

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ALLEGED FAILURE OF	)	
CUMBERLAND COUNTY WATER DISTRICT AND	)	
ITS OFFICERS, ERIC CARVER, GARLAND	)	
HIENEMAN, JAY CARY, MARK VIBBERT, TROY	)	CASE NO.
NORRIS, AND ITS MANAGER, MATTHEW DYER,	)	2022-00244
TO COMPLY WITH A COMMISSION ORDER,	)	
KRS 278.990	)	

NOTICE OF FILING

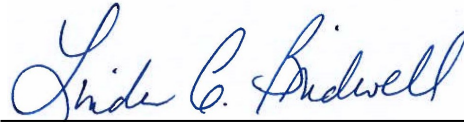
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on April 4, 2023 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on April 4, 2023 in this proceeding;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on April 4, 2023.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at <https://youtu.be/0Yf4PmHU2-A>.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 25<sup>th</sup> day of May 2023.



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Linda C. Bridwell

Executive Director

Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

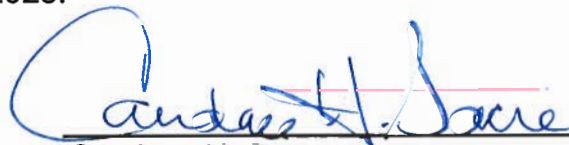
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AND ITS OFFICERS, ERIC CARVER, GARLAND	)	CASE NO.
HIENEMAN, JAY CARY, MARK VIBBERT, TROY	)	2022-00244
NORRIS, AND ITS MANAGER, MATTHEW	)	
DYER, TO COMPLY WITH A COMMISSION	)	
ORDER, KRS 278.990	)	

CERTIFICATION


I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on April 4, 2023. The Formal Hearing Log, Exhibits List, and Exhibits are included with the recording on April 4, 2023;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of April 4, 2023; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of April 4, 2023, and the time at which each occurred.

Signed this 19<sup>th</sup> day of May, 2023.



Candace H. Sacre  
Administrative Specialist III



Stephanie Schweighardt  
Kentucky State at Large ID# KYNP 64180  
Commission Expires: January 14, 2027



Date:	Type:	Location:	Department:
4/4/2023	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Matthew Dyer; Troy Norris; Mark Vibbert  
 Judge: Kent Chandler; Angela Hatton  
 Clerk: Rushetta Mason; Candace Sacre

Event Time	Log Event	
9:11:03 AM	Session Started	
9:11:20 AM	Chairman Chandler Note: Sacre, Candace	On the record in Case No. 2022-00244, electronic alleged failure of Cumberland County Water District and its officers, Eric Carver, Garland Hieneman, Jay Cary, Mark Vibbert, Troy Norris, and its manager, Matthew Dyer, to comply with a Commission Order, KRS 278.990.
9:11:42 AM	Chairman Chandler Note: Sacre, Candace	My name is Kent Chandler. I am Chairman of the Kentucky Public Service Commission. Joining me today is Vice Chairman Angie Hatton. Commissioner Mary Pat Regan is not able to be here today but will review this matter so she's aware what occurred during the hearing.
9:11:59 AM	Chairman Chandler Note: Sacre, Candace	If you have cell phones, please silence them or turn off.
9:12:02 AM	Chairman Chandler Note: Sacre, Candace	The purpose of today's hearing is to take evidence in this matter.
9:12:06 AM	Chairman Chandler Note: Sacre, Candace	Entry of appearance of counsel.
9:12:14 AM	Atty Hurt Cumberland District Note: Sacre, Candace	Coleman Hurt.
9:12:23 AM	Staff Atty Tussey PSC Note: Sacre, Candace	Moriah Tussey and Jurgens van Zyl.
9:12:28 AM	Chairman Chandler Note: Sacre, Candace	Public notice. (Click on link for further comments.)
9:12:39 AM	Chairman Chandler Note: Sacre, Candace	Public comments. (Click on link for further comments.)
9:13:30 AM	Chairman Chandler Note: Sacre, Candace	Data request responses. (Click on link for further comments.)
9:14:59 AM	Chairman Chandler Note: Sacre, Candace	Procedural discussions. (Click on link for further comments.)
9:15:42 AM	Chairman Chandler Note: Sacre, Candace	Call your witness.
9:15:46 AM	Staff Atty Tussey PSC Note: Sacre, Candace	Matthew Dyer.
9:16:02 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
9:16:32 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Examination. Name and address?
9:16:47 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Direct Examination. How long with utility?

9:16:55 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Always managerial role or other roles?

9:17:19 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Six years in current role?

9:17:34 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Provided minutes and inspection reports may refer to, current communication with commissioners, what is communication with current chairman?

9:18:24 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace What are general issues discuss?

9:19:02 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace What think rises level take to board meeting?

9:19:57 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace What about in regard to any Commission order or reporting requirement?

9:20:40 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace You get notice of order Commission issued?

9:20:53 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace In charge of updating contact information?

9:21:00 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Is currently correct?

9:21:06 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Taken initiative to distribute orders immediately?

9:21:26 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Written policy been changed or no policy at all?

9:21:44 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Still no written policy?

9:21:58 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Have written job responsibilities or expectations?

9:22:21 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace You have a general job description?

9:22:26 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Evaluated based on job description?

9:22:34 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Give outline what expect you do on daily basis, or just general job description?

9:22:52 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Changed communication behavior since this case?

9:23:01 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Response, allegation not file application rate adjustment in timely fashion?

9:23:30 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Prior this case, taken steps prepare for rate filing?

9:24:23 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Who handled by?

9:24:56 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Depended on engineer when doing construction projects but did receive copy of Order granting CPCN and financing?

9:25:24 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Not actually read initial Order?

9:25:30 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Spoke with engineer?

9:25:41 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Assist in rate filing?

9:25:46 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Up to that point, taken no action comply with order?

9:25:55 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace After speaking with Jamie Mudd, assisted in rate application?

9:26:05 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace At that point, began preparation rate application?

9:26:15 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace In charge of all accounting and books?

9:26:25 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace On top other responsibilities, also do all accounting?

9:26:34 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Training in accounting or use program help assist?

9:26:57 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Appears during this time wanted to retire?

9:27:15 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Based on responses and minutes, trying to retire?

9:27:25 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Minutes reference people coming in replace certain responsibilities end of last year but unclear how actually shook out?

9:29:38 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Is there active search for replacement, somebody said interested in job willing talk to them?

9:29:57 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace What role in creating budget?

9:30:19 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace In charge creating it each year?

9:30:25 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace When try get done?

9:30:33 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Try have done by June?

9:30:48 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Given counsel copy recent inspection reports, have with you?

9:31:10 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Given copy report to commissioners?

9:31:25 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Referring to original inspection report, have that one?

9:31:43 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace How inform them of inspection?

9:32:08 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Have anybody that helps you?

9:32:37 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Normal basis, no open cases, commissioners normally get inspection reports?

9:33:05 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Current report, couple of deficiencies?

9:33:14 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Including failure have safety meetings and monthly written inspection records?

9:33:24 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Referencing response, filed response?

9:33:33 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Prepare this response?

9:33:38 AM Staff Atty Tussey PSC - witness Dyer  
Note: Sacre, Candace Filed with Commission on Mar 28?

