CWP project Funds

SUBTOTAL	\$2,325.00
PAYMENT DUE BY 4/30/25	\$2,235.00

# Exhibit 5 - Item 7



## Summary of Actual Expenses: December 2024 to January 2025

Date	Hours	Labor Cost	Miles	Mileage Cost	Meals	Materials Supplies Tools	Total Expenses	Total Labor and Expenses	Work Location	Description
December 2024 - QIIP Plan										
12/5/24	1.0	\$150.00	0.0	\$0.00			\$0.00	\$150.00	PMWD	Meet with Jeff to review proposed Water Loss Surcharge scope of field work. Charge travel time to ops.
12/18/24	1.0	\$150.00	0.0	\$0.00			\$0.00	\$150.00	BWK Lou	Participate in Team conference call with PSC on Water Loss Surcharge.
12/20/24	1.0	\$150.00	0.0					\$150.00	BWK Lou	Contact vendors for budget estimated water loss plan. Update Water Loss Reduction Plan.
12/29/24	1.5	\$225.00	0.0	\$0.00			\$0.00	\$225.00	BWK Lou	Begin drafting Qualified Infrastructure Improvement Plan (QIIP).
12/30/24	2.0	\$300.00	0.0	\$0.00			\$0.00	\$300.00	BWK Lou	Drafting QIIP Section 2 - System Configuration and Operations.
12/31/24	2.0	\$300.00	0.0	\$0.00			\$0.00	\$300.00	BWK Lou	Drafting QIIP Section 3 - updating PMWD water use history trends and charts.
12/31/24	1.0	\$150.00	0.0	\$0.00			\$0.00	\$150.00	BWK Lou	Drafting QIIP Section 4 - updating PMWD 10-year Capital Improvement Plan.
Sub-total	9.5	\$1,425.00	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$1,425.00	\$1,425.00	\$150.00
YTD Worked	9.5	\$1,425.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,425.00		\$150.00

Date	Hours	Labor Cost	Miles	Mileage Cost	Meals	Materials Supplies Tools	Total Expenses	Total Labor and Expenses	Work Location	Description
January 2025 - QIIP Plan										
1/1/25	2.0	\$300.00	0.0	\$0.00				\$300.00	BWK Lou	Update Exhibits in Section 3 with December 2024 data from Jeff Lee.
1/1/25	2.0	\$300.00	0.0	\$0.00				\$300.00	BWK Lou	Drafting QIIP Section 5 - Finalize Water Loss Reduction Plan. Draft Section 1 and 6.
1/2/25	2.0	\$300.00	0.0	\$0.00				\$300.00	BWK Lou	Review final draft of QIIP and Water loss Reduction Plan. Send to Church for review. Send final document to Nancy to submit to PSC by 1/2/25 deadline (120 days from 9/4/24).
Sub-total	6.0	\$900.00	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$900.00	\$900.00	\$150.00
YTD Worked	15.5	\$2,325.00	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$2,325.00		\$150.00

## Exhibit 5 - Item #8

BlueWater Kentucky, LLC  
625 Myrtle Street  
Louisville, Kentucky 40208  
502-533-5073  
[gheitzman@bluewaterky.com](mailto:gheitzman@bluewaterky.com)  
[www.BlueWaterKy.com](http://www.BlueWaterKy.com)



### INVOICE 25-101WATER LOSS SURCHARGE PROJECT

4.1.2025

BILL TO	SHIP TO	INSTRUCTIONS
Mr. Church Quarles Chairman Peaks Mill Water District 7165 US 127 Frankfort, KY 40601	Nancy Sherrow Office Manager Peaks Mill water District 7165 US 127 North Frankfort, KY 40601	Make Check Payable to:  <b>BlueWater Kentucky, LLC</b> <b>625 Myrtle Street</b> <b>Louisville, Kentucky 40208</b>

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
4 hrs + Miles	January 2025 - Project management, leak analysis and mapping + 110 miles (see attached details)	N/A	\$677.00
3.0 hrs	February 2025 - Project management, leak analysis and mapping (see attached details)	N/A	\$450.00
8.5 hrs + Miles	March 2025 - Project management, leak analysis and mapping + 65 miles (see attached details)	N/A	\$1,320.50

Actual Hours and Expenses Attached

Payment to be reimbursed from Water loss Surcharge Account,  
pending PSC approval.

