

COMMISSIONERS

Ray Larmee,  
Chairman

Raymond Williams,  
Secretary

Ben Quinn,  
Treasurer

# West Shelby Water District

7101 Shelbyville Rd.  
P.O. Box 39  
Simpsonville, KY 40067  
(502) 722-8944  
State Relay TDD (800) 648-6057  
E-mail: [info@westshelbywater.org](mailto:info@westshelbywater.org)

MANAGERS

Wanda Land,  
Co-Manager

Steve Eden,  
Co-Manager

**RECEIVED**

**FEB 18 2011**

**PUBLIC SERVICE  
COMMISSION**

February 10, 2011

Public Service Commission  
Division of Rates and Tariffs  
615 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40602

RE: Proposed adjustment of the wholesale water rates of the Shelbyville Municipal Water & Sewer

To Whom It May Concern:

The West Shelby Water District respectfully requests that the Public Service Commission allow us to make an adjustment in our rates in accordance with 807 KAR 5:068 Purchased Water Adjustments for Water Districts.

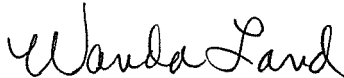
Our supplier, Shelbyville Municipal Water, has informed the District that an increase will take effect April 1, 2011. The District purchased 282,987,000 gallons of water from January 1, 2010 to December 31, 2010 at a total cost of \$498,838.07. The District sold 260,177,300 gallons of water to its customers. With the wholesale increase the new cost is expected to be \$503,725.73. The difference between the current cost and proposed cost will be \$4,887.66. The incremental cost in terms of water sold is \$0.0188 cents per 1,000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A: Purchase Water Adjustment for Water District Form (PSC Form-3 pages)
- Exhibit B: Supplier's Notice of Changed Rate (11 pages)
- Exhibit C: Statement of Water Purchases
- Exhibit D: Statement of Water Sold
- Exhibit E: Purchased Water Adjustment Calculations
- Exhibit F: Notice to Customers (2 pages)
- Exhibit G: Revised Tariff Sheet (plus 4 copies)

If you have any questions, please contact Wanda H. Land, Co-Manager of the West Shelby Water District at (502) 722-8944.

Yours truly,



Wanda H. Land, Manager  
West Shelby Water District

Enclosures (11)

**RECEIVED**

**PURCHASED WATER ADJUSTMENT FOR  
WATER DISTRICTS AND ASSOCIATIONS  
(807 KAR 5:068)**

FEB 18 2011  
PUBLIC SERVICE  
COMMISSION

Name of Utility	West Shelby Water District	
Date	February 10, 2011	
Address	7101 Shelbyville Rd., P.O. Box 39	
City, State, Zip	Simpsonville	KY 40067
Telephone Number	(502) 722-8944	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

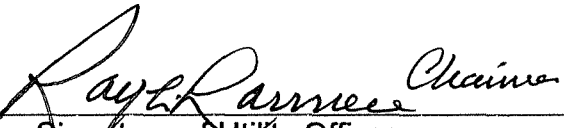
Supplier(s)	Base Rate	Changed Rate
Shelbyville Municipal Water & Sewer	\$1.83/1,000 gal.	\$1.90/1,000 gal.
Louisville Water Company	\$1.71/1,000 gal.	\$1.71/1,000 gal.

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit "B"

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	January 1, 2010	through	December 31, 2010
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
Shelbyville Municipal Water & Sewer	69,824,000
Louisville Water Company	213,163,000
<b>TOTAL PURCHASES</b>	282,987,000
4. Total sales for the 12 month period	260,177,300
5. Increased water cost	\$4,887.66
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.0188
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><b>Note:</b> The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	April 1, 2011
	
Signature of Utility Officer	
Ray Larmee, Commission Chairman	
Title	



**Shelbyville Municipal Water & Sewer Commission**

**P.O. Box 608**

**1059 Washington St.**

**Shelbyville, Ky. 40066**

**Phone: 502-633-2840 FAX: 502-633-1939**

**December 27, 2010**

**CERTIFIED MAIL**

Mrs. Wanda Land, Co-Manager  
West Shelby Water District  
P.O. Box 39  
Simpsonville, Ky. 40067

RE: Rate Increase

Dear Mrs. Land:

The Commission has recommended a Rate Increase (this increase will average approximately 3.85% across the board for water & sewer customers) to the Shelbyville City Council. The Council shall hold its first reading on Thursday, January 20, 2011.

The rate increase is planned for our April 1, 2011 billing, which includes water used between mid-February and mid-March, 2011. Normally the Water Districts meters are read on the 19<sup>th</sup> of each month. Your proposed rate increase is from \$1.83 to \$1.900/1,000 gal, or an increase of 3.82%.

Enclosed is a copy of the proposed rate ordinance to be submitted to the City Council, a copy of the PSC "Form for Filing Rate Schedules", and the formal "NOTICE" as the PSC requires.

This information has been mailed to the PSC.

