

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

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March 20, 2007

Ms. Beth O'Donnell  
Executive Director - Kentucky Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40620-0615

RECEIVED

MAR 20 2007

PUBLIC SERVICE  
COMMISSION

**SUBJECT: Evidence of Public Notice / Publication Affidavit  
General Water Rate Increase - Case 2006-00410**

Dear Director O'Donnell,

Enclosed please find the evidence of public notice for the above rate case. Public notice was made on November 7, November 14 and November 21, 2006. We have also enclosed an informal notice in the form of a newsletter, which was mailed to all customers during the month of November.

We have also served the same to Assistant Attorney General, Honorable David Spenard at his office. Please contact myself directly, or our legal counsel, Mr. David Wilson, II, if you need additional information or have any questions.

Sincerely,



Jim Bruce, General Manager

Cf; Mr. David Wilson II, HCWD1 Attorney  
Mr. Brent Tippey, P.E., Quest Engineers

Encl.

AFFIDAVIT

PROOF OF PUBLICATION OF ADVERTISEMENT OF A PUBLIC  
NOTICE CONCERNING THE PROPOSED HIGHWAY PROJECT OF

\_\_\_\_\_ IN \_\_\_\_\_  
COUNTY, KENTUCKY.

I, Jan Bunting, do hereby certify that I hold the position of Tearsheet Coordinator  
with the News Enterprise in Elizabethtown

Kentucky, and in such position have the responsibility for the publication of Advertisements in said newspaper  
and

have custody of the records of said newspaper concerning the publication of Advertisements and that the  
attached (Public Notice)

Advertisement has been published in all editions of said newspaper on

11/7/06, 11/14/06  
and 11/21/06.

Jan Bunting  
SIGNATURE

Subscribed and sworn to before me in my presence this the 21<sup>st</sup> day of November, 2006.

Jenny Field  
NOTARY PUBLIC

My commission expires the 10<sup>th</sup> day of November, 2009.

**PUBLIC NOTICE**  
**PROPOSED INCREASE IN RATES AND TARIFF CHANGE**  
**HARDIN COUNTY WATER DISTRICT NO. 1**  
 1400 Rogersville Road  
 Radcliff, Ky 40160  
 Phone: 270-351-3222 - www.HCWD.com

Notice is hereby given that the Hardin County Water District No. 1 (District) by resolution of its Board of Commissioners has filed an Application with the Kentucky Public Service Commission (PSC) seeking approval to increase rates in order to produce water revenues sufficient for the proper operation and maintenance of the water system including debt service on recent system improvement projects. This Public Notice is provided in conformance with KAR 5:001, Section 10, and comparisons of proposed changes for certain water users are provided below:

ITEM NO.	ITEM	PROPOSED BILL	CURRENT BILL	DOLLAR & PERCENT CHANGE	ESTIMATED ACCOUNTS AFFECTED
1	FEES CHARGE				Effects all accounts
	Meter Charges				
	5/8 inch	\$4.70/month	\$5.02/month	\$0.32/6.809%	
	3/4 inch	\$7.05/month	\$7.53/month	\$0.48/6.809%	
	1 inch	\$11.75/month	\$12.55/month	\$0.80/6.809%	
	1.5 inch	\$23.50/month	\$25.10/month	\$1.60/6.809%	
	2 inch	\$37.60/month	\$40.16/month	\$2.56/6.809%	
	3 inch	\$75.50/month	\$75.30/month	\$4.80/6.809%	
	4 inch	\$117.50/month	\$125.50/month	\$8.00/6.809%	
	6 inch	\$235.00/month	\$251.00/month	\$16.00/6.809%	
2	Fire Service Charge				Effects 50 private fire service customers
	1.5 inch	\$0.56/month	\$0.64/month	\$0.08/14.286%	
	2 inch	\$1.20/month	\$1.36/month	\$0.16/13.333%	
	3 inch	\$3.50/month	\$3.97/month	\$0.47/13.428%	
	4 inch	\$7.46/month	\$8.46/month	\$1.00/13.405%	
	6 inch	\$21.64/month	\$24.54/month	\$2.90/13.401%	
	8 inch	\$46.10/month	\$52.27/month	\$6.17/13.384%	
3	Rate per thousand gallons for use between 1,000 and 15,000 gallons	\$3.90/kgal (per thousand gallons of use)	\$4.42/kgal	+\$0.52/kgal +13.333% (kgal = 1,000 gallons)	Approximately 9,150 of the District's customers or 97.5% fall in this monthly use range
4	Rate per thousand gallons for use over 15,000 gallons	\$2.79/kgal	\$3.16/kgal	+\$0.37/kgal +13.262%	Approximately 250 of the District's customers or 2.5% fall in this monthly use range
5	Wholesale Rate per thousand gallons (Sales to Meade Co., WD, Vine Grove, HCWD2, Hardinsburg etc)	\$1.39/kgal	\$1.92/kgal	+\$0.53/kgal +38.130%	Effects all wholesale accounts

back yard, #4 Audubon. Agent owned. Call 270-234-6569  
 735-3581 and 1-800-422-4897  
 or (270) 877-6366  
 www.mhcrealty.com