SUBTOTAL	\$2,447.50
PAYMENT DUE BY 4/30/25	\$2,447.50

## Exhibit 5 - Item 8



### Summary of Actual Expenses: January to March 2025

Date	Hours	Labor Cost	Miles	Mileage Cost	Meals	Materials Supplies Tools	Total Expenses	Total Labor and Expenses	Work Location	Description
January 2025 - Project Management & Mapping										
1/15/24	1.5	\$225.00	110.0	\$77.00			\$77.00	\$302.00	PMWD	Meet with Mike Guarranto (Metron Meter), Jeff and John for smart meters for water loss, flushing and AMI pilot. Charge to WL Surcharge Acct. Includes 110 travel miles.
1/27/25	1.0	\$150.00		\$0.00			\$0.00	\$150.00	BWK Lou	Updating mapping system US127 north of Swallowfield.
1/28/25	1.5	\$225.00		\$0.00			\$0.00	\$225.00	BWK Lou	Updating mapping system US127 Lewis Ferry and Manley Leestown area.
Sub-total	4.0	\$600.00	110.0	\$77.00	\$0.00	\$0.00	\$77.00	\$677.00		\$150.00
YTD Worked	4.0	\$600.00	110.0	\$77.00	\$0.00	\$0.00	\$77.00	\$677.00		\$169.25

Date	Hours	Labor Cost	Miles	Mileage Cost	Meals	Materials Supplies Tools	Total Expenses	Total Labor and Expenses	Work Location	Description
February 2025 - Project Management & Mapping										
2/3/25	2.0	\$300.00	0.0	\$0.00			\$0.00	\$300.00	BWK Lou	ID locations with Jeff for Metron meters at Stonewall and Shadrick. Contact Mike to activate data logging on smart meters. Update maps on US Highway 127 from Perkins to Swallowfield from As-built drawings.
2/28/25	1.0	\$150.00	0.0	\$0.00				\$150.00	BWK Lou	Setting up Metro meter on Metron Water Master site, creating leak charts for Stonewall bypass meters.
Sub-total	3.0	\$450.00	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$450.00		\$150.00
YTD Worked	7.0	\$1,050.00	110.0	\$77.00	\$0.00	\$0.00	\$77.00	\$1,127.00		\$161.00

Date	Hours	Labor Cost	Miles	Mileage Cost	Meals	Materials Supplies Tools	Total Expenses	Total Labor and Expenses	Work Location	Description
March 2025 - Project Management & Mapping										
3/4/25	1.0	\$150.00		\$0.00			\$0.00	\$150.00		Prepare by-pass meter and leak charts for Stonewall, 0.3 gpm leak on N. Stonewall.
3/5/24	1.0	\$150.00		\$0.00			\$0.00	\$150.00		Update mapping system with hydrant data from ISO Hydrant survey and field data collected.
3/7/25	1.0	\$150.00		\$0.00			\$0.00	\$150.00		Update mapping system from as-builts and field data, along US127 at Shadrick.
3/20/24	1.0	\$150.00		\$0.00			\$0.00	\$150.00		Review PSC Order for WL Surcharge.
3/25/25	1.5	\$225.00		\$0.00			\$0.00	\$225.00		Begin draft of First Draw request for PSC approval.
3/27/25	2.0	\$300.00	65.0	\$45.50			\$45.50	\$345.50		Site visit to Ridgewood for leak detection and repair. Set up Metron VNR leak detection register at Shadrick Rd 2" by-pass meter. Includes 65 travel miles.
3/31/25	1.0	\$150.00		\$0.00			\$0.00	\$150.00		Create valve schematic for Shadrick by-pass meter, updated water mains and by-pass valves on maps.
Sub-total	8.5	\$1,275.00	65.0	\$45.50	\$0.00	\$0.00	\$45.50	\$1,320.50		\$155.25
YTD Worked	15.5	\$2,325.00	175.0	\$122.50	\$0.00	\$0.00	\$122.50	\$2,447.50		\$157.90



# Exhibit 6-1

## BlueWater Kentucky and Peaks Mill Water District

### Professional Services Proposal and Contract

January 23, 2023

**Background** – BlueWater Kentucky, LLC (BlueWater) entered into a professional services contract with Peaks Mill Water District (PMWD) on December 16, 2019, to provide consulting services to PMWD. The contract was extended each year on the following dates: August 3, 2020, August 1, 2021, and April 4, 2022. Both parties desire to execute a new contract effective February 1, 2023 including the following elements.