Sincerely,



Thomas G, Doyle  
Manager

EXHIBIT B

## NOTICE

The Shelbyville Municipal Water & Sewer Commission (“SMW&SC”) has filed a revise/proposed rate schedule to the Shelbyville City Council for a rate increase that will increase the rates charged to Wholesale Water Purchasers as follows:

	CURRENT RATE	PROPOSED RATE	% INCREASE
	\$/1,000 gal	\$/1,000 gal	
North Shelby Water Company	\$1.70	\$1.765	3.82%
West Shelby Water District	\$1.83	\$1.900	3.82%
U.S. 60 Water District of Shelby and Franklin Counties, Kentucky	\$1.70	\$1.765	3.82%

The Shelbyville City Council will hold the First Reading of the proposed Rate Ordinance on Thursday, January 20, 2011.

The Proposed effective date for all rates listed above is with the April 1, 2011 billing, which is for water purchased for the period between mid-February and mid-March 2011, and thereafter, until the next rate change occurs.

The Rates contained in this NOTICE are the rates proposed by the “SMW&SC”. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this NOTICE.

Any corporation, association or person with substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes, request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other “SMW&SC” filings by contacting Thomas G. Doyle, Manager, at the utility’s Office located at 1059 Washington St., Shelbyville, KY. 40065; telephone 502-633-2840.

Any person may examine the rate application and other “SMW&SC” filings by visiting the utility’s office located at 1059 Washington St. Shelbyville, KY. 40065; telephone 502-633-2840, or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, KY. 40602, or by telephone 502-564-3940.

Shelbyville Municipal Water  
& Sewer Commission

WEST SHELBY  
FOR WATER DISTRICT  
PSC KY NO. \_\_\_\_\_  
SHEET NO. \_\_\_\_\_  
CANCELLING PSC KY NO. \_\_\_\_\_  
SHEET NO. \_\_\_\_\_

\_\_\_\_\_  
(NAME OF UTILITY)

New Rate Per Unit

Increase in Wholesale Water Rates  
(from \$1.83/1,000 gal) TO \$1.900/1,000 gal

DATE OF ISSUE Dec. 27, 2010  
MONTH/DATE/YEAR

DATE EFFECTIVE April 1, 2011 Billing  
MONTH/DATE/YEAR

(for water used  
mid-February to mid-March)  
Prax. Feb 19<sup>th</sup> to March 19<sup>th</sup>, 2011

ISSUED BY [Signature]  
SIGNATURE OF OFFICER

TITLE MANAGER

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

ratcord20102011

**CITY OF SHELBYVILLE  
ORDINANCE NO. 2011-02-03**

**AN ORDINANCE ESTABLISHING A REVISED SCHEDULE OF  
CHARGES FOR THE USE OF THE CONSOLIDATED MUNICIPAL  
WATERWORKS AND SEWER SYSTEM OF THE SHELBYVILLE  
WATER AND SEWER COMMISSION**

WHEREAS, it is required that rates and charges for the use and services of the combined and consolidated Municipal Waterworks and Sewer System be prescribed and maintained so as to pay the interest upon and principal of said bonds as the same become due, and also pay operating and maintenance costs, as well as create an adequate depreciation fund; and

WHEREAS, the Shelbyville Municipal Water and Sewer Commission is facing continually increasing operating and maintenance costs, especially recent electrical cost increases of 20-25%, in providing safe drinking water and wastewater treatment services for its customers; and

WHEREAS, the Shelbyville Municipal Water and Sewer Commission pays all debt service expenses and operation and maintenance costs without the support of a monetary appropriation from the City of Shelbyville, and relies upon user charges to support its water and wastewater treatment works; and

WHEREAS, The City of Shelbyville wishes to ensure that the Shelbyville Municipal Water and Sewer Commission has adequate revenue to meet its obligation to provide excellent service to its customers; and

WHEREAS, the United States Environmental Protection Agency as well as the Kentucky Department for Natural Resources have and continue to impose more stringent criteria to improve both the quality of drinking water and treated wastewater, increasing the costs of providing these services; and

WHEREAS, the Municipal Water and Sewer Commission has petitioned the City Council to enact an Ordinance establishing a revised schedule of said combined and consolidated Municipal Waterworks and Sewer System furnishing such services:

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SHELBYVILLE charges are amended as set forth in this Ordinance and City of Shelbyville Ordinance No. 2007-06-21B and Sections 31.301 and 31.402 of the City of Shelbyville Code of Ordinances are amended as follows:

**SECTION 1.**

That from and after the April 1, 2011 billing (for water/sewer used during and after mid-February, 2011 from and after May 1, 2010, the SYSTEM DEVELOPMENT CHARGES for the Water System and the Sewer System shall be changed as shown on Page 5, Section 2: Para. C. In addition, on Page 6, Section Three: Para. A. and B. METER SETTING FEES shall change as shown: there shall be and there is hereby established a revised schedule of rates and charges for the use and services of this portion of said combined and consolidated Municipal Waterworks and Sewer System furnishing water and Sewer services as follows



**A. MONTHLY WATER RATES AND CHARGES**

The Monthly Water Rates and Charges are as follows:

