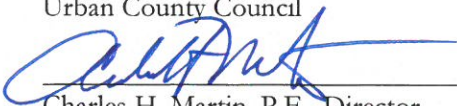




TO: Mayor Jim Gray  
Urban County Council

FROM :   
Charles H. Martin, P.E., Director,  
Division of Water Quality

DATE: February 5, 2018

SUBJECT: Stipulated Penalty Assessment - \$28,000.00  
Consent Decree #5:06-cv-386  
Sanitary Sewer Overflows (SSOs) = Post CMOM Approval

### Request

Authorizing and directing the Mayor to authorize payment of \$14,000 each to the Kentucky State Treasurer and the U.S. Department of Justice for Sanitary Sewer Overflows (SSOs) in accordance with the provisions of Paragraph 44(ii) of the Consent Decree between LFUCG, The Commonwealth of Kentucky (state) and the U.S. Environmental Protection Agency (EPA).

### Purpose of Request

In the Consent Decree, LFUCG agreed to pay stipulated penalties of \$2,000 per SSO for any SSO that occurs more than two (2) years after approval of the required Capacity, Management, Operations and Maintenance (CMOM) Self-Assessment submittal. The CMOM Self-Assessment submittal was approved by the state and EPA on August 16, 2012. In calendar year 2016, Lexington experienced 14 SSOs subject to the penalty provisions under Paragraph 44.D.ii of the Consent Decree.

### What is the cost in this budget year and future budget years?

The current cost for FY18 is \$28,000 and covers SSOs for calendar year 2016. The historical summary of penalties is provided below:

Penalty Period	Penalty Amount	Council Action
Aug 17, 2015 – Dec. 31, 2016	\$102,000	Res. 45-2017
Calendar Year 2016	\$28,000	Pending



**Are the funds budgeted?**

Funds are available in 4002-303401-3401-78321

**Director/Commissioner:** Martin/Hoskins-Squier