**Scope of Work** – BlueWater, serves as an independent contractor to PMWD and will provide professional consulting services as identified in the following scope of work:

1. Provide management and technical guidance to the Board and staff;
2. Provide assistance for the operations of the distribution system;
3. Provide support with development of the GIS mapping system;
4. Provide administrative and planning support for capital projects and system extensions;
5. Provide administrative and planning support for Federal and State grant projects;
6. Provide administrative support for evaluating water system management options, including various operating scenarios and ownership alternatives;
7. Conduct public meetings and meet with customers as requested by the Board;
8. Coordinate administrative activities among various constituent groups, including: staff, engineers, attorney, contractors, suppliers, funding agencies and regulators.

**Compensation and Billing** – PMWD will compensate BlueWater at the following hourly rates:

- Project Manager/Principal (Greg Heitzman) - \$150/hour
- Sub-Contractor - Engineer - \$125/hour
- Sub-Contractor - Financial Analyst - \$100/hour
- Sub-Contractor - Technician - \$50.00/hour

BlueWater will be reimbursed for all direct expenses, including travel, mileage (at the Federal IRS rate), meals, equipment, printing, or other direct expenses necessary to perform under this contract. PMWD must approve all direct expenses included in the monthly invoice prior to payment to BlueWater. BlueWater will keep a monthly log of hours and expenses including receipts. BlueWater will provide PMWD a monthly invoice by the 10<sup>th</sup> of each month. PMWD will pay BlueWater by the 30<sup>th</sup> of each month for the prior month services.

**Insurance** – For the duration of this contract, BlueWater will maintain Professional and General Liability Insurance in the amount of \$1 million, and BlueWater will provide an insurance certificate to PMWD and name PMWD as additional insured.

**Duration of Contract** – This Contract will begin on February 1, 2023, and end December 31, 2023. The contract and scope of work may be extended by mutual agreement. The contract may also be terminated at the end of a billing cycle (the 30<sup>th</sup> of each month) by either party, upon written notice.

**Business Contracts and Conflicts of Interest** – as of February 1, 2023, BlueWater is under contract with the following entities to provide management consulting services:

- Lebanon Water Works, Lebanon, Kentucky.
- Louisville Water Company, Louisville, Kentucky
- Springfield Water and Sewer, Springfield, Kentucky
- River Ridge Development Authority, Jeffersonville, Indiana.

## Exhibit 6-1

For the duration of this contract, BlueWater will disclose to PMWD all business, contract or volunteer relationships that may present a conflict of interest between the parties. Both parties agree to work cooperatively in managing any conflicts that may arise, and BlueWater shall enter into confidentiality agreements with PMWD, where appropriate. In the event a conflict is identified, either party may terminate this contract within 10 days of the date of notification of the conflict in writing. Before final termination of the contract, a 10 day cure period will be provided to both parties to resolve the conflict by mutual agreement. In the event of termination during the month (between billing cycles), BlueWater will invoice PMWD for the work performed up to the termination date. Final Payment will be due with 30 days of the invoice to PMWD.

**Contact Information** - Information regarding this Contract should be directed to:

Greg Heitzman, PE, MBA  
President  
BlueWater Kentucky  
625 Myrtle Street  
Louisville, KY 40208  
[gheitzman@bluewaterky.com](mailto:gheitzman@bluewaterky.com)

**Effective Date** - This Proposal is offered to PMWD and becomes effective February 1, 2023 and replaces the Contract Extension #3 executed on April 4, 2022. This proposal may be modified in writing, by agreement of the Parties.

**Approval Date** - PMWD's Board of Directors approved this Contract Extension on February 13, 2023, as recorded in the Minutes of the February 13, 2023 meeting of said Board.