That from and after the April 2011 billing for water/sewer used during and after mid- February 2011, there shall be and is hereby established the following Water Rate Schedule

(First 1,000 gallon below as shown is for a 5/8" meter)

- (1) For customers who are both within the City limits of Shelbyville, Kentucky, and within the City water service area:

First	1,000 gallons used per month	<del>\$ 8.14 (Minimum Bill)</del>	<u>\$ 8.45 (Minimum Bill)</u>
Next	9,000 gallons used per month	<del>2.19 per 1,000 gal</del>	<u>2.27 per 1,000 gal</u>
Next	15,000 gallons used per month	<del>2.10 per 1,000 gal</del>	<u>2.18 per 1,000 gal</u>
All Over	25,000 gallons used per month	<del>1.95 per 1,000 gal</del>	<u>2.03 per 1,000 gal</u>

- (2) For customers who are within that area extending south of I-64, then east and west and being served by the water mains constructed in 1978 and additions thereto (defined as the Finchville Rate Area), and within the city water service area:

First	1,000 gallons used per month	<del>\$ 11.30 (Minimum Bill)</del>	<u>\$ 11.74 per 1,000 gal</u>
Next	9,000 gallons used per month	<del>3.13 per 1,000 gal</del>	<u>3.25 per 1,000 gal</u>
Next	15,000 gallons used per month	<del>2.64 per 1,000 gal</del>	<u>2.74 per 1,000 gal</u>
All over	25,000 gallons used per month	<del>2.35 per 1,000 gal</del>	<u>2.44 per 1,000 gal</u>

- (3) For customers who are outside city limits but not in Finchville Rate Area, and are within the city water service area:

First	1,000 gallons used per month	<del>\$ 9.36 (Minimum Bill)</del>	<u>\$ 9.72 per 1,000 gal</u>
Next	9,000 gallons used per month	<del>2.52 per 1,000 gal</del>	<u>2.62 per 1,000 gal</u>
Next	15,000 gallons used per month	<del>2.40 per 1,000 gal</del>	<u>2.49 per 1,000 gal</u>
All over	25,000 gallons used per month	<del>2.24 per 1,000 gal</del>	<u>2.33 per 1,000 gal</u>

- (4) Minimum monthly charges for meters larger than 5/8", and 1,000 gallons or less used each month:

Meter Size	Inside City		Outside City		Finchville Area	
1"	<del>\$ 10.64</del>	<u>\$ 11.05</u>	<del>\$ 12.23</del>	<u>\$ 12.70</u>	<del>\$ 15.00</del>	<u>\$ 15.58</u>
1-1/2"	<del>13.30</del>	<u>13.81</u>	<del>15.30</del>	<u>15.89</u>	<del>18.92</del>	<u>19.65</u>
2"	<del>20.60</del>	<u>21.39</u>	<del>23.69</del>	<u>24.60</u>	<del>29.68</del>	<u>30.82</u>
3"	<del>74.48</del>	<u>77.35</u>	<del>85.63</del>	<u>88.93</u>	<del>108.88</del>	<u>113.07</u>
4"	<del>94.42</del>	<u>98.06</u>	<del>108.59</del>	<u>112.77</u>	<del>138.21</del>	<u>143.53</u>
6"	<del>141.00</del>	<u>146.43</u>	<del>162.13</del>	<u>168.37</u>	<del>N.A.</del>	<u>N.A.</u>

- (5) Commercial haulers:

A. Inside City	<del>\$ 2.54 per 1,000 gal</del>	<u>\$ 2.64 per 1,000 gal</u>
B. Outside City	<del>3.65 per 1,000 gal</del>	<u>3.79 per 1,000 gal</u>

- (6) Water Districts:

A. West Shelby Water District	<del>\$ 1.83 per 1,000 gal</del>	<u>\$ 1.90 per 1,000 gal</u>
B. North Shelby Water District	<del>\$ 1.70 per 1,000 gal</del>	<u>\$ 1.765 per 1,000 gal</u>

C. Quantities over the respective Contract Limits shall be charged the normal Rate plus: \$1.00 per 1,000 gal.

(7) Fire Protection:

Service for public fire hydrants outside the city limits of Shelbyville shall be provided at the rate of \$1.25 per month for each customer living within 1,000 feet of a hydrant. Service for private fire hydrants outside the city limits of Shelbyville shall be charged at the rate of \$8.50 per month per hydrant. Service for sprinkler systems shall be charged at the rate of \$0.0007 per square foot per month of building sprinkled.