9:33:45 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	In response, mention water loss, have 19 master meters monitor?
9:34:00 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Any other written policies/procedures address water loss?
9:34:20 AM	Staff Atty Tussey PSC Note: Sacre, Candace	Mark Inspection Report as Staff Exhibit 1 and Response of Cumberland County District as Staff Exhibit 2 and enter into record.
9:34:51 AM	Chairman Chandler Note: Sacre, Candace	Inspection from Oct 12 2022 and January 31 2023 mark as Staff 1.
9:34:52 AM	STAFF EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY TUSSEY PSC - WITNESS DYER PSC PERIODIC COMPLIANCE INSPECTION CUMBERLAND COUNTY WATER DISTRICT DATES OF INSPECTION 10/12/2022 AND 1/31/2023
9:35:05 AM	Chairman Chandler Note: Sacre, Candace	Response dated Mar 28 2023 identify as Staff 2.
9:35:06 AM	STAFF EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY TUSSEY PSC - WITNESS DYER CUMBERLAND COUNTY WATER DISTRICT PERIODIC WATER INSPECTION DEFICIENCIES RESPONSE MAR 28 2023
9:35:18 AM	Chairman Chandler Note: Sacre, Candace	Objection? (Click on link for further comments.)
9:35:25 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Other written policies or procedures other than employee handbook?
9:35:45 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Discussed enacting any?
9:35:50 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	When discussions take place?
9:35:58 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	During investigation and ongoing rate case?
9:36:04 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Taken any action writing/drafting them?
9:36:16 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Water loss and response, something given commissioners review that?
9:36:33 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Response in its entirety?
9:36:40 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	Discuss at next board meeting?
9:36:56 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	How many people in office?
9:37:06 AM	Staff Atty Tussey PSC - witness Dyer Note: Sacre, Candace	How many other employees able assist in office?
9:37:30 AM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
9:37:40 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Examination. Had training required when hired?
9:38:04 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Training make clear important read orders?
9:38:29 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Either?
9:39:21 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Had all training required but not information about legal stuff?

9:39:34 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Offered any sample or suggestive policies/procedures districts ought to follow, organization that offers guidance?
9:40:22 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Commission approved loan, one condition file new rate case within year, not hear from you eleven months?
9:40:44 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Understand filing rate cases projects public and makes sure water provided and safe and have money need to operate?
9:41:02 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	When orders ignored and eleven months later, first hear asking for extension, think got procedures to avoid things like this?
9:41:40 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Other things would help avoid, suggestions RWA or additional training, what help?
9:42:19 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Have staff counsel, lawyer attends meetings?
9:42:27 AM	Vice Chairman Hatton - witness Dyer Note: Sacre, Candace	Maybe more regular talks with them help?
9:43:32 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Examination. 2020 refinancing, all notes loans from 1995 or 1996?
9:43:59 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	'95 note goes to G, 1995 A, B, '96 notes, '01 sewer bond, '05 water bond, 2009 fund, you been at district since 2000?
9:44:29 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Opening order indicates district created in 1995?
9:44:42 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	What says here?
9:44:56 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Even if district created 1995, idea of genesis of investments?
9:45:49 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Creation in 1995, you been there 23 years?
9:46:21 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Start in field or office?
9:46:25 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Got moved to office, now all falls under you?
9:46:38 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	District 2019 40% water loss?
9:47:04 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Cost utility almost fifty thousand dollars?
9:47:13 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Produce own water or just distribute and buy?
9:47:20 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Who purchase from?
9:47:24 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How split up, majority from one or ability buy most/all from either?
9:47:34 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How prospect Burkesville water treatment look, how system look?
9:48:27 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	If Burkesville raises rate, has Burkesville raised rate to you all?
9:48:40 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	When found out about that, how propose pass rate increase on?
9:49:08 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Aware law allows to pass through dollar for dollar to raise rates?



9:49:23 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How many times they raised rates since been there?
9:49:28 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	When they built new treatment plant?
9:49:33 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	They raised your costs, you not pass those costs through?
9:49:41 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	They raised your costs but you not pass that through to customers?
9:49:49 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	When last time had .023 case, last time raised rates?
9:50:18 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Presumption got project through, hope engineer knew cost to buy water passed through that case?
9:50:34 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	In 2021, water district lost \$102,418?
9:50:51 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Year before, lost about \$300,000?
9:51:14 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Assume compile annual reports to send to PSC?
9:51:30 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Give you report back, sign it, send it in?
9:51:35 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Share annual reports, audits with board when done?
9:51:46 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Insofar as net income, board informed on annual basis?
9:52:00 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Knowing had negative net income 2020 and 2021, bring up to board need to change rates?
9:52:23 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Knew could raise rates as part of one of projects?
9:52:54 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Aware any other way to raise rates?
9:54:38 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Know if rid of water loss how much would save?
9:54:51 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Done calculation when looking at trying to reduce loss?
9:55:05 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	What Commission calculated reducing water loss from 40 to 15 percent save \$47,000 a year, call that \$70,000 a year from water loss, even zero water loss \$70,000 not make up for \$100,000 shortfall?
9:56:19 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Annual rate increases?
9:57:18 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Run finance side and operation side result of your position?
9:57:36 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Portions of system 50 years plus?
9:57:47 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Agree areas of system reached end of useful life?
9:58:37 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	The worst part of system oldest part of system and also causing greatest operational impacts?
9:58:46 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Better to replaced it gradually or earlier than now?

9:58:57 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Afford replace it without rate increase or additional financing?
9:59:08 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How much think cost?
9:59:17 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Last two years 2020-21 missed out on funding depreciation expense which use fund rehabilitation projects, \$417,000 in depreciation, could have gotten through rates and not finance, financing costs money?
10:00:09 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Used that \$400,000 reduce financing costs of new project?
10:00:15 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Job description anything ensuring adequacy of service?
10:00:38 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Remember anything making sure finances adequate?
10:00:49 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Board do annual job review for you?
10:01:06 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	You do it your employees and board do for you, or board do all employees?
10:01:18 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	They do your job review as well?
10:01:21 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	What hold you accountable to?
10:01:50 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	On recurring basis, does board set expectations for job?
10:02:12 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	In 2020-2021, district lost money, board knows, you know, come up in your review?
10:02:36 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Board aware of it, given you direction do something about it?
10:02:54 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Vice Chair question, were to lay out what tools need to do job better, talk to board, top couple of things on list?
10:05:16 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Ask for it first? Knew your experience on accounting side when hired?
10:06:12 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Annual report when submitted has your name and two email addresses?
10:06:27 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	First one is C-U-M-E-R-L-A-N-D-W-A-T-E-R.com, have address cumberlandwater.com?
10:06:51 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Have email address provided ccwateroffice@yahoo.com?
10:06:51 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Then have email address ccwateroffice@yahoo.com?
10:07:02 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	That email address you review?
10:07:09 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Have access to?
10:07:12 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	That been provided to PSC?

10:07:32 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Address this sent to, opening Order, 113 Lower Street, business address provided earlier?
10:07:44 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Think that on record as well?
10:07:48 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	When sent Order out, served you and everybody by email, get that email?
10:08:14 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Why water district needed more time respond?
10:08:38 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Know how made aware of opening order?
10:09:24 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Twice Lima told you about outstanding requirement?
10:09:36 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Commission opened investigation Order entered Aug 31 2022?
10:09:40 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	After extension and Mudd told you one month file rate case and Rural Water told you six months, opened this case violation of Order in Aug?
10:09:57 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Service list shows all parties served email, recollection receiving service?
10:10:15 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Know how became aware investigation?
10:10:28 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Did Jones tell you had other order?
10:11:04 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Did Jones inform you time of entry in 2021 under obligation file rate case?
10:11:17 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Directly deal with Jones?
10:11:21 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Who deal with Jones in financing matters?
10:11:37 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Did Mudd indicate aware before called you requirement file rate case within year?
10:11:56 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Been engaged with attorney before?
10:12:11 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Jones has legal duty to you all?
10:12:27 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Jones owes duties engineer not owe you, risk leaning too much on engineer?
10:13:18 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Not attorneys?
10:13:21 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Not rate analysts either?
10:13:29 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Not accountants, not auditors?
10:13:47 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Mudd and Monarch on contract?
10:13:57 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	What area of system oldest?