**PROPOSAL SUBMITTED BY:**



Greg C. Heitzman, PE, MBA  
President, BlueWater Kentucky, LLC  
625 Myrtle Street  
Louisville, KY 40208

Date: 1/23/2023

**PROPOSAL ACCEPTED BY:**



Church Quarles  
Chairman, Peaks Mill Water District (PMWD)  
7165 US 127  
Frankfort, KY 40601

Date: 02/13/2023

## Exhibit 6-2

### BlueWater Kentucky and Peaks Mill Water District

#### Contract Extension No. 1

January 8, 2024

**Background** – BlueWater Kentucky, LLC (BlueWater) entered into a professional services contract with Peaks Mill Water District (PMWD) for the period of February 1, 2023 to December 31, 2023. The parties desire to extend the professional services contract through for the period January 1, 2024 to December 31, 2024.

**Scope of Work** – BlueWater, serves as an independent contractor to PMWD and will provide monthly consulting services as identified in the initial contract dated executed on February 1, 2023.

**Compensation and Billing** – PMWD will compensate BlueWater at the hourly rates and direct expense rates identified in the initial contract dated February 1, 2023.

**Duration of Contract** – Contract Extension No. 1 will begin on January 1, 2024 and end December 31, 2024. The contract and scope of work may be extended by mutual agreement. The contract may also be terminated at the end of a billing cycle (the 30th of each month) by either party, upon written notice.

**Contact information** – Information regarding this Contract should be directed to:

Greg Heitzman, PE, MBA  
President  
BlueWater Kentucky  
625 Myrtle Street  
Louisville, KY 40208  
gheitzman@bluewaterky.com

**Other Contract Provisions** – All other provisions of the initial contract dated February 1, 2023 remain in effect for this contract extension.

**Effective Date** – This Proposal is offered to PMWD and becomes effective January 1, 2024. The proposal may be modified in writing, by agreement of the Parties.

**Approval Date** – PMWD's Board of Directors approved this Contract Extension on January 8, 2024, as recorded in the Minutes of the January 8, 2024, meeting of said Board.

**PROPOSAL SUBMITTED BY:**



Greg C. Heitzman, PE, MBA  
President  
BlueWater Kentucky, LLC  
625 Myrtle Street  
Louisville, KY 40208

Date: 1/8/2024

**PROPOSAL ACCEPTED BY:**



Church Quarles  
Chairman  
Peaks Mill Water District (PMWD)  
7165 US 127  
Frankfort, KY 40601

Date: 1/8/24

## Exhibit 6-3

### BlueWater Kentucky and Peaks Mill Water District

#### Contract Extension No. 2

January 13, 2025

**Background** – BlueWater Kentucky, LLC (BlueWater) entered into a professional services contract with Peaks Mill Water District (PMWD) for the period of February 1, 2023 to December 31, 2023. The Professional services contract was renewed through Contract Extension #1 approved by the PMWD Board on January 8, 2024. The parties desire to extend the professional services contract through for the period January 1, 2025 to December 31, 2025 as Contract Extension #2.

**Scope of Work** – BlueWater, serves as an independent contractor to PMWD and will provide monthly consulting services as identified in the initial contract dated executed on February 1, 2023.

**Compensation and Billing** – PMWD will compensate BlueWater at the hourly rates and direct expense rates identified in the initial contract dated February 1, 2023.

**Duration of Contract** – Contract Extension No. 1 will begin on January 1, 2024 and end December 31, 2024. The contract and scope of work may be extended by mutual agreement. The contract may also be terminated at the end of a billing cycle (the 30th of each month) by either party, upon written notice.

**Contact Information** – Information regarding this Contract should be directed to:

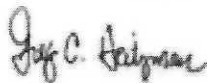
Greg Heitzman, PE, MBA  
President, BlueWater Kentucky  
625 Myrtle Street  
Louisville, KY 40208  
[gheitzman@bluewaterky.com](mailto:gheitzman@bluewaterky.com)

**Effective Date** – This Proposal is offered to PMWD and becomes effective January 1, 2025. The proposal may be modified in writing, by agreement of the Parties.

**Other Contract Provisions** – All other provisions of the initial contract dated February 1, 2023 remain in effect for this contract extension.

**Approval Date** – PMWD's Board of Directors approved this Contract Extension #2 on January 13, 2025, as recorded in the Minutes of the January 13, 2025 meeting of said Board.