**B. MONTHLY SEWER RATES AND CHARGES**

~~The monthly sewer rates and charges are as follows:~~

Effective Feb. 1, 2009 That from and after the April 2011 billing for water/sewer used during and after mid-February 2011, there shall be and is hereby established the following Sewer Rate Schedule for customers who are within the city limits of Shelbyville, Kentucky, and within the city sewer service area, except for Benson Trace & related areas which pay an additional surcharge of \$0.35/1,000 gallons, and the southernmost out-lots of Hi-Point Shopping Center which pay an additional surcharge of \$0.25/1,000 gallons for use of Sanitation District #1 lines;

First 1,000 gallons used per month	<del>\$ 8.22 (Minimum Bill)</del>	<u>\$ 8.54 per 1,000 gal Min. Bill</u>
Next 9,000 gallons used per month	<del>2.77 per 1,000 gal</del>	<u>2.88 per 1,000 gal</u>
All over 10,000 gallons used per month	<del>2.71 per 1,000 gal</del>	<u>2.81 per 1,000 gal</u>

(1) For customers who are outside the city limits of Shelbyville, Kentucky, but within the city sewer service area, excluding area of Sanitation District No. 1:

First 1,000 gallons used per month	<del>\$ 9.46 (Minimum Bill)</del>	<u>\$ 9.82 per 1,000 gal Min. Bill</u>
Next 9,000 gallons used per month	<del>3.19 per 1,000 gal</del>	<u>3.31 per 1,000 gal Min. Bill</u>
All over 10,000 gallons used per month	<del>3.10 per 1,000 gal</del>	<u>3.22 per 1,000 gal Min. Bill</u>

(3) For customers who are in the Sanitation District Rate Area:

First 1,000 gallons used per month	<del>\$ 5.38 (Minimum Bill)</del>	<u>\$ 5.59 per 1,000 gal Min. Bill</u>
Next 9,000 gallon used per month	<del>5.38 per 1,000 gal</del>	<u>5.59 per 1,000 gal Min. Bill</u>
All over 10,000 gallons used per month	<del>4.90 per 1,000 gal</del>	<u>5.08 per 1,000 gal Min. Bill</u>

Sewer surcharges for excessive strength wastewater as defined in the Sewer Use Ordinance No. 91-07-18, Section 52.060, Paragraph (C) 1 shall be as follows:

Parameter	Allowable Concentration	Charge Per Pound In Excess Above Allowable
BOD	250 mg/l	\$0.40
TSS	250 mg/l	0.40
NH (3) -N	25 mg/l	1.17

## SECTION 2: SYSTEM DEVELOPMENT CHARGES (SDC)

### Purpose and Policy

This ordinance sets forth uniform requirements for financing capital improvements to the water and sewer systems to serve growth and at the same time prevent or reduce the inequity to existing customers that would result when the existing customers must pay for the increases in water or sewer rates that are needed to pay for added plant costs for new customers.

The method chosen to establish the SYSTEM DEVELOPMENT CHARGE is based on the premise that new customers are entitled to water and/or sewer services at the same rates charged to existing customers. However, it is also recognized that existing customers have provided funds for debt retirement, cash financing of improvements and additions to the water and/or sewer system through payment of water/sewer rates or through their own contribution of capital. New connections to the system shall be required to pay an amount corresponding to that which has already been paid by existing customers towards the water and sewer facilities.

### A. Definitions

“Commission” means The Shelbyville Municipal Water and Sewer Commission

**SDC:** System Development Charge is defined as the charge for a new water and/or sewer connection which corresponds to that amount which has already been paid by existing customers towards the invested capital funds of the system.

**Sewer Inspection Fee:** That fee established by ordinance to recover costs of inspection of new sewer service connections and to obtain a sewer use permit.

**Water Meter Fee:** That fee established by ordinance to recover costs of setting new water services, inclusive of the metering device.

### B. Method of establishing the System Development Charges

The system buy-in method utilizes the calculations of existing customer's equity based on:

- a. Present Value of Assets
  - b. Outstanding Indebtedness
  - c. Depreciation
  - d. existing Plant Capacity and Current Usage
  - e. Present Worth of the System Development Charge
- to arrive at customer equity in terms of 1,000 gallons per month of the water and/or sewer usage.

### C. System Development Charges

The following charges are hereby adopted for new connections to the Water and Sewer System of the Commission:

#### 1. SEWER SYSTEM

[Effective May 1, 2010]

- a. Residential Single Family  
Inside City

\$ 918.00

Outside City	\$1,055.69
b. Apartments, Duplexes (per unit)	
Inside City	\$ 628.29
Outside City	\$ 722.53
c. Industrial/Commercial/Other	
Inside City	\$ 223.75/1,000 gal/mo
Outside City	\$ 257.31/1,000 gal/mo

**2. WATER SYSTEM**  
 [Effective May 1, 2010]

a. Residential Single Family	
Inside City	\$ 517.50
Outside City	\$ 595.13
b. Apartments, Duplexes (per unit)	
Inside City	\$ 354.09
Outside City	\$ 407.20
c. Industrial/Commercial/Other	
Inside City	\$ 100.88/1,000 gal/mo
Outside City	\$ 116.01/1,000 gal/mo

3. Water Districts shall be required to pay an SDC at the time of Contract renegotiations and shall apply towards the increase in contract amount of water purchased.

4. Any increase in water or sewer use by Commercial, Industrial, or other similar users, which exceed the prior annual average by 50% or more shall subject the user to the System Development Charges set out above.

Revenue collected from the System Development Charge shall be deposited in a special account known as the "Water/Wastewater Facilities Expansion Account."