10:14:10 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Marrowbone, needs rehab, what happens with engineer, paid same way?
10:15:12 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	The responses to deficiencies, when utility top submitting quarterly meter reports?
10:17:27 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Meters, how many gone 10 years replaced/tested?
10:17:41 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How many customers? 2700?
10:17:50 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Think what, ten percent?
10:17:53 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How high was it?
10:18:04 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How many failing tests?
10:18:30 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Radio transponder?
10:18:32 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Have AMR meters?
10:18:34 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Drive-by system?
10:18:37 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Getting nonreads, go out manually read?
10:18:44 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Frustrating?
10:19:03 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Significant use of resources?
10:19:31 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Other things folks doing?
10:19:39 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	How long AMR system been in?
10:19:46 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Expectation looking at new meters soon?
10:19:57 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Four hundred thousand dollars helped?
10:20:15 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Been approached by neighboring utility about consolidation, regionalization, merger?
10:20:27 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Ever approached anybody about subject?
10:20:33 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Any reason why not, efficiencies from cost savings, part of the discussion?
10:21:03 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Discussion limited to water loss terms of saving money?
10:21:12 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Reason given for not taking manager position?
10:21:57 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	You are accountant, running office, running field?
10:22:24 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	New position be general manager?
10:22:37 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Different position than been doing?

10:22:42 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	New or refined job description?
10:23:11 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	If put in order approving financing, expectation Jones told Monarch Engineering and Monarch Engineering then told you?
10:23:58 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Asking expectation have been in that instance?
10:24:33 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Prior Hurt, had separate counsel?
10:25:02 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Attorney come to board meetings?
10:25:21 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	What else, eminent domain, right of way issues, title work, attorney doing anything else?
10:26:03 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Do you write checks?
10:26:11 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Write checks, then provide to board to sign?
10:26:15 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Write checks to Bell?
10:26:20 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Even within projects, what role Bell play had project with Monarch?
10:26:41 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Anything says you one deal with outside counsel?
10:27:03 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Legal issue, have direction from board Bell your attorney?
10:27:30 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	If problem, who should call?
10:27:37 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Recurring payment to Bell or issue by issue?
10:27:59 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	Before this case remember last time dealt with Bell on issue?
10:28:11 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	When say project, ones result in rate increase?
10:28:15 AM	Chairman Chandler - witness Dyer Note: Sacre, Candace	When did this, since Jones attorney, not use Bell?
10:28:35 AM	Chairman Chandler Note: Sacre, Candace	Recess until 10:45.
10:28:55 AM	Session Paused	
10:57:33 AM	Session Resumed	
10:57:38 AM	Chairman Chandler Note: Sacre, Candace	Examination of witness?
10:57:44 AM	Atty Hurt Cumberland District - witness Dyer Note: Sacre, Candace	Cross Examination. Met several times since January?
10:58:03 AM	Atty Hurt Cumberland District - witness Dyer Note: Sacre, Candace	Discussions putting in place and developing policies and protocols?
10:58:13 AM	Atty Hurt Cumberland District - witness Dyer Note: Sacre, Candace	Discussed all PSC orders presented to board?
10:58:22 AM	Atty Hurt Cumberland District - witness Dyer Note: Sacre, Candace	Two people read every email?
10:58:28 AM	Atty Hurt Cumberland District - witness Dyer Note: Sacre, Candace	More communication something helpful to district?
10:58:49 AM	Atty Hurt Cumberland District - witness Dyer Note: Sacre, Candace	Discussed utilizing financial expertise?

10:58:58 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Technical expertise compliance with orders, rate studies?

10:59:09 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Utilizing counsel more frequent?

10:59:14 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Things be helpful to district?

10:59:18 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Things looking at?

10:59:26 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Intend present to board for approval?

10:59:35 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Feel more communication recently between board and folks of expertise, realize necessity?

10:59:48 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Opinion be helpful to district in future?

10:59:54 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Before testimony concludes, any corrections/additions to responses to Commission?

11:00:30 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Desirous of more training?

11:00:35 AM Atty Hurt Cumberland District - witness Dyer  
Note: Sacre, Candace Indicated something would welcome?

11:00:50 AM Chairman Chandler  
Note: Sacre, Candace Questions?

11:01:05 AM Chairman Chandler  
Note: Sacre, Candace Request along same lines as request around verified responses to data request, supplemental response, updated response for correction.

11:01:44 AM Chairman Chandler  
Note: Sacre, Candace Another witness?

11:01:47 AM Staff Atty Tussey PSC

11:02:13 AM Chairman Chandler  
Note: Sacre, Candace Witness is sworn.

11:02:19 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Examination. Name and address?

11:02:39 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Direct Examination. Have documents gave attorney?

11:02:50 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Anything else?

11:02:55 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace How long served on board of commissioners?

11:03:03 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Different positions?

11:03:09 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace How long as chairman?

11:03:13 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Two years?

11:03:19 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Chairman of board back in 2020?

11:03:41 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Recall you or any member sought legal counsel to file extension, original June 2021 in 2021-00188 case?

11:04:07 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Not speak to Jones or role in filing for extension?

11:04:22 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Speak with Mudd about filing rate case?

11:04:32 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Approximately when might have been?

11:04:37 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Have been noted in minutes?

11:04:43 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace If attended meetings June 2021, noted in board minutes?

11:04:53 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Have amount of time would like to speak with Dyer each week, mental agenda?

11:05:24 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Reach out to him, or he reach out to you?

11:05:38 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace At what point talk to other board members about it?

11:06:16 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Just take upon yourself to notify everybody issue come up?

11:06:30 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Dyer made correction regarding commissioner training?

11:06:43 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Ever attended training?

11:06:49 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Recall approximately when?

11:07:11 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Keep manager training records on file at district?

11:07:25 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Asked a few times, not gotten confirmation, Dyer said a few people attended, not able provide records, should have some at district?

11:08:04 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Packet in front of you first page minutes from meeting, Chairman asked Dyer about budget and operating loss?

11:08:38 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace According to Dyer, creates budget, presents to board, all approve it?

11:08:51 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace On first page, manager's report section, see that?

11:09:03 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Mention of pay raise for McCluskey for obtaining further training, approved?

11:09:21 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Next page, New Business, mention of another raise given, appears that approved?

11:09:48 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Next page includes cost of living raise in New Business, correct?

11:09:58 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Minutes are great in that can see what addressed and voted on, not real great on discussion, consideration giving raises when operating at a loss?

11:11:02 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Understand that, consider overall effect on budget, adjustments to cover those?

11:12:11 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Along with compensation and benefits, was information filed couldn't find record of fiscal court

11:13:00 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace When go back before fiscal court?

11:13:12 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Based on investigation, back before fiscal court, one reading?

11:13:25 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace If requested, be able to provide where stands?

11:13:40 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Take up health benefit issue?

11:14:01 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace What fiscal court decide do?

11:14:10 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Based on staff report, did bring to their attention?

11:14:27 AM Chairman Chandler- witness Norris  
Note: Sacre, Candace Examination. Clarify, Cary reappointed?

11:14:34 AM Chairman Chandler- witness Norris  
Note: Sacre, Candace At same meeting compensation received first reading?

11:14:49 AM Chairman Chandler- witness Norris  
Note: Sacre, Candace Term intended expire on Apr 1 2023?

11:15:12 AM Chairman Chandler- witness Norris  
Note: Sacre, Candace How that work?

11:15:29 AM Chairman Chandler- witness Norris  
Note: Sacre, Candace Fiscal court ever take up and vote?