**DOE VALLEY BECKONS**  
 YOU offering peace and serenity, breath taking views, and the warmth of a North Eastern solid log home nestled in the lake lots and has a total of 3300 sq. ft., which includes 4 bedrooms, 3 full baths, and 2 fully equipped kitchens. This delightful retreat has a championship tennis court, shuffle board court, horse shoe pit, and boat dock. Doe Valley has 18 hole championship golf course, Spring Fed Lake, 3 1/2 miles long, club house and swimming pool. Asking \$300,000. Call 270-422-2188


**DREAM HOME** - 17 acres in Hodgenville, Brick ranch home w/entrance foyer, formal living room, large kitchen w/appliances, family room w/fire place, 3 bedroom, 2 full bath. Finished walk out basement w/2 bedroom, full bath, family room, office. Bonus room & large utility room, carport, 2 car detached garage. Also includes 31x70 barn w/drive in in loft & large pond. \$269,900. Call 270-765-9449

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 on all 3-4 bedroom homes. Existing & new construction. Good or bad credit. Call to qualify. Call Jody at (270) 766-4461 Gold Star Realty.

**Real Estate Sales**  
**\$550 TO \$600 A MO. PYMT.**  
 Available on a Lovely New 4 Bedroom, 2.5 Bath home situated in peaceful new subdivision, Radcliff, Maple cabinets, granite tops, hardwood floors, high ceilings, oversized garage with extra work area, \$192,000 or best offer. 270-828-4931 leave message please.

**130**  
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**\$99,500 - E-town, 305 Par Ln.**  
 Convenient, energy efficient brick, 3 bedroom, 1.5 bath, walk out basement, 1 car garage, beautiful landscaping, ceiling fans, central heat/air, appliances, large deck & covered porch. Super nice. Call 270-317-3100.

**When You Can't Find A Home You Like... Just Call Mike!**  
  
**Mike Downs**  
 270-766-2602  
 GOLD STAR REALTY

**FOR SALE BY OWNER NEW HOME IN RINEYVILLE.** Offering \$5000 to buyer in closing costs. 3 bedroom/2 bath, over 2 acres. Also available for lease \$1,250. 502-212-3219

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 (270) 765-9542 after 5pm

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**When You Can't Find A Home You Like... Just Call Mike!**  
  
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Eliza- Con- 1,375 room bonus ner & ance, arage. (270)

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dish- \$975/month plus deposit. For sale by owner. Call 270-862-9641

**NEWLY REMODELED 3 BED-**  
ROOM - 1 bath house; all appliances plus washer/dryer \$500/Month + deposit; 324 Greensburg St., Hodgenville. Call 270-358-3166 or 270-765-9542 after 5pm.

**NOW TAKING Applications for**  
small 2 bedroom house, with basement. Unattached single car garage. South of Buffalo, \$400 a month. deposit required. (270) 325-4637

**QUALITY PROPERTY MANAGEMENT -** We take care of your home like it ours. For info call Wallace Group Property Management 270-737-7737

**RADCLIFF -** 4 bedroom, 1 bath, 1 1/2 stories. Recently remodeled with new vinyl siding, fresh paint, & new carpet. 265 West Vine St. \$595 a month, plus deposit. 270-735-3358.

**RENT TO OWN.** New 3 bdrm 2 1/2 bath townhouse in Radcliff, whirlpool tub in the master, 1 car garage. \$1100/mo. (502) 295-4740.

**RENTAL HOMES AVAILABLE**

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**Elizabethtown:**  
2503 Chatsworth 4 bedroom, 3.5 baths in Pinevalley, \$1850/mon.  
106 Melissa St. 3 bedroom, 1 bath, \$1100/mo

**404 Ardmore Ct.**  
3 bedroom, 2.5 bath, \$1175/mo

**Radcliff:**  
4474 S. Wilson Rd. 3 bedroom, 1 bath, \$625/mo

**2117 Rogersville Rd.**  
3 bedroom, 3 bath, \$1100/mo

**158 Darbywoods Ct.**  
3 bedroom, 2 bath duplex, \$800/mo.

**Vine Grove:**  
412 Dawson Ln. 3 bedroom, 2 bath,

ed at 1543 Glendale Hodgenville Road. For sale by owner. \$137,900. Call 270-723-0267.

