

Morgan County Water District
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Roy Collett, Chairman Holli Litteral, Secretary/Treasurer Steve Keeton William Holbrook Donnie Gunnell
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RECEIVED

MAR 24 2014

PUBLIC SERVICE
COMMISSION

March 18, 2014

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
PO Box 615
Frankfort, KY 40602

Re: Morgan County Water District
PWA Case No. 2014-00075

Dear Mr. Derouen:

Please be advised that the Morgan County Water District was advised of the rate increase from the City of West Liberty on January 13, 2013. Please find attached a copy of the minutes of the regularly scheduled board meeting on January 13, 2013 where the increase was presented and the board authorized the proposed pass-through rate increase. Should you need additional information please don't hesitate to contact me.

Sincerely,



Kyle Risner, General Manager

Attachment

The Morgan County Water District is an equal opportunity provider and employer.

**Morgan County Water District
Regular Board Meeting
Monday, February 10, 2014**

The regular monthly meeting of the MCWD was held on Monday, February 10, 2014 beginning at 4:30 p.m. at the office. The following were in attendance: Board Members: Roy Collett, Holli Litteral, Donnie Gunnell, and William Holbrook; MCWD Staff: Kyle Risner, Steve Pelfrey, and Chernell Holbrook; Engineering Staff: Larry Cann; AML Staff: Mark Meade

Chairman Roy Collett called the meeting to order and welcomed all present. At 4:30 p.m. Mr. Collett called for a closing of anymore bid acceptance. The board began by opening the Contract 2 Spaws Creek Water Storage Tank bids. There were three bidders for this project; KY Glass Lined Tanks in the amount of \$289,498.00, Caldwell Tanks in the amount of \$440,000.00 for welded tanks and \$450,000.00 for a glass lined tank, and lastly American Structures, Inc. in the amount of \$368,177.00. Apparent low bidder was KY Glass Lined Tanks. Next the board opened Contract 1 Phase 14 AML Water Line Extension bids. There were five bidders for this project; Frederick and May Construction with the amount of \$1,125,829.00, G&W Construction in the amount of \$1,096,930.96, Conhurst, LLC in the amount of \$1,418,141.25, BP Pipeline in the amount of \$1,268,112.50, and lastly Atkins Excavating in the amount of \$1,307,750.00. G&W Construction were the apparent low bidders. The board agreed to call a special meeting on February 24, 2014 to award the contracts to both contractors. Mr. Collett dismissed anyone that would like to leave before discussing new business for MCWD.

Mr. Collett called for a motion to approve and accept the minutes of January 13, 2014. After the board reviewed the minutes Holli Litteral made a motion to approve the minutes. William Holbrook seconded motion. Motion carried.

First item on the agenda was Phase 14 AML Water Line Extension. At present time the deed had not been signed by Morgan County Extension Agency for the pump station location. Mr. Pelfrey told the board that he had two right of way easements that were still awaiting signatures. It was also discussed that any trees that were located in or around the water storage tank site must be removed prior to March 31, 2014 due to the lively hood of bats. Mr. Pelfrey told the board he would take care of removing any trees in this location.

Second item on the agenda was the Rural Development payment update. Kyle told the board that he has spoken with Mr. Douglas Hoff and the numbers he had given MCWD was only an estimate. He had thought we paid more on our previous July payment than what had been paid. After going through our paperwork, Kyle found the July payment and calculated it with the amount taken out on January 1, 2014. The amount was correct in what was owed for the yearly total.

Third item on the agenda was the Customer Return Check Policy. Kyle explained to the board that MCWD has been receiving a few returned checks. He asked the board to set a policy for returned checks, in defining a limit on how many returned checks MCWD could accept before requiring cash or certified funds from that individual. After several discussions, the board came to an agreement that after the second returned check had been received by the same individual, cash or certified funds would be required for the remainder of that physical year. William Holbrook made a motion to accept this new policy. The motion was seconded by Holli Litteral. Motion carried.

Fourth item on the agenda was the City of West Liberty's water rate increase. Kyle explained to the board that he had been contact by Mr. Ray Adkins from West Liberty water treatment plant informing him that the City of West Liberty was going to have a rate increase. After speaking with Mayor Mark Walter he agreed to do a ten percent increase for MCWD. Kyle presented to the board the letter from the City of West Liberty stating that MCWD would receive a ten percent increase effective by April 1, 2014. Roy Collett recommended that Kyle begin the paperwork for the pass through rate that is required by the Public Service Commission.

Fifth item on the agenda was to reinstate Chernell Holbrook on bank signature cards. Kyle explained to the board situations that MCWD had experienced where he was away from the office or working in the field and could not get checks signed until he was available. Kyle expressed to the board that Chernell and himself could not both sign the same check. It would be required that either Mr. Collett or Mrs. Litteral sign the check along with Kyle or Chernell. William Holbrook made a motion to accept Chernell's reinstatement. The motion was seconded by Donnie Gunnell. Motion carried.

Sixth item on the agenda was the discussion of MCWD Employee Pay Increase. Kyle asked the board to consider giving Chernell Holbrook, Donna Bailey, Charles Lewis, and James Stacy a pay increase for 2014. Kyle presented the board with each employees current pay rate. After discussion the board agreed to give the employees mentioned a \$0.25 increase on their hourly rate. William Holbrook made a motion to approve the pay increase. Donnie Gunnell seconded the motion. Motion carried.

Seventh item on the agenda was update on water loss. After presenting the board with the water loss percentages, Kyle showed the board approximately seventy-five work orders that had been repaired due to busted meter bottoms and PRV's. He explained to the board that all of this water that been lost was not accounted for and made the water loss percentage rise. The board discussed purchasing more of MCWD's water from Cave Run Water Commission due to the higher rate the City of West Liberty charges. Mr. Larry Cann said he has some information on it and would check into it. Mr. Mark Meade stated that MCWD may qualify for leak detection equipment through the AML program.

Lastly, invoices were presented for the review and approval of the board. Holli Litteral made a motion to accept the invoices as presented. Motion was seconded by William Holbrook. Motion carried.

Handouts which were given to the board for their review included a list of savings accounts, checking accounts, new meter setting list, and January Profit & Loss Reports. Also, for the boards review, was a copy of the billing register's totals page which shows a customer count of 2608. There was no cut off list due to holidays and weather.

The next meeting will be March 10, 2014.

With there being no further business to come before the board, motion by Holli Litteral and seconded by Donnie Gunnell to adjourn at approximately 6:25 p.m. Motion carried.

IN TESTIMONY WHEREOF WITNESS MY SIGNATURE this 10th day of March, 2014.


Holli Litteral, Sec/Treas.