In addition to the System Development Charges set out above, new connections shall be subject to fees for permit applications and inspections as adopted by the Commission pursuant to 52.106 of the Shelbyville Code of Ordinances.

**SECTION THREE: OTHER CHARGES/FEEES**

**A. METER SETTING CHARGES**

In addition to the System Development Charges for new water connections set out above, new connections shall be subject to the following meter setting fees:

5/8" meter Inside City	\$ 465.00
5/8" meter Outside City	\$ 540.00
1" meter Inside City	\$ 565.00
1" meter Outside City	\$ 640.00

The above charges for meter setting include materials, labor, and installation costs for installing the meter at the property line not more than 60 feet from the water main. Installation of water meters at the property line which exceeds 60 feet from the water main shall require payment of the meter setting fee above, plus the cost of labor and materials in excess of 60 feet. Requesting parties in all installations, including those within 60 feet of the water main, shall pay for any expense of rock removal. Meter setting fees for meters greater than 1 inch shall be based on the costs of materials, labor, and installation of the meter plus 15%.

**B. NEW CUSTOMER TURN-ON/PROCESSING FEES, DISCONNECT FEES, AND SEWER INSPECTION FEES**

- a. New/Changed customer account turn-on/processing charge \$ 25.00
- b. After hours [4:30 pm Mon-Fri.& week-ends) service calls/turn-ons ~~35.00~~ \$50.00
- c. Non-payment/disconnect turn-on fees:
  - 1. During working hours \$ 20.00
  - 2. After hours ~~\$ 35.00~~ \$50.00
- d. Sewer inspection fees \$50.00/lateral

The Board of Commissioners shall amend rates and fees as described in para 6a. thru d. from time to time at its discretion, as well as meter setting fees.

**C. Payment of Fees/Charges**

1. No person shall begin construction on a development, and no building permit or occupancy shall be issued until all fees and/or charges have been paid and applicable permits issued.
2. If the proposed development does not occur within 120 days of application, the charge may be refunded with Commission approval.
3. In the case of the SDC for an industrial, commercial, or other than residential, duplexes or apartments, the initial SDC that was collected will be adjusted upward or downward after twelve months of operation. Based on the average usage of the last three months (of the twelve month period) average usage.
4. All charges and/or fees established by this ordinance shall be applicable to those users applying for connections as of the effective date of the ordinance.
5. At the end of each calendar year and no later than the 15th of January, SDC Charges fees shall be reviewed by the Commission and adjusted as necessary with the approval of the City Council.

At the same time the cost of new meter settings (5/8" and 1") shall be reviewed. Meter setting costs are determined by actual costs on a calendar year basis.

#### SECTION 4: GENERAL REQUIREMENTS FOR SEWER SERVICE CHARGES

- A. Sewer service charges shall be charges levied on all users who discharge, cause or permit the discharge of sewage into the public sewage treatment system. Rates or charges for sewer service shall be based upon the quantity of water measured by the water meter supplied to the respective building or premises.
- B. Sewer service charges shall be comprised of a system of user charges, excessive strength surcharges, a system of charges for debt service and may include return on investment.
- C. User charges shall mean charges levied on users of the sewage system to offset the cost of operations and maintenance of the system including simple replacement costs.
- D. Excessive strength surcharges mean charges levied on users of the sewage treatment system whose contributions contain conventional pollutants in concentrations which exceed the limits specified herein for such pollutants and who are permitted to make such contributions to the system by decision of the Municipal Water and Sewer Commission. In the event that the Commission shall permit a user to discharge waste to the sewage works having an average biochemical demand (BOD5) in excess of 250 mg/l, and/or an average suspended solids (TSS) content in excess of 250 mg/l, and/or an average ammonia nitrogen (NH<sub>3</sub> -N) content in excess of 25 mg/l; the user shall pay a surcharge based upon the excess strength of its wastes.
- E. Charges for debt service shall mean charges levied on users of the sewage treatment system to support the annual debt service obligations of the system.
- F. No reduction in sewage service charges, fees, or taxes shall be permitted because of the fact that certain wastes discharged to the sewage works contain less than the 250 mg/l of BOD5, 250 mg/l of TSS, or 25 mg/l NH<sub>3</sub>-N.
- G. The Commission shall review not less than every two years the sewage contribution of users, and the total cost of operation and maintenance of the sewage works, and user charges. Based on such a review, the Commission shall recommend to the City, when necessary, a revised schedule of user charges which shall accomplish the following:
  - 1. Maintain the proportionate distribution of operations and maintenance costs among users of the treatment system.
  - 2. Generate sufficient revenues to offset the costs associated with the proper operation and maintenance of the system, including Depreciation Expense (through renewal and replacement costs) and Transfers.
  - 3. Generate sufficient revenues to support the annual debt service of the system.
  - 4. Review excessive strength surcharges every two years.

#### SECTION FIVE: AMENDMENTS

This ordinance shall be amended, as necessary, to comply with Federal Regulations.