**No Money Down? First Time Home Buyers?**  
Call Michelle Collett



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Elizabethtown, KY 42701  
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**DOE VALLEY BEACONS**  
You offering peace and serenity, breath taking views, and the warmth of a North Eastern solid log home nestled in the pines. This home is built on 4 lake lots and has a total of 3300 sq. ft., which includes 4 bedrooms, 3 full baths, and 2 fully equipped kitchens. This delightful retreat has a championship tennis court, shuffle board court, horse shoe pit, and boat dock. Doe Valley has 18 hole championship golf course, Spring Fed Lake, 3 1/2 miles long, club house and swimming pool. Asking \$300,000. Call 270-422-2188

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mcbland@hotmail.com  
Curtis Brunson, Principal Broker

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for sale or trade for land or house. Call (270) 877-1350 or visit: www.kylandcompany.com

**132 Acreage**  
104 ACRES - Hunters Dream, Breck Co, new survey, private, nice creek frontage, some marketable timber. Approximately 40 acres open balance woods, \$1,750 per acre. Call (270) 877-1350 or visit us at: www.kylandcompany.com

**OWNER FINANCE.** Beautiful ranch home, situated on almost 1/2 acre close to Ft. Knox, 3 bedroom 1.5 baths, eat-in kitchen, dining room with fireplace, family room, deck, and sunroom with bay window, \$1500 down, \$700 monthly, 2629 Northern Rd. Radcliff. 270-877-5723

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single wives. Ine Lana Store, 737-0399.  
97 ACRES - Hancock County pasture half timber, creek, & clean. Owner financing. Jim Thissen www.landrealty.us 270-422-1234.

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Just off Ky Hwy 261, 2.0-3.9 Acre Tracts. Priced from \$5600. Owner Financing Available. (270) 735-3581 and 1-800-422-4997 or (270) 877-6366 www.mhrealty.com

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**Legal Notices 300**

**PUBLIC NOTICE**  
PROPOSED INCREASE IN RATES AND TARIFF CHANGE  
HARDIN COUNTY WATER DISTRICT NO. 1  
1400 Roggersville Road  
Radcliff, Ky 40160  
Phone: 270-351-3222 - www.HCWWD.com

Notice is hereby given that the Hardin County Water District No. 1 (District) by resolution of its Board of Commissioners has filed an Application with the Kentucky Public Service Commission (PSC) seeking approval to increase rates in order to produce water revenues sufficient for the proper operation and maintenance of the water system including debt service on recent system improvement projects. This Public Notice is provided in conformance with KAR 5:001, Section 10, and comparisons of proposed changes for certain water users are provided below:

ITEM NO.	FEE CHARGE	CURRENT BILL	PROPOSED BILL	DOLLAR & PERCENT CHANGE	ESTIMATED ACCOUNTS AFFECTED
1	Customer Meter Charge			Varies Between	Effects all accounts
	5/8 Inch	\$1.70/month	\$5.02/month	\$0.32 and	
	1 Inch	\$7.05/month	\$16.00/month	\$16.00 per	
	1.5 Inch	\$11.75/month	\$21.55/month	month	
	2 Inch	\$23.50/month	\$25.10/month	depending on	
	3 Inch	\$37.60/month	\$40.16/month	meter size	
	4 Inch	\$70.50/month	\$75.30/month	+6.9%	
	6 Inch	\$117.50/month	\$125.50/month		
	Private Fire Line/Hydrant Charge	\$235.00/month	\$251.00/month		
2	Rate per thousand gallons for use between 0 and 15,000 gallons	\$0.56/month	\$0.64/month	Varies between \$0.08 and \$4.50 per month depending on meter size	Effects 50 private five service customers
	Rate per thousand gallons for use over 15,000 gallons	\$1.20/month	\$1.37/month		
	Wholesale Rate per thousand gallons (Sales to Meade Co., WD, Vine Grove, HCW D2, Hardinsburg etc)	\$7.46/month	\$8.51/month	+13.4%	
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The proposed rates have been included in an application filed with the Public Service Commission (PSC) on November 2, 2006 and has been assigned Case No. 2006-00410 by the PSC. The rates and charges contained in this Notice are those proposed by the District. However, the PSC may order rates to be changed that differ from the proposed rates. Such action by the PSC may result in rates other than those included in the Notice.

Notice of Right to Intervene: District customers are advised that any corporation, association, body politic or person may by motion within thirty (30) days after publication of this notice request leave to intervene. Motions to intervene shall be submitted to the Kentucky Public Service Commission, 211 Sower Boulevard, PO Box 615, Frankfort, KY 40602; ATTN: Ms. Beth O'Donnell, Executive Director and set forth the grounds for the request including the status and interest of the party. Interveners may obtain copies of the Application by contacting the District at the address or phone listed above and said Application shall be available for public inspection at the District offices. For any questions or additional information contact, Mr. Jim Bruce, General Manager. Under authority of District Board of Commissioners, Mr. William J. Rissel, Chairman.

