

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MURRAY WATER DISTRICT)	
#1, CALLOWAY COUNTY, KENTUCKY FOR)	CASE NO. 98-075
AUTHORIZATION TO TRANSFER ALL OF ITS WATER)	
SYSTEM PROPERTY ASSETS AND FUND TO THE CITY)	
OF MURRAY, KENTUCKY)	

O R D E R

On December 14, 1998, Murray Water District #1 filed its application for Commission approval of the transfer of its water distribution system to the City of Murray, Kentucky, pursuant to KRS 278.020(4) and 807 KAR 5:001, Section 8. The Commission has been advised by letter that the closing of the proposed transfer will take place on January 30, 1999.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that Murray Water District #1 is a water district organized pursuant to KRS Chapter 74 which currently owns and operates a waterworks system serving approximately 490 customers in the eastern portion of Calloway County, Kentucky. The City of Murray is a municipal corporation of the third class situated in Calloway County, Kentucky and presently owns and operates a water treatment, supply and distribution system. The City of Murray has the financial, technical, and managerial abilities to provide reasonable utility service to the customers currently being served by Murray Water District #1.

On October 29, 1998, Murray Water District #1 adopted a Resolution effecting a merger of its operations with the City of Murray. Pursuant to that Resolution, the City of

Murray will serve the customers of Murray Water District #1 for a reasonable rate that would allow the city to discharge the balance of Murray Water District #1 s financial obligations and provide for dissolution of Murray Water District #1 when its obligations are paid.

On December 8, 1998, a contract was signed between Murray Water District #1 and the City of Murray setting forth the terms and conditions for the acquisition and merger of Murray Water District #1 by the City of Murray.

IT IS THEREFORE ORDERED that:

1. The proposed transfer is approved.
2. The date of the closing of the proposed transfer is January 30, 1998.
3. Until formal closing occurs, the Commission shall retain jurisdiction over

Murray Water District #1.

Done at Frankfort, Kentucky, this 22th day of February, 1999.

By the Commission

ATTEST:

Executive Director