**SECTION SIX: VALIDITY**

All ordinances or parts or ordinances in conflict herewith are hereby repealed. The invalidity of any section, clause, sentence or provision of this ordinance shall not affect the validity of any other part of the ordinance which can be given effect without such invalid parts.

Introduced, seconded, and given a first reading at a meeting of the Shelbyville City Council on the 24th day of Jan, 2011.

Introduced, seconded, and given a second reading at a meeting of the Shelbyville City Council on the 3rd day of Feb., 2011.

  
Thomas L. Hardesty, Mayor

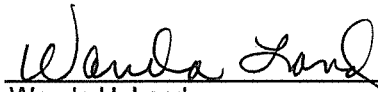
ATTEST:

  
Inez Harris, City Clerk/Treasurer

**WEST SHELBY WATER DISTRICT**  
**STATEMENT OF PURCHASED WATER**  
 January 1, 2010 to December 31, 2010

	Shelbyville Municipal		Louisville Water		Total Gals.	Total
	Gallons	Cost	Gallons	Cost	Purchased	Cost
Jan. 2010	3,943,700	\$ 7,216.97	15,857,000	\$ 27,705.91	19,800,700	\$ 34,922.88
Feb	5,044,900	\$ 9,232.17	13,896,000	\$ 24,263.14	18,940,900	\$ 33,495.31
Mar	4,560,100	\$ 8,344.99	12,659,000	\$ 22,165.75	17,219,100	\$ 30,510.74
April	5,358,900	\$ 9,806.79	14,917,000	\$ 26,062.73	20,275,900	\$ 35,869.52
May	5,216,700	\$ 9,546.56	18,057,000	\$ 31,449.01	23,273,700	\$ 40,995.57
June	6,337,800	\$ 11,598.17	17,376,000	\$ 30,249.72	23,713,800	\$ 41,847.89
July	5,607,400	\$ 10,261.55	22,653,000	\$ 39,327.07	28,260,400	\$ 49,588.62
Aug	6,866,900	\$ 12,566.43	19,667,000	\$ 34,149.43	26,533,900	\$ 46,715.86
Sept	7,359,700	\$ 13,468.26	20,388,000	\$ 35,382.34	27,747,700	\$ 48,850.60
Oct	6,789,100	\$ 12,424.05	25,022,000	\$ 43,378.06	31,811,100	\$ 55,802.11
Nov	6,610,300	\$ 12,096.85	18,281,000	\$ 31,801.21	24,891,300	\$ 43,898.06
Dec. 2010	6,128,500	\$ 11,215.15	14,390,000	\$ 25,125.76	20,518,500	\$ 36,340.91
<b>Total</b>	<b>69,824,000</b>	<b>\$ 127,777.94</b>	<b>213,163,000</b>	<b>\$ 371,060.13</b>	<b>282,987,000</b>	<b>\$ 498,838.07</b>

Done this 10th day of January 2011 at Simpsonville, KY .

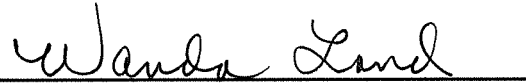
  
 \_\_\_\_\_  
 Wanda H. Land  
 Manager



**WEST SHELBY WATER DISTRICT  
STATEMENT OF WATER SOLD  
January 1, 2010 to December 31, 2010**

Jan 2010	16,688,300
Feb	18,458,200
Mar	16,389,800
Apr	17,480,000
May	19,115,500
June	23,952,400
Jul	24,481,800
Aug	24,584,100
Sep	28,633,600
Oct	28,580,800
Nov	24,884,500
Dec	16,928,300
<b>Total</b>	<b>260,177,300</b>

Done this 10th day of January 2011 at Simpsonville, KY



Wanda H. Land  
Manager

**WEST SHELBY WATER DISTRICT**

2/10/2011

**PURCHASED WATER ADJUSTMENT CALCULATIONS**


<u>Current Water Purchased:</u>		@		<b>Cost</b>
Louisville	<b>213,163,000</b>	<b>Gallons</b>	\$ 1.71/1,000 gal.* (including \$273.02 monthly surcharge)	\$ 371,060.13
Shelbyville	<u>69,824,000</u>	<b>Gallons</b>	\$ 1.83/1,000 gal.	\$ <u>127,777.94</u>
<b>Total</b>	<u><b>282,987,000</b></u>	<b>Gallons</b>		\$ <u><b>498,838.07</b></u>

Water Sold: 260,177,300 Gallons

<u>Increased Purchase Cost:</u>				
Louisville	<b>213,163,000</b>	<b>Gallons</b>	\$ 1.71/1,000 gal. (including \$273.02 monthly surcharge)	\$ <b>371,060.13</b> \$ -
Shelbyville	<u>69,824,000</u>	<b>Gallons</b>	\$ 1.90/1,000 gal.	\$ <u>132,665.60</u>
<b>Total</b>	<u><b>282,987,000</b></u>		<b>Total</b>	\$ <u><b>503,725.73</b></u>
			<b>Increase</b>	: \$ <b>4,887.66</b>

<u>Increase</u>	:	<u>\$ 4,887.66</u>	adjustment	
<u>Water Sold</u>	:	<u>260,177,300</u>	Gallons=	factor <u>\$ 0.0188</u> cents/1,000

Done this 10th day of January 2011 at Simpsonville, KY.