11:15:35 AM Chairman Chandler- witness Norris  
Note: Sacre, Candace Has that occurred?

11:15:40 AM Chairman Chandler  
Note: Sacre, Candace Post-hearing data request confirm Cary's term.

11:15:41 AM POST-HEARING DATA REQUEST  
Note: Sacre, Candace CHAIRMAN CHANDLER - WITNESS NORRIS  
Note: Sacre, Candace CARY TERM OF OFFICE

11:16:00 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Direct Examination (cont'd). Last page is oath that Hieneman swore, recognize that?

11:16:23 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Usually keep with minutes?

11:16:36 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Is this the paper fill out when judge executive comes to meetings?

11:16:44 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Subsequent to that that fiscal court takes up vote?

11:17:16 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace As far as board concerned, treated oath as reappointment or initial appointment?

11:17:35 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Know the circumstances of her taking position on board difficult, Hieneman appointed to fill remainder of husband's term?

11:18:02 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Initial term length remainder of husband's?

11:18:10 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Recall if received compensation in 2021?

11:18:21 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Would have, or should have?

11:18:28 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace If requested documentation, able to provide that?

11:18:29 AM POST-HEARING DATA REQUEST  
Note: Sacre, Candace STAFF ATTY TUSSEY PSC - WITNESS NORRIS



Note: Sacre, Candace HIENEMAN COMPENSATION IN 2021

11:18:45 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Still not able attend new commissioner training?

11:19:14 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace If requested records, be able to double check for us?

11:19:30 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace With regard to auditors, know that in some minutes reference auditors, assist in annual report?

11:19:51 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Pay monthly do anything else?

11:19:58 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Solely prepare audit report and assist in annual report?

11:20:07 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Ever consult with them outside of that?

11:20:23 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace According to documents in rate case, response to Staff's First Request, Nov 2022, lease of DitchWitch, recall any discussion about a lease?

11:21:23 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Was this lease part of investment into newer equipment?

11:21:31 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Seek legal counsel before entering into lease?

11:21:45 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace Know that Commission has to approve certain types of financing?

11:22:01 AM Staff Atty Tussey PSC - witness Norris  
Note: Sacre, Candace When looking into investments into equipment, talk to attorney before making any indebtedness commitment?

11:22:33 AM Chairman Chandler  
Note: Sacre, Candace Questions?

11:22:37 AM Vice Chairman Hatton - witness Norris  
Note: Sacre, Candace Examination. Think district doing everything it can to fix policies so these things not happen?

11:23:28 AM Vice Chairman Hatton - witness Norris  
Note: Sacre, Candace What could be done?

11:23:57 AM Vice Chairman Hatton - witness Norris  
Note: Sacre, Candace Our role is to make sure customers get good service, adequate water, and reasonable rates, not to punish or berate, training accessible, Kentucky Rural Water Association help more?

11:25:08 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Examination. Working on Marrowbone project three or four years?

11:25:18 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace On board 12 years?

11:25:25 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace How long known was an issue?

11:26:48 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace How prioritize capital needs?

11:27:11 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace If had to prioritize needs, one to five, necessarily same list as far as prioritizing going after money or engineers finding pots of money and trying to find projects fit that profile?

11:28:23 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Why do other projects before Marrowbone?

11:28:30 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace May have been on list of top five or ten needs?

11:28:39 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace But easier to get money for?

11:29:08 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Only do federal projects one at a time?

11:29:27 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Does need for project drive conclusion, getting money, or available money and saying this fits this and this fits this?

11:29:44 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Identified years ago Marrowbone but couldn't find money for it?

11:30:04 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Walk me through every year audit showing net loss?

11:30:31 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Know number of years had loss?

11:30:42 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Ever had discussion of raising rates to cover expenses?

11:30:48 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace What was discussion like?

11:31:13 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace When do you have to?

11:31:34 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Not take lightly either, ultimately Commission that has to raise rates?

11:31:49 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace When necessary in your view?

11:32:09 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Agree can't pay bills waited too long?

11:32:15 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Can't pay bills, too late at that point?

11:32:25 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace In anticipation not being able pay bills?

11:32:32 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace When lost \$300,000 in 2020, not enough seek rate increase?

11:32:57 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace But lost money next year?

11:33:00 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Know if lost money in 2022?

11:33:10 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Have rates increased this year, expect to?

11:33:18 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Project at Marrowbone borrowing money or free money?

11:33:32 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Cost with that capital?

11:33:39 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Cost of using depreciation reserves be?

11:33:52 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace If recovered four-hundred-thousand-dollar number, could have used that money, propose raise rates, use that money for Marrowbone and not cost interest expense?

11:34:21 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Assume be happier the cheaper money the better?

11:34:38 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Who depend on have these discussions?

11:36:19 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	2020 Order approving financing, look at that, refinancing of \$1.57 million loan agreement with Kentucky Rural Water, review that?
11:36:46 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Not seen it firsthand?
11:36:55 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Ever discussion how much water loss costing?
11:37:05 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Expectation costing a year?
11:37:20 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	\$30,000 to \$40,000 a month?
11:37:25 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	How calculating?
11:38:04 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	At \$30,000 a month, \$360,000 a year, surprised in 2021 only spent \$403,000 on purchased water?
11:38:31 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Annual report, 2021 salaries \$311,000, purchased water \$403,000, more in water loss than spent in water altogether?
11:39:20 AM	Chairman Chandler Note: Sacre, Candace	Provide copy to Norris? (Click on link for further comments.)
11:39:54 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Page 3 of document, see says, reading (click on link for further comments)?
11:40:24 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	If reducing water loss from 40 percent down to 15, 25 percent of water loss \$47,000 a year, how only spending \$400,000 a year and water loss costing \$30,000 to \$40,000 a month?
11:41:23 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Water loss is a problem, but unless know what costing not know whether fix is worth it, not fix leak \$100 a month?
11:42:04 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Assume think only person has these problems, in majority, have zone meters throughout system?
11:42:47 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Compare when talking about fixes?
11:43:07 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Regardless how much costs?
11:43:23 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Million-dollar fix, only costing a hundred dollars let happen, not spend that amount of money?
11:43:31 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	If not know what costing you, how compare benefit verse cost to fix?
11:44:00 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Commission calculated what costing, unaware of that?
11:44:19 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	If told you water loss costing less than \$75,000 a year, change way approached issue?
11:44:56 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	May be case, assume cost of water loss is \$360,000 and \$480,000, if \$75,000 do what doing now?
11:45:27 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	If water loss costing \$400,000 a year, make sense to hire two people, buy truck, and dedicate to water loss?

11:45:51 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Only costing \$75,000, make sense?

11:46:09 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Get copy of inspection report conducted Oct of last year and Jan this year by PSC inspector?

11:46:27 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Given a report at time sent to district?

11:46:44 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Had reviewed inspection report prior to Dyer response in March?

11:46:59 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Aware of deficiencies prior to speaking to Dyer about report?

11:47:09 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Aware Deficiency 5 significant number of meters beyond ten years without inspected/replaced?

11:47:25 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Aware district required test/replace meters every ten years?

11:47:38 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Receive invoices for the testing?

11:47:46 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Sign checks invoice pay for testing?

11:47:52 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Had conversation as board member about Dyer concern around meters sending information through transponder meter reading zero even though meter identifying usage?

11:48:33 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace On list of priorities, where replacement of meters fall?

11:48:38 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Top five, top ten?

11:48:45 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Aware obligation test/replace every ten years, change priority?

11:48:54 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Have to borrow money replace meters?

11:49:01 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Got funds, can replace all 2700 meters and not borrow?

11:49:20 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Had conversation what type of meters move to?

11:49:26 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Tell me about conversations?