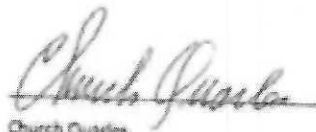
**PROPOSAL SUBMITTED BY:**



Greg C. Heitzman, PE, MBA  
President  
BlueWater Kentucky, LLC  
625 Myrtle Street  
Louisville, KY 40208

Date: 1/13/2025

**PROPOSAL ACCEPTED BY:**



Church Quarles  
Chairman  
Peaks Mill Water District (PMWD)  
7165 US 127  
Frankfort, KY 40601

Date: 1/13/25

## Exhibit 7 – Revised Water Loss Reduction Plan

Peaks Mill Water District								Dec 2024 to June 2025		
Water Loss Reduction Plan - Approved by PSC Order 20250319 on 3/19/25								First Draw Request 4/15/25		
Proposed Surcharge Expenditure Plan 4/15/25										
Item #	Item #	Description	Quantity	Unit Cost	Total	Budget	Quantity	Quote or Invoice	Actual	
				Estimate	Estimate	2025		Projected thru 6/30/25		
		<b>Equipment, Meters, and Technology Software</b>								
5.1.1		Pressure data loggers	2	\$600	\$1,200	\$1,200	2	\$1,101.00		
5.1.2		Portable ultrasonic meter and data logger (Dynasonic DXN or equal)	1	\$7,500	\$7,500	\$7,500	1	\$7,435.00		
5.1.3		Retrofit existing by-pass meters in Zone 1, 2, 3 with smart meter technology, includes software and equipment for six existing by-pass meters.	1	\$5,000	\$5,000	\$5,000	5	\$1,777.50		
5.1.4		3/4" and 1" smart flow meters for zone metering and leak detection	6	\$600	\$3,600	\$3,600	5	\$2,002.50		
5.1.5		2" smart flow meters for zone metering and leak detection	2	\$1,800	\$3,600	\$3,600	0	\$0.00		
		<b>Subtotal</b>			<b>\$20,900</b>	<b>\$20,900</b>		<b>\$12,316.00</b>		<b>\$0</b>
		<b>Pressure Zone 1 Leak Monitoring and Meters</b>								
5.2.1		Install valves in Zone 1 for sub-zone analysis. Includes materials and contract labor.	2	\$2,500	\$5,000	\$2,500	see 5.2.5.1	\$0.00		
5.2.2		Install 3/4" or 1" by-pass meter installations (Manley/Black Oak, Ridgewood, Tracy, Shadrack North). Includes materials and contract labor.	4	\$2,000	\$8,000	\$4,000	0	\$0.00		
5.2.3		Install pressure/flow telemetry at Zone 1 FPB supply/Shadrack valve. Includes materials and contract labor.	1	\$2,000	\$2,000	\$2,000	0	\$0.00		
5.2.4		Install ultrasonic AMI meter pilot in Stonewall/Ridgewood. Includes materials and contract labor.	70	\$400	\$28,000	\$14,000	0	\$0.00		
5.2.5		Repair leaks once identified by Zone and By-pass meters (assume 4), includes materials and contract labor.	4	\$1,500	\$6,000	\$3,000	see 5.2.5.1	\$0.00		
	5.2.5.1	Curwright Leak Repair at 552 Shenandoah, Zone 1 - estimate 3-5 GPM loss. Includes valve install (item 5.2.1)					1	\$3,065.46		
New	5.2.6.1	CL Consulting (Jeff Lee) - Leak Detection in Zone 1 @ \$50/hr contract rate. Feb hours = 13, March hours = 19. 32 total hours at \$50/hr.					32	\$1,600.00		
New	5.2.6.2	CL Consulting (Jeff Lee) - Leak Detection in Zone 1 for April to June 2025 @ \$50/hr contract rate. Estimate 15 hours/month @ \$50/hr.					45	\$2,250.00		
		<b>Subtotal</b>			<b>\$49,000</b>	<b>\$25,500</b>		<b>\$6,915.46</b>		<b>\$0</b>
		<b>Pressure Zone 2 Leak Monitoring</b>								
5.3.1		Install valves in Zone 2 for sub-zone analysis	2	\$2,500	\$5,000		0	\$0.00		
5.3.2		Install 3/4" or 1" by-pass meter installations (Steele Branch, Wright, Sullivan 4", Strohmeyer Camp Ground, McDonald Ferry, Indian Gap/Bates, Indian Gap/Camp Pleasant). Includes materials and contract labor.	7	\$2,000	\$14,000		0	\$0.00		