  
 \_\_\_\_\_  
 Wanda H. Land  
 Co-Manager

**EXHIBIT "E"**

CITY OF SHELBYVILLE  
SHELBYVILLE, KENTUCKY  
ADVERTISEMENT FOR BIDS

Sealed Bids will be accepted by the CITY OF SHELBYVILLE, KENTUCKY, 315 Washington Street, Shelbyville, Kentucky for a **Proposed 45ft by 109 ft Building to replace an existing structure located at 1008 Henry Clay Street** until 2:00 p.m. local time on Tuesday March 8, 2011, at which time they will be publicly opened and read. Bids received after that time will not be accepted.

The work to be quoted is described as follows:

Construct a building that is 109 ft by 45 ft that will replace an existing building at the same location. Building will contain a restroom and a small wash area for vehicles. The City of Shelbyville will demolish existing building and prepare the building pad.

Bids shall be marked on the outside with the project name and the time and date of opening and shall be addressed to:

City of Shelbyville  
315 Washington Street  
Shelbyville, KY 40065

Specifications may be obtained from City of Shelbyville Public Works Facility, 787 Kentucky Street, Shelbyville, KY 40065, or calling (502) 633-1094.

Bids shall be accompanied by a certified check or bid bond made payable to the City of Shelbyville and in an amount of not less than 5 percent of the base bid. No Contractor may withdraw his bid for a period of 90 days after the day bids are accepted. A Contractor may, however, withdraw his bid at any time prior to the time and date scheduled for bid acceptance of same or any authorized postponement thereof.

The City of Shelbyville reserves the right to accept the bid deemed by it to be in its best interest, not necessarily the lowest bid; the right to disqualify bids from bidders not deemed to be qualified; the right to disqualify bids deemed to be defective, and the right to waive defects in bids where such defects are not deemed significant.

The City of Shelbyville is an EEO Employer.

NOTICE

West Shelby Water District has filed an application with the Public Service Commission for a proposed rate change for water service, effective April 1, 2011. The change is made necessary due to an increase in the wholesale price of water from one of our suppliers, Shelbyville Municipal Water. The following rates may be altered by the PSC after examining the application.

			Current Rate	Proposed Rate
<b>5/8 inch Meter</b>				
First	2,500	Gallons per month, minimum bill	\$ 16.62	\$ 16.67
Next	7,500	Gallons per month, per 1,000 gallons	4.82	4.84
Next	20,000	Gallons per month, per 1,000 gallons	4.50	4.52
Next	200,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>3/4 inch Meter</b>				
First	3,500	Gallons per month, minimum bill	\$ 21.44	\$ 21.52
Next	6,500	Gallons per month, per 1,000 gallons	4.82	4.84
Next	20,000	Gallons per month, per 1,000 gallons	4.50	4.52
Next	200,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>1 inch Meter</b>				
First	5,000	Gallons per month, minimum bill	\$ 28.67	\$ 28.79
Next	5,000	Gallons per month, per 1,000 gallons	4.82	4.84
Next	20,000	Gallons per month, per 1,000 gallons	4.50	4.52
Next	200,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>1 1/2 inch Meter</b>				
First	10,000	Gallons per month, minimum bill	\$ 52.77	\$ 52.98
Next	20,000	Gallons per month, per 1,000 gallons	4.50	4.52
Next	200,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>2 inch Meter</b>				
First	16,000	Gallons per month, minimum bill	\$ 79.77	\$ 80.14
Next	14,000	Gallons per month, per 1,000 gallons	4.50	4.52
Next	200,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>3 inch Meter</b>				
First	30,000	Gallons per month, minimum bill	\$ 142.77	\$ 143.36
Next	200,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>4 inch Meter</b>				
First	50,000	Gallons per month, minimum bill	\$ 224.57	\$ 225.94
Next	180,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70
<b>6 inch Meter</b>				
First	100,000	Gallons per month, minimum bill	\$ 429.07	\$ 430.88
Next	130,000	Gallons per month, per 1,000 gallons	4.09	4.11
Over	230,000	Gallons per month, per 1,000 gallons	3.68	3.70

All persons having reason to intervene should file with the PSC, P.O. Box 615, Frankfort, KY 40602. The application is on file at the office of the West Shelby Water District in Simpsonville, KY and is available for examination during regular business hours.

## NOTICE

**West Shelby Water District** has filed an application with the Public Service Commission for a proposed rate change for water service, effective April 1, 2011. The change is made necessary due to an increase in the wholesale price of water from one of our suppliers, Shelbyville Municipal Water & Sewer. The following rates may be altered by the PSC after examining the application.