11:49:44 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Not want go back to paying meter readers/sending people out week at a time to read in person?

11:50:37 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Refer thefts for prosecution?

11:50:41 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Result of that?

11:51:00 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Approximate number of theft incidences?

11:51:25 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace Entered orders, been share with board in timely manner?

11:51:43 AM Chairman Chandler - witness Norris  
Note: Sacre, Candace What planning put in place communication continues, put anything in writing, formal policies, any been put in writing or given direction to put in writing?

11:52:23 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Expect be put in writing and adopted as policy?
11:52:28 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Who given direction to?
11:52:40 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Direction given on that front?
11:53:06 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Accountant and annual audit, have separate people?
11:53:26 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Discussion with Tussey about fiscal court, payment and salaries, law allows commissioners be paid certain amount?
11:53:43 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Permits a commissioner make more if undergo six hours of training?
11:54:02 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Chapter 74.020, cap on what commissioner make, allow pay more to commissioner if conduct six hours of training per year, up to \$3600 a year capped but if conduct training up to \$6000, not conveyed information to fiscal court about change in compensation?
11:55:00 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Incentive permitted by statute be a good direction to go?
11:55:31 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Think worth additional expense paid by ratepayers?
11:55:43 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Made determination engaging counsel more often and accountant throughout year?
11:55:54 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Saving that money may be pennywise and pound foolish?
11:56:07 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Thought to have somebody come in and talk quarterly or move accounting function to accountant?
11:57:02 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Capital plan, problems, solutions to problems, who depending on to identify capital needs and come up with plan through rates or loan money, who depending on to guide you?
11:57:48 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	With accounting side?
11:57:54 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Relationship with Monarch project by project?
11:58:10 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Engage them any other services?
11:58:37 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Got financial incentive to get funded?
11:58:48 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	Solution best for district, not best thing for engineer, what position leave you in?
11:59:06 AM	Chairman Chandler - witness Norris Note: Sacre, Candace	If wanted to do study, what best metering system, not one get financing, anticipation Monarch donate time do study or would you engage somebody for specific reason?
12:00:03 PM	Chairman Chandler - witness Norris Note: Sacre, Candace	May be Monarch, different fee structure?
12:00:17 PM	Chairman Chandler - witness Norris Note: Sacre, Candace	Monarch come to monthly meetings?
12:00:25 PM	Chairman Chandler Note: Sacre, Candace	Questions? (Click on link for further comments.)

12:00:32 PM	Chairman Chandler Note: Sacre, Candace	Recess until 12:10.
12:00:37 PM	Session Paused	
12:17:32 PM	Session Resumed	
12:17:36 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2022-00244.
12:17:38 PM	Chairman Chandler Note: Sacre, Candace	You may ask.
12:17:42 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Cross Examination. Dyer testimony, board looked at additional technical expertise?
12:18:17 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	What been considering regarding those things?
12:19:03 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Board be open to employing use of CPA or accountant?
12:19:19 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Utilizing folks with technical expertise something board intends to do?
12:19:30 PM	Atty Hurt Cumberland District Note: Sacre, Candace	Resolution presented to Fiscal Court. (Click on link for further comments.)
12:19:48 PM	Chairman Chandler Note: Sacre, Candace	Mark this as Cumberland District 1.
12:21:18 PM	Chairman Chandler Note: Sacre, Candace	Objection?
12:21:27 PM	Chairman Chandler Note: Sacre, Candace	Cumberland District Hearing Exhibit 1, copy of resolution? (Click on link for further comments.)
12:21:31 PM	CUMBERLAND DISTRICT HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY HURT CUMBERLAND DISTRICT - WITNESS NORRIS FISCAL COURT POSITION REGARDING CUMBERLAND COUNTY WATER DISTRICT BOARD PRACTICES RESOLUTION 2023-005 MAR 13 2023
12:22:10 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Cross Examination (cont'd). At Mar 13 2023 fiscal court meeting?
12:22:21 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Present to fiscal court request to adopt resolution acknowledging pay structure, health benefits plan?
12:22:37 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Fiscal court passed resolution?
12:22:46 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Resolution acknowledged aware of what Cumberland District currently doing?
12:23:04 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Address matter again approval of pay/benefits prospectively?
12:23:14 PM	Atty Hurt Cumberland District - witness Norris Note: Sacre, Candace	Reappointment of commissioners, previously appointed/reappointed, not reappointed for this term, the next year?
12:23:40 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
12:23:46 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
12:23:58 PM	Staff Atty Tussey PSC - witness Vibbert Note: Sacre, Candace	Mark Vibbert.

12:24:12 PM Chairman Chandler  
Note: Sacre, Candace Witness is sworn.

12:24:19 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Examination. Name and address?

12:24:33 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Direct Examination. How long served on board?

12:24:43 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace When term end?

12:24:50 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Any discussion of reappointment?

12:25:02 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Requests for information, not able find training records for commissioners?

12:25:17 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Attended training ever as commissioner?

12:25:27 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Recall when was?

12:25:38 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Not attended any since that time?

12:25:44 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace Had opportunity review orders issued in this case?

12:26:01 PM Staff Atty Tussey PSC - witness Vibbert  
Note: Sacre, Candace As far as email notifications, communications from Dyer, had more since initiation of this case?

12:26:16 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Questions?

12:26:22 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Examination. Provided response in this case?

12:26:28 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Not know about obligation file rate case within year?

12:26:48 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Mudd appeared, anybody from Monarch appeared district board in 11 months between middle of 2020 and Jun 2021?

12:27:12 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Remember who talking to board about refinancing?

12:27:27 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Attorney Jones came to meeting talk refinancing?

12:27:37 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace After refinancing done or only ahead of it?

12:27:48 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Aware of email address board needs to make sure communication on file with Commission?

12:27:58 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Generally aware now?

12:28:02 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Know district had email address?

12:28:19 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Manager turned over since on board?

12:28:23 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Have expectation one of things manager did, watch inbox?

12:28:34 PM Chairman Chandler - witness Vibbert  
Note: Sacre, Candace Ever been conveyed to manager, discussion about it?

12:28:50 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Ever had job where not clear what expectations bosses have for you?
12:29:01 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Have appreciation may not be easiest situation be in, expected to know them?
12:29:11 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	When do annual reviews, set expectations for following year anything other than water loss?
12:29:44 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Have conversations best use of money, if get a loan best use of money?
12:30:43 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Customer of district?
12:30:45 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Family, friends part of Albany or get water from Burkesville or anywhere else in Cumberland County?
12:31:06 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	All water utilities need pipe, meters, meter reader, number of thing consistent across all utilities, ever had discussions about purchasing meter together to get better deal or supplies, anything like that, had conversations?
12:31:58 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Merging, needed new manager, 2700 people in system not a lot, small counties, number of other water utilities in area, perspective how run, benefit person manage them manage both utilities, split salary?
12:33:24 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Come up at all, no discussion, no looking outside find ways to reduce costs?
12:33:30 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	What's your perspective, curious what personal perspective is?
12:34:22 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Be surprised to know quite a few water districts cover more area than Cumberland County?
12:34:32 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Lot of multicounty water districts?
12:34:42 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	What feel like reason not find replacement would stick with it?
12:35:25 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Looked at making that easier?
12:35:46 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Not on call fix things in field and run finances?
12:36:00 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Take position should have known district under obligation file rate case?
12:36:33 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Heard term plausible deniability, "please don't tell me anything because I don't want to know so I can't be held. . ." is that perspective you take, your job or somebody else's job to tell you?
12:36:55 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Had you, in writing or conversation or course of conduct, made it clear to people expected to tell you that was the expectation?



