

August 28, 2025

Response to Kentucky Public Service Commission Case 2025-00233

Sir or Madam:

Regarding the PSC investigation into Southern Water and Sewer District, (SWSD) and the disconnection charge, I do not recall the board ever discussing or approving such a charge, and I believe the meeting minutes will confirm this.

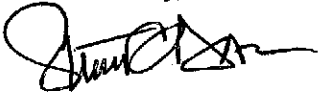
As you are aware, SWSD has contracted with Utility Management Group (UMG) for the sole purpose of managing the day-to-day operations of SWSD. Because UMG never brought this issue to the Commissioner's attention, questions regarding factual issues related to the disconnect charge should be directed to them. I was not aware of this charge until the PSC brought this issue to my attention.

As you may know, the district was failing under past management when the entire board resigned and a new board was appointed in February 2019. I was one of the original appointees to this board. We were thrust into a no-win situation when we inherited a failing, broke system. Years of neglect and mismanagement cannot be corrected overnight. Within the first three months we hired Utility Management Group (UMG) to oversee the daily operations. Greg May and his staff, collaborating with the new commissioners, have been instrumental in keeping the district solvent. The current UMG manager for SWSD, Randy Conley has changed the tenor of the company for the better. Randy is passionate about fixing SWSD and he is passing along his vast knowledge and experience to a staff who is finally "bought in" to what we are trying to accomplish. While it has improved, we have struggled through a complete meter change, two 100-year floods in less than three years, spiraling inflation that has strained the finances and several other issues caused by prior management that had to be corrected. I stand firmly in support of this board of

commissioners and the management team we have in place as we are attempting to move the district forward in providing quality drinking water for our community.

This response is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven G. Dawson", written in a cursive style.

Steven G. Dawson, Treasurer