			Current Rates		increase:	Rounded	\$ 0.0188
<b>5/8 inch Meter</b>							
First	2,500	Gallons per month , minimum bill	\$ 6.6500	\$ 16.62	\$	16.6720	16.67 \$ 6.6688
Next	7,500	Gallons per month , per 1,000 gallons		4.82	\$	4.8388	4.84
Next	20,000	Gallons per month , per 1,000 gallons		4.50	\$	4.5188	4.52
Next	200,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>3/4 inch Meter</b>							
First	3,500	Gallons per month , minimum bill	\$ 6.1300	\$ 21.44	\$	21.5208	21.52 \$ 6.1488
Next	6,500	Gallons per month , per 1,000 gallons		4.82	\$	4.8388	4.84
Next	20,000	Gallons per month , per 1,000 gallons		4.50	\$	4.5188	4.52
Next	200,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>1 inch Meter</b>							
First	5,000	Gallons per month , minimum bill	\$ 5.7400	\$ 28.67	\$	28.7940	28.79 \$ 5.7588
Next	5,000	Gallons per month , per 1,000 gallons		4.82	\$	4.8388	4.84
Next	20,000	Gallons per month , per 1,000 gallons		4.50	\$	4.5188	4.52
Next	200,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>1 1/2 inch Meter</b>							
First	10,000	Gallons per month , minimum bill	\$ 5.2800	\$ 52.77	\$	52.9880	52.98 \$ 5.2988
Next	20,000	Gallons per month , per 1,000 gallons		4.50	\$	4.5188	4.52
Next	200,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>2 inch Meter</b>							
First	16,000	Gallons per month , minimum bill	\$ 4.9900	\$ 79.77	\$	80.1408	80.14 \$ 5.0088
Next	14,000	Gallons per month , per 1,000 gallons		4.50	\$	4.5188	4.52
Next	200,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>3 inch Meter</b>							
First	30,000	Gallons per month , minimum bill	\$ 4.7600	\$ 142.77	\$	143.3640	143.36 \$ 4.7788
Next	200,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>4 inch Meter</b>							
First	50,000	Gallons per month , minimum bill	\$ 4.5000	\$ 224.57	\$	225.9400	225.94 \$ 4.5188
Next	180,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70
<b>6 inch Meter</b>							
First	100,000	Gallons per month , minimum bill	\$ 4.2900	\$ 429.07	\$	430.8800	430.88 \$ 4.3088
Next	130,000	Gallons per month , per 1,000 gallons		4.09	\$	4.1088	4.11
Over	230,000	Gallons per month , per 1,000 gallons		3.68	\$	3.6988	3.70

All persons having reason to intervene should file with the PSC, P.O. Box 615, Frankfort, KY 40602. The application is on file at the office of the West Shelby Water District in Simpsonville, KY and is available for examination during regular business hours.

**EXHIBIT G**  
**Revised Tariff Sheet**

FOR Shelby County, Simpsonville, Kentucky  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

WEST SHELBY WATER DISTRICT  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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RATES AND CHARGES

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Applicable: Entire Area Served  
Available: To all Customers served by the District

A. Monthly Rates:

5/8 inch Meter

First	2,500	Gallons per month , minimum bill	\$ 16.67
Next	7,500	Gallons per month , per 1,000 gallons	4.84
Next	20,000	Gallons per month , per 1,000 gallons	4.52
Next	200,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

3/4 inch Meter

First	3,500	Gallons per month , minimum bill	\$ 21.52
Next	6,500	Gallons per month , per 1,000 gallons	4.84
Next	20,000	Gallons per month , per 1,000 gallons	4.52
Next	200,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

1 inch Meter

First	5,000	Gallons per month , minimum bill	\$ 28.79
Next	5,000	Gallons per month , per 1,000 gallons	4.84
Next	20,000	Gallons per month , per 1,000 gallons	4.52
Next	200,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

1 1/2 inch Meter

First	10,000	Gallons per month , minimum bill	\$ 52.98
Next	20,000	Gallons per month , per 1,000 gallons	4.52
Next	200,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

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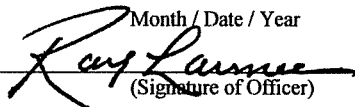
DATE OF ISSUE \_\_\_\_\_

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY \_\_\_\_\_

  
(Signature of Officer)

TITLE DISTRICT COMMISSION CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

FOR Shelby County, Simpsonville, Kentucky  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

WEST SHELBY WATER DISTRICT  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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**RATES AND CHARGES**

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2 inch Meter

First	16,000	Gallons per month , minimum bill	\$ 80.14
Next	14,000	Gallons per month , per 1,000 gallons	4.52
Next	200,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

3 inch Meter

First	30,000	Gallons per month , minimum bill	\$ 143.36
Next	200,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

4 inch Meter

First	50,000	Gallons per month , minimum bill	\$ 225.94
Next	180,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

6 inch Meter

First	100,000	Gallons per month , minimum bill	\$ 430.88
Next	130,000	Gallons per month , per 1,000 gallons	4.11
Over	230,000	Gallons per month , per 1,000 gallons	3.70

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DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE April 1, 2011

ISSUED BY \_\_\_\_\_  
Month / Date / Year  
  
(Signature of Officer)

TITLE DISTRICT COMMISSION CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_