12:37:07 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Who was person you made it clear they should tell you about this, and how did you do that?
12:37:23 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	How conveyed to him his obligation to tell you?
12:37:39 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Nobody at district have had responsibility to know?
12:37:56 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	If know at Commission and know doing something, at what point district obligation ask what conclusion was?
12:38:30 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	Who in charge controlling attorney, who liaison between board and board's attorney?
12:38:42 PM	Chairman Chandler - witness Vibbert Note: Sacre, Candace	He knows that, you are person dealing with counsel, conveyed that adequately?
12:39:09 PM	Chairman Chandler Note: Sacre, Candace	Questions?
12:39:18 PM	Atty Hurt Cumberland District - witness Vibbert Note: Sacre, Candace	Recross Examination. Working on better understanding of role everybody play at district?
12:39:28 PM	Atty Hurt Cumberland District - witness Vibbert Note: Sacre, Candace	Maybe you should be asking question, not know that, precisely who do what and what are responsibilities?
12:40:02 PM	Atty Hurt Cumberland District - witness Vibbert Note: Sacre, Candace	Understand board responsible, the buck stops here, things work best when work hand in hand?
12:40:31 PM	Chairman Chandler Note: Sacre, Candace	Anything else, counsel? (Click on link for further comments.)
12:40:37 PM	Chairman Chandler Note: Sacre, Candace	Other witnesses? (Click on link for further comments.)
12:40:41 PM	Chairman Chandler Note: Sacre, Candace	Anything else? (Click on link for further comments.)
12:40:45 PM	Chairman Chandler Note: Sacre, Candace	Like to call anybody? (Click on link for further comments.)
12:40:51 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests/responses. (Click on link for further comments.)
12:43:51 PM	Chairman Chandler Note: Sacre, Candace	Anything else need to take up today? (Click on link for further comments.)
12:43:57 PM	Chairman Chandler Note: Sacre, Candace	Cary reappointment, minutes. (Click on link for further comments.)
12:44:59 PM	Chairman Chandler Note: Sacre, Candace	Anything else, counsel, any questions? (Click on link for further comments.)
12:45:03 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
12:45:18 PM	Session Ended	



## Exhibit List Report

2022-00244 04Apr2023

**Cumberland County Water District  
(Cumberland District)**

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<b>Name:</b>	<b>Description:</b>
CUMBERLAND DISTRICT HEARING EXHIBIT 1	FISCAL COURT POSITION REGARDING CUMBERLAND COUNTY WATER DISTRICT BOARD PRACTICES RESOLUTION 2023-005 MAR 13 2023
PSC STAFF EXHIBIT 1	PSC PERIODIC COMPLIANCE INSPECTION CUMBERLAND COUNTY WATER DISTRICT DATES OF INSPECTION 10/12/2022 AND 1/31/2023
PSC STAFF EXHIBIT 2	CUMBERLAND COUNTY WATER DISTRICT PERIODIC WATER INSPECTION DEFICIENCIES RESPONSE MAR 28 2023

**FISCAL COURT POSITION REGARDING CUMBERLAND COUNTY WATER  
DISTRICT BOARD PRACTICES**

**RESOLUTION 2023-005**

**March 13, 2023**

WHEREAS, the Cumberland County Fiscal Court has been requested by the Cumberland County Water District Board to formally recognize existing benefits; and

WHEREAS, the Cumberland County Water District Board has, at least since 2007, provided board members with a \$25 stipend for being called into the office, the \$75 per board member per meeting pay, and the option for board members to be covered on the company's health insurance plan paid up to 80%.

NOW, THEREFORE, be it resolved by the fiscal court of county of Cumberland, Commonwealth of Kentucky:

The Cumberland County Fiscal Court hereby acknowledges the current practices of the Cumberland County Water District Board and further recognizes that these practices have been active since at least 2007. The Cumberland County Fiscal Court respects the right of the water district board to design their own internal practices and encourages this board and all others to always consider the taxpayers' interest as well as both short and long-term implications of all internal policies and procedures.

  
\_\_\_\_\_  
Cumberland County Judge Executive

ATTEST:

  
\_\_\_\_\_  
Cumberland County Court Clerk

Date: 3/13, 2023

**CUMBERLAND DISTRICT HEARING  
EXHIBIT 1**

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Utility: Cumberland County Water District

Utility location: Cumberland County

Investigator: Taylor Stamper

Date(s) of inspection: 10/12/2022, 1/31/23

Date(s) of last inspection: 8/7/2019

Deficiencies noted during last inspection:

1. Utility has not submitted its Quarterly Meter Reports as required by 807 KAR 5:006, Section 25(2)(3).
2. Utility did not have monthly written inspection records as required by 807 KAR 5:006, Section 26(6)(c).
3. Utility is not conducting safety meetings and is not cpr certified as required in 807 KAR 5:006, Section 25(2)(3).
4. Utility is failing to operate its facilities so as to provide adequate and safe service to its customers as required by 807 KAR 5:066, Section 7, due to water loss exceeding 15 percent.

Have deficiencies been corrected since last inspection: Yes  No  N/A

Primary utility representative(s) involved with inspection:

Name: Matthew Dyer\_\_

Title: Office Manager

**Who with the utility should receive the inspection report cover letter from the commission?**

Name: Matthew Dyer

Title: Office Manager\_\_

Mailing address: 133 Lower River St. Burkesville 42717 .

Email address: \_\_\_\_\_ Phone number: \_\_\_\_\_

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### General Questions

#### Treatment Facility

Source Water:

Plant Capacity:

Avg. Amount Produced:

#### Distribution Facility

Source Water: City of Albany, City of Burkesville

Area of Operation: Cumberland County

Miles of Water Line: 600

Avg. Amount Purchased: 16,000,000

Water sold at wholesale rate to other water systems:

#### Utility Information

Number of Employees: 9

Number of Office Employees: 3

Number of Certified Water Treatment Employees:

Number of Certified Distribution Employees: 4

Number of Certified Meter Testers: 3

Utility Chairperson/President: Troy Norris

#### Metering System:

Number of Customers: 2700

Meter Reading:

AMR

AMI

Other

Manual

Type of meter used for customers: Pearcy

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Contractor(s): Employed by Utility

### Review Current Emergency Response Plan (ERP):

Has the utility made any revisions to the ERP in the past 24 months?

Yes

No

N/A

When the last year construction was performed?  
2020

What did the construction project consist of? HWY 704 redone

### 807 KAR 5:006 (General Rules)

#### Section 4: Reports

Has the utility filed its gross annual operating revenue report?

Yes

No

N/A

Does the utility file Quarterly Meter Reports (QMR) indicating meter tested, number of customers, and amount of refunds?

Yes

No

N/A

#### Section 7: Billings, Meter Readings, and Information

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

The date the bill was issued:

Yes

No

N/A

Class of service:

Yes

No

N/A

Present and last preceding meter readings:

Yes

No

N/A

Date of the present reading:

Yes

No

N/A

Number of units consumed:

Yes

No

N/A

Meter constant, if applicable:

Yes

No

N/A

Net amount for service rendered:

Yes

No

N/A

All taxes:

Yes

No

N/A

Adjustments, if applicable:

Yes

No

N/A

The gross amount of the bill:

Yes

No

N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

The date after which a penalty may apply to the gross amount: Yes  No  N/A

If the bill is estimated or calculated: Yes  No  N/A

Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes  No  N/A

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes  No  N/A

Publishing it in a newspaper of general circulation once each year:  
Yes  No  N/A

Mailing it to each customer once each year; or: Yes  No  N/A

Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates: Yes  No  N/A

Does the utility (except if prevented by reasons beyond its control) read customer meters at least quarterly? Yes  No  N/A

Is each customer-read meter read manually, at least once during each calendar year?  
Yes  No  N/A

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

If, due to reasons beyond its control, a utility is unable to read a meter in accordance with this subsection, does the utility record the date and time the attempt was made, if applicable, and the reason the utility was unable to read the meter? Yes  No  N/A

### Section 9: Non-recurring Charges

Is a charge assessed if a customer requests the meter be tested pursuant to Section 19 of this administrative regulation and the tests show the as-found meter accuracy is within the limits established by 807 KAR 5:066, Section 15(2)(a)? Yes  No  N/A

### Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?