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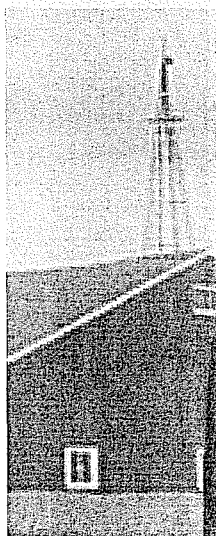
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*Handwritten:* HCWD2 11/21/06

# CLASSIFIEDS



Your property taxes.  
 The roads you travel.  
 Our local water supply.  
 School finance.

No one covers the news that affects your life like your community newspaper.

**Own it for years...**

**Sell it in**

**minutes**

# The Water Log

A Periodic Newsletter from

## Hardin County Water District No. 1

Your Locally Owned and Operated Water Provider for Over 50 Years



Volume C – Number 2

Hardin County Water District No. 1 + 1400 Rogersville Road, Radcliff, KY. 40160 + Phone: 270-351-3222 + [www.HCWD.com](http://www.HCWD.com)

## Water Rate Adjustment

In late 2001 the District requested its first water rate adjustment with the Public Service Commission (PSC) in eleven years. The PSC approved a rate increase in April, 2002. While the District had requested an 18.9% overall revenue increase back then, the PSC actually ordered new rates that resulted in a 31% increase in revenues. Part of the order from the PSC required that the District study its expenses again after three fiscal years were completed and file with the PSC evidence and calculations showing whether or not another rate adjustment was needed.

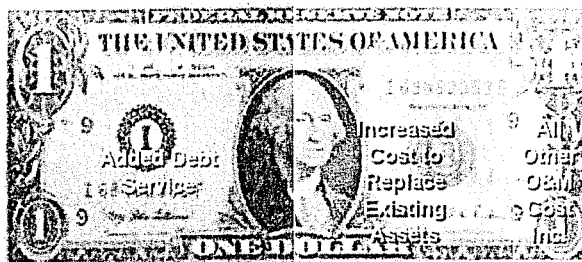
Our current rates are based mostly on actual expenses in the year ending 2000. Our proposed rates will be based on costs during 2005, or five years later. Over that period, inflation has increased at an average rate of 21.7% (using the Consumer Price Index, all items, southern region). We have hired a Kentucky based consultant to calculate our current cost of service and update our water rates.

On November 2, the District filed a request with the PSC to adjust our water rates as needed to match current expenses as the PSC ordered the District to do. As with any regulated utility making a rate filing, the PSC may change or impose different rates than those requested by the utility.

## Why is an Increase Needed?

The exhibit below shows where the added revenues will be spent, or are needed, since the current rates were put in place in 2002.

As you can see, most of the increase is for new debt service which was issued in 2005 to finance the



New Salem Church Road Expansion Project. The project also will allow us to install and implement Automated Meter Reading (AMR) using radio read, drive-by water meters. The AMR Project will be installed over the next four years.

As with all businesses and employers, health insurance, pension plans and other benefit costs have increased over

the last five years. With the increased growth in our system size, new facilities and more customers since 2001, we have had to add new employees to maintain quality service levels. These costs must be recovered in the updated rate structure. Many of our other expenses have increased in the last five years. These include energy costs, fuel, treatment chemicals, pipe (PVC and copper), repair materials and liability insurance.

## How Much Will This Cost?

Most of our customers use a 5/8 inch meter (96%) and use about 5,000 gallons per month. The proposed rates would increase the Customer Meter / Billing Charge from \$4.70 per month to \$5.02 or an increase of 32 cents a month.

The volume charge (per thousand gallons) would increase from \$3.90 to \$4.42 (+ 13.4%). The total monthly water bill for a typical residential customer would then increase by about \$3 per month. If you use less than 5,000 gallons your increase will be smaller. (*This does not include Sanitary Sewer or Storm Sewer charges which are set by the City of Radcliff. These revenues are sent to and belong to the City.*)

The rates for our wholesale customers will increase the same percent for the Customer Meter / Billing charge, but their volume rate (per thousand gallons) will increase from \$1.39 to \$1.92 (+ 38%). The larger percent increase was recommended by our consultant. They used a different method to allocate costs between the retail and wholesale customers. All our wholesale customers resell our water to their customers at a higher price than they pay for it. They charge more because they have expenses to pay in order to operate their water distribution system, storage tanks, billing and management departments.

## Questions?

We have requested that the new water rates go into affect with the December, 2006 bills. This may occur sooner or later depending on how much more information the PSC requires, or any hearings they may order. A copy of the PSC application is available at the District office. Anyone is welcome to stop by and review it.

If you have any questions about the new water rates please feel free to call us. Our Customer Service Manager is Ms. Charlene Easter and you may talk to her about your questions. We appreciate our customers and our goal is to provide high quality water and customer service at a reasonable cost.