5.3.3		Install Pressure/Flow Telemetry at Zone 2 Control Valve. Includes materials and contract labor.	1	\$2,500	\$2,500		0	\$0.00		
5.3.4		Install valves, access vault at Zone 1/2 Bernard Control Valve/Meter on 8" PVC for use of portable ultrasonic meter to validate accuracy of Zone 2 meter. Includes materials and contract labor.	1	\$5,000	\$5,000		0	\$0.00		
5.3.5		Repair leaks once identified by Zone and By-pass meters (assume 4), includes materials and contract labor.	4	\$1,500	\$6,000		0	\$0.00		
		<b>Subtotal</b>			<b>\$32,500</b>			<b>\$0.00</b>		<b>\$0</b>
		<b>Pressure Zone 3 Leak Monitoring</b>								
5.4.1		Install valves in Zone 2 for sub-zone analysis	3	\$2,500	\$7,500		0	\$0.00		
5.4.2		Upgrade KAW Old School Zone 2 and Zone 3 meters with AMI cellular connectivity and ultrasonic meters. Includes materials and contract labor.	1	\$7,500	\$7,500	\$7,500	0	\$0.00		
5.4.3		Install 3/4" or 1" by-pass meter installations (Union Ridge, Hamilton, Sharp, Harmony, Kays Branch). Includes materials and contract labor.	5	\$2,000	\$10,000		0	\$0.00		
5.4.4		Repair leaks once identified by Zone and By-pass meters (assume 4), includes materials and contract labor.	4	\$1,500	\$6,000		0	\$0.00		
		<b>Subtotal</b>			<b>\$31,000</b>	<b>\$7,500</b>		<b>\$0.00</b>		<b>\$0</b>
		<b>Subtotal Equipment, Materials, and Labor</b>			<b>\$133,400</b>	<b>\$53,900</b>		<b>\$19,231.46</b>		<b>\$0</b>
		<b>Contingency 10%</b>			<b>\$13,340</b>	<b>\$5,390</b>				<b>\$0</b>
		<b>Total Equipment, Materials, Labor</b>			<b>\$146,740</b>	<b>\$59,290</b>		<b>\$19,231.46</b>		<b>\$0</b>
		<b>Project Management, Mapping, Reporting</b>								
5.5.1		Project management and reporting - 10% of Project Budget			\$18,000	\$4,500				
	5.5.1.1	BlueWater - develop QHP and Water Loss Plan to submit to PSC Dec 2024 to Jan 2025						\$2,325.00		
	5.5.1.2	BlueWater- Project Management from Jan 2025 to March 2025, for QHP and WLR plan development and project management.						\$2,447.50		
	5.5.1.3	BlueWater Estimate for April to June 2025= \$400/month.					3	\$2,400.00		
5.5.2		Updating ARC GIS mapping system with pipes, valves, hydrants, zone and by-pass meters using Trimble GPS locator.	50	\$150	\$7,500	\$1,875				
New	5.5.2.1	Propose to hire summer intern at \$13/hr to GPS all hydrants, valves, by-pass meters and add to map system. 10 to 12 weeks @ 35 hrs/wk. @ \$15/hr. Estimate is 6 weeks for May to June 2025 (plan to continue in July and August).					210	\$3,150.00	estimated	
5.5.3		Analysis of monthly water loss data to identify leaks, preparing monthly water loss reporting and conducting a water loss audit.	50	\$150	\$7,500	\$1,875	50	\$0.00		
	5.5.3.1	Included in 5.5.1						\$0.00		
		<b>Subtotal Project Management, Mapping, Reporting</b>			<b>\$32,000</b>	<b>\$8,250</b>		<b>\$10,322.50</b>		
		<b>Total Project Budget</b>			<b>\$179,740</b>	<b>\$67,540</b>		<b>\$29,553.96</b>		<b>\$0</b>
		<b>WL Surcharge Funds Available thru March 31, 2025</b>						<b>\$18,316.16</b>		<b>\$18,316.16</b>
		<b>Projected WL Surcharge Funds thru June 30, 2025</b>						<b>\$29,560.41</b>		
		<b>Projected Balance</b>						<b>\$6.45</b>		
		<b>PSC Surcharge Approval Amount = \$44,977/year for 4 years</b>			<b>\$179,908</b>					
		<b>Remaining Budget</b>			<b>\$168</b>					
Water Loss Reduction Plan prepared by BlueWater Kentucky.										