Yes  No  N/A

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

Does the record include the following?

# Kentucky Public Service Commission

## Periodic Compliance Inspection

The customer's name and address: Yes  No  N/A

The date and nature of the complaint: Yes  No  N/A

The disposition of the complaint: Yes  No  N/A

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

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

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

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

### Section 11: Bill Adjustment

Does the utility monitor a customer's usage at least quarterly? Yes  No  N/A

Are the utility's procedures designed to draw the utility's attention to unusual deviations in a customer's usage?  
Yes  No  N/A

If a customer's usage is unduly high and the deviation is not otherwise explained, will the utility test the customer's meter?  
Yes  No  N/A

If a utility's procedure for monitoring usage indicates that an investigation of a customer's usage is necessary, does the utility notify the customer in writing?  
Yes  No  N/A

If knowledge of a serious situation requires more expeditious notice, does the utility notify the customer by the most expedient means available?  
Yes  No  N/A

If the meter shows an average meter error greater than two (2) percent fast or slow, does the utility maintain the meter in question at a secure location under the utility's control, for a period of six (6) months from the date the customer is notified of the finding of the investigation and the time frame the meter will be secured by the utility or if the customer has filed a formal complaint?  
Yes  No  N/A

### Section 14: Utility Customer Relations

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



# Kentucky Public Service Commission

## Periodic Compliance Inspection

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?

Yes  No  N/A

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

Yes  No  N/A

If the utility has annual operating revenues of less than \$250,000 does it make a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) days per week?

Yes  No  N/A

Does the utility provide the following?

Maintain a telephone: Yes  No  N/A

Publish the telephone number in all service areas: Yes  No  N/A

Permit all customers to contact the utility's designated representative without charge: Yes  No  N/A

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

Yes  No  N/A

Does the utility inspect the condition of its meter and service connections before making service connections to a new customer so that prior or fraudulent use of the facilities shall not be attributed to the new customer?

Yes  No  N/A

### Section 17: Meter Testing

Does the utility maintain meter standards and test facilities, as more specifically established in 807 KAR 5:066?

Yes  No  N/A

Before being installed for use by a customer, are all meters tested and in good working order (and adjusted as close to the optimum operating tolerance as possible) as more specifically established in 807 KAR 5:066, Section 15(2)(a)-(b)?

Yes  No  N/A

Does the utility have all or part of its testing of meters performed by another utility or agency?

Yes  No  N/A

Does the utility or agency doing meter testing for a utility have in its employ meter testers certified by the commission?

Yes  No  N/A

Does the utility or agency employ apprentices in training for certification as meter testers?

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Are all tests performed during this period by an apprentice witnessed by a certified meter tester?

Yes  No  N/A

### Section 18: Meter Test Records

Does the utility maintain a complete record of all meter tests and adjustments and data sufficient to allow checking of test calculations?

Yes  No  N/A

Do the records include the following?

Information to identify the unit and its location: Yes  No  N/A

Date of tests: Yes  No  N/A

Reason for the tests: Yes  No  N/A

Readings before and after test: Yes  No  N/A

Statement of "as found" and "as left" accuracies sufficiently complete to permit checking of calculations employed: Yes  No  N/A

Statement of repairs made, if any: Yes  No  N/A

Identifying number of the meter: Yes  No  N/A

Type and capacity of the meter: Yes  No  N/A

Does the utility maintain a complete record of tests of each meter continuous for at least two (2) periodic test periods and shall in no case be less than two (2) years? Yes  No  N/A

Does the utility maintain numerically arranged and properly classified records for each meter that it owns, uses, and inventories? Yes  No  N/A

Do these records include the following?

Identification number: Yes  No  N/A

Date of purchase: Yes  No  N/A

Name of manufacturer: Yes  No  N/A

Serial number: Yes  No  N/A

Type: Yes  No  N/A

Name and address of each customer on whose premises the meter has been in service with date of installation and removal: Yes  No  N/A

Do these records contain condensed information concerning all tests and adjustments including dates and general results of the adjustments? Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Do these records reflect the date of the last test and indicate the proper date for the next periodic test?

Yes  No  N/A

### Section 19: Request Tests

Does the utility make a test of a meter upon written request of a customer if the request is not made more frequently than once each twelve (12) months?

Yes  No  N/A

Does the utility afford the customer the opportunity to be present at the requested test?

Yes  No  N/A

If the tests show the as-found meter accuracy is within the limits allowed by 807 KAR 5:066, Section 15(2)(a), does the utility may make a reasonable charge for the test?

Yes  No  N/A

Has the utility filed a tariff (commission approved) establishing a meter test charge?

Yes  No  N/A

### Section 20: Access to Property

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

Yes  No  N/A

### Section 23: System Maps and Records

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

Yes  No  N/A

Is the map or maps available in electronic format as a PDF file or as a digital geographic database?

Yes  No  N/A

Is following data available on the map or maps?

Operating districts:

Yes  No  N/A

Rate districts

Yes  No  N/A

Communities served:

Yes  No  N/A

Location and size of distribution lines, and service connections:

Yes  No  N/A

### Section 24: Location of Records

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

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 25: Safety Program

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes  No  N/A

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

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees:

Yes  No  N/A

Instruct employees in safe methods of performing their work? Yes  No  N/A

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

Yes  No  N/A

### Section 26: Inspection of Systems

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

Water utility inspections. Each water utility shall make systematic inspections of its system as established in paragraphs (a) through (c) of 807 KAR 5:006 Section 26(6) to insure that the commission's safety requirements are being met. These inspections shall be made as often as necessary but not less frequently than as established in paragraphs (a) through (c) of 807 KAR 5:006 Section 26(6) for various classes of facilities and types of inspection.

The utility shall annually inspect all structures pertaining to source of supply for their safety and physical and structural integrity.

Does the utility inspect the structures listed below?

Dams Yes  No  N/A

Intakes Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Traveling screen Yes  No  N/A

Does the utility semiannually inspect the structures listed below?

Wells Yes  No  N/A

Well motors and structures Yes  No  N/A

Electric power wiring and controls Yes  No  N/A

The utility shall annually inspect all structures pertaining to purification for their safety, physical and structural integrity, and for leaks.

Does the utility annually inspect the structures listed below?

Sedimentation basins Yes  No  N/A

Filters Yes  No  N/A

Clear Wells Yes  No  N/A

Chemical feed equipment Yes  No  N/A

Pumping equipment Yes  No  N/A

Water storage facilities Yes  No  N/A

Hydrants Yes  No  N/A

Mains Yes  No  N/A

Meters Yes  No  N/A

Meter settings Yes  No  N/A

Valves Yes  No  N/A

Does the utility monthly inspect the equipment listed below for defects, wear, operational hazards, lubrication, and safety features?

Construction equipment Yes  No  N/A

Vehicles Yes  No  N/A

### Section 27: Reporting of Accidents, Property Damage, or Loss of Service

Within two (2) hours following discovery does the utility notify the commission by telephone or electronic mail of a utility related accident that results in the following:

Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Actual or potential property damage of \$25,000 or more: Yes  No  N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less: Yes  No  N/A

Are summary written reports submitted by the utility to the commission within seven (7) calendar days of the utility related accident? Yes  No  N/A

### Section 28: Deviations from Administrative Regulation:

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

## 807 KAR 5:011 (Tariffs)

### Section 12: Posting tariffs, Administrative Regulations, and Statutes

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

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

### Section 13: Special Contracts

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

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

## 807 KAR 5:066 (Water)

### Section 2: Information Available to Customers:

Does the utility provide the information listed below to any customer upon request?

