

2012-00288

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JUL 30 2012

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COMMISSION

Attn:

Mr. Sam Reid

Re Case # 201200288

Please see the enclosed copy of Kicksville Water Assoc. board meeting minutes that consist of the board approval of the rate increase that KWA needs because of the rate increase passed down from Richmond Utilities.

Thank You  
Bobby W Powell  
Manager KWA  
July 26, 2012

Minutes of the Commissioner's Meeting  
Kirksville Water Association  
July 18, 2012

The Board of Commissioners met Wednesday, July 18, 2012 at 4:00 p.m. in the conference room of the Kirksville Water office building.

Commissioners present included: Billy May, Chair  
Carl Turner, Vice-Chair  
Russell Ross, Jr., Treasurer  
Armon Sanders, Secretary  
Wayne Long

Others present: Kerry Odle-CMW engineer, Jud Patterson-attorney, Bobby Powell-manager for KWA, David Smith CPA, and Pam Bengel

#### MINUTES

The minutes were reviewed from July. Carl Turner made a motion to accept the minutes, Russell Ross, Jr. seconded, and motion carried 5-0.

#### FINANCIAL STATEMENT

David Smith reviewed the financial statement for June. This was a good month, but the numbers are deceiving. KWA had the highest sales in its history this month. The monthly fee to Madison Co. Utilities is not included in this month because it was paid in July. There will be two payments in July. An advertising fee that is done once a year is included this month. Also a charge to Kentucky Printing for election ballots once a year in on the June statement. The annual fee to the Public Service Commission is also part of the June expenses.

#### MASTER METER LID

Jud Patterson has not heard from the company and is going to pursue the issue.

#### RICHMOND CENTRE

The easement has been signed and recorded, but Bobby Powell has still not received a copy of the plat.

#### SERVICE FEES

The service charges are all approved and now in effect. Jud Patterson said all rates and charges should be posted in the front office.

#### RATE INCREASE

Richmond Utilities has approved a rate increase of 3%. Carl Turner moved to accept the rate increase which KWA will pass through to members. This will make the minimum bill \$17.16/2,000 gallons of water. Bobby Powell asked Jud Patterson to ask Scott Althaus for an official letter stating the new rate as they have done in the past.

#### PUMP STATION PIPE

Kerry Odle reported on the deteriorating pipe in the pump station. He recommended it be replaced with Class 53 ductile iron pipe. The rep reported that we even have damage in the "T" joints which he had never seen before and indicated that perhaps something in the water was damaging the pipe. Mr. Odle stated that a pump would need to be bought to put outside for the bypass while the work is being done.

The estimated cost would be \$20-25k. The project would take approximately 1 ½ to 2 weeks to complete. All materials and supplies need to be on hand before starting. We are talking about doing the Barnes Mill pump station because it is the most critical, but the Curtis Pike station is also bad. Armon Sanders asked if the work could be done in sections and at night during low usage so as not to need the bypass pump. Kerry Odle said he would explore that option to discuss at the next meeting. That option could eliminate up to a third of the cost. Kerry noted we are replacing just the pipe, not the actual pump. Bobby Powell asked if they might want to replace the valves also while in there since they are old and often go bad. Kerry will study it and bring plans and sketches to the next meeting. Bobby Powell also noted that the legal requirement must be kept in mind of supplying water to Kirksville School.

#### REFINANCE

After discussion with local banks, the Board decided the best option for refinance was with Morgan, Keegan, and Company who financed through Kentucky Rural Water Association. KWA would have the same payoff date but the payment would be less. If the \$447,000 and the \$213,000 loans are refinanced at the lower interest rate, it could save the Association \$100,000 in interest. Kerry Odle will set up a meeting with one of their associates to discuss this option.

#### GPS

The GIS information is loaded onto the office computer, but it is set to become unusable in 30 days without a contract. Jud Patterson maintains the data is ours. We paid to collect it. There is some value in having them maintain it, but it is not worth what they asked and next time they need to pay to collect it. KWA could make them an offer for what we think it is worth. Bobby Powell said we do not want to participate when they fly the area to update the maps as that is very expensive and of little or no benefit to us.

#### GENERAL

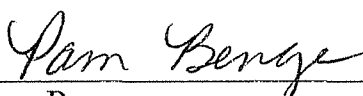
The Annual meeting will have a small crowd. There is only one candidate.

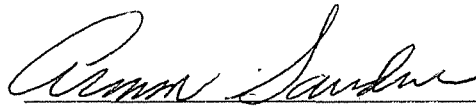
The bills were reviewed. Wayne Long moved to approve them as submitted, Armon Sanders seconded, and motion carried 5-0.

Insurance reimbursed \$3,600 of \$4,200 in damages when we had electrical damage. The meter base is also in bad shape and getting water in it. It will also be replaced.

The meeting adjourned at 6:00 p.m.

Respectfully Submitted,

  
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Pam Bengze

  
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Armon Sanders, Secretary

Date: 7-23-2012