A description in writing of chemical constituents and bacteriological standards of the treated water as required by the Division of Water Yes  No  N/A

Schedule of rates for water service Yes  No  N/A

Method of reading meters Yes  No  N/A

Past readings of a customer's meter for a period of two (2) years

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Yes  No  N/A

### Section 3: Quality of Water

Is the utility in compliance with the Division of Water?

Yes  No  N/A

### Section 4: Continuity of Service

Does the utility immediately notify the fire chief if an emergency interruption of service affects service to any public fire protection device?

Yes  No  N/A

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

Yes  No  N/A

Does the utility have standby pumps capable of providing the maximum daily pumping demand?

Yes  No  N/A

Does the utility's minimum storage capacity equal the average daily consumption?

Yes  No  N/A

Does the utility keep a record of all interruption?

Yes  No  N/A

Does the record contain the information listed below?

Cause of interruption

Yes  No  N/A

Date

Yes  No  N/A

Time

Yes  No  N/A

Duration

Yes  No  N/A

Remedy and steps taken to prevent recurrence

Yes  No  N/A

### Section 5: Pressure

Does the customer's service pipe under normal conditions fall below thirty (30) psig or static pressure exceed 150 psig?

Yes  No  N/A

Does the utility have one (1) or more recording pressure gauges to make pressure surveys?

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Is the utility maintaining one (1) or more of these recording pressure gauges at some representative point on the utility's mains at a minimum of one (1) week per month in continuous service?

Yes  No  N/A

Is the utility, at least once annually, making a survey of pressures in its distribution system?

Yes  No  N/A

### Section 6: Water Supply Measurement

Has the utility installed a measuring device at each source of supply?

Yes  No  N/A

### Section 7: Standards of Construction

Is the utility failing to operate its facilities so as to provide adequate and safe service to its customers due to water loss exceeding 15 percent?

Yes  No  N/A

### Section 8: Distribution Mains

Are dead ends provided with a hydrant, flushing hydrant, or blowoff for flushing purpose?

Yes  No  N/A

### Section 9: Service Lines

Does the utility inspect the customer's service line?

Yes  No  N/A

Does the utility substitute its inspection for the proof of an inspection done by the appropriate state or local plumbing inspector?

Yes  No  N/A

### Section 13: Measurement of Service

Does the utility meter all water sold?

Yes  No  N/A

Does the utility have any flat water rates?

Yes  No  N/A

Has the utility adopted a standard method of installing meters and service lines?

Yes  No  N/A

### Section 15: Accuracy requirement of Water Meters

Are all new meters, and any meter removed from service for any cause tested for accuracy prior to being placed into service?

Yes  No  N/A

Do the meters tested register within the accuracy limits specified in 807 KAR 5:066, Section 15 (2)(a)?

Yes  No  N/A

### Section 16: Periodic Tests



# Kentucky Public Service Commission

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## Periodic Compliance Inspection

Is the utility testing all water meters so that no meter remains in service without testing for a period longer than specified by the table in 807 KAR, Section 16 (1)?      Yes       No       N/A

### Section 17: Water Shortage Response Plan

Has the utility submitted a copy of its Water Shortage Response Plan with the Commission?      Yes       No       N/A

### Section 18: Deviations from Administrative Regulation:

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

## 807 KAR 5:095 (Fire Protection Service for Water Utilities)

### Section 9

Does the utility allow a utility to withdraw water from its distribution system for fire protection and training purposes at no charge?      Yes       No       N/A

Does the utility require a fire department to submit quarterly reports demonstrating its water usage?      Yes       No       N/A

Does the utility's tariff state the penalty to be assessed for failure to submit water usage reports?      Yes       No       N/A

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Review of Facilities:

1.

**Tank:**

**Capacity:**

**Condition:**

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2.

**Tank:**

**Capacity:**

**Condition:**

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3.

**Tank:**

**Capacity:**

**Condition:**

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4.

**Pump Station:**

**Condition:**

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5.

**Pump Station:**

**Condition:**

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6.

**Pump Station:**

**Condition:**

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# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Deficiency(ies)

Utility has not adopted and executed a safety program appropriate to the size and type of it's operations

Utility is not instructing their employees who in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Utility has not submitted its Quarterly Meter Report as required by 807 KAR 5:006, Section 4(4)

Utility is failing to operate its facilities so as to provide adequate and safe service to its customers as required by 807 KAR 5:066, Section 7 due to water loss exceeding 15 percent.

Utility has customers with one inch and smaller meters that have been in service for 10 years without being tested as required in 807 KAR 5:066 section 16 (1)

### Additional Inspector Comments

Utility did not timely cooperate with my inspections by withholding documentation requested. Information was requested for an inspection set to take place on 10/10/2022, however no documentation was provided until 1/31/2023.

Water Loss 35.21% (2022), Water loss(2019) 34.64%

Meter Bench out of certification. No meter testing should be done until test bench is recertified.

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

Report by:

Date: 2/15/2023

*Taylor Stamper*

Taylor Stamper

Utility Regulatory & Safety Investigator

Kentucky Public Service Commission

**CUMBERLAND COUNTY WATER DISTRICT**  
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**EMAI: [cwateroffice@yahoo.com](mailto:cwateroffice@yahoo.com) / [cumberlandcowater@gmail.com](mailto:cumberlandcowater@gmail.com)**  
**DISTRIBUTION CENTER: 186 Water Plant Road, Burkesville, KY 42717**  
**AFTER HOURS 270/459-2970**

March 28, 2023

**Kentucky Public Service Commission Periodic Water Inspection Deficiencies Response:**

- **Deficiencie #1, Utility has not adopted and executed a safety program appropriate to the size and type of its operations:**

Cumberland County Water District takes full responsibility for the lack of an adequate employee safety program. Research is currently being done in order to establish and implement said program.

- **Deficiencie #2, Utility is not instructing their employees, who in the course of their work, are subject to hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration:**

The renewal of CPR certification for Cumberland County Water District employees is currently in the scheduling process. CPR training has been obtained in the past. however recertification was failed to be scheduled and completed.

- **Deficiencie #3, Utility has not submitted its Quarterly Meter Report as required by 807 KAR 5:006, Section 4(4):**

The Cumberland County Water District is willing to resume the submittal of quarterly meter reports and requests guidance from the Public Service Commission on how to effectively do so.

- **Deficiencie #4, Utility is failing to operate its facilities so as to provide adequate and safe service to its customers as required by 807 KAR 5:066, Section 7 due to water loss exceeding 15 percent:**

The Cumberland County Water District has made and continues to make every known effort to lower its water loss percentage. The District currently has 19 master meters in our system which are read and the usage calculated daily. The District utilizes the KRWA resources frequently in order to help locate hard-to-find leaks. All District employees are trained in leak detection methods in which they utilize daily. The Districts water loss and leak detection efforts are thoroughly discussed and reviewed at every Board meeting, twice per month. The District will continue to do everything they know to do, as well as continue to brainstorm and put into practice new ways to lower our water loss percentage.

- **Deficiencie #5, Utility has customers with one inch and smaller meters that have been in service for 10 years without being tested as required in 807 KAR 5:066, Section 16(1):**

The Cumberland County Water District have been working and continue to work to ensure that all meters, one inch or smaller that are 10 years old or greater are taken out of service and properly tested.

Matthew Dyer,  
CCWD General Manager

A handwritten signature in black ink, appearing to read "Matthew Dyer", with a large, sweeping flourish that loops back under the name.

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