

Jessamine County Water District No. 1  
2225 Lexington Road, Nicholasville KY 40356

859-885-9314

RECEIVED

MAY 2 2011

PUBLIC SERVICE  
COMMISSION

Executive Director  
KY Public Service Commission  
PO Box 615  
Frankfort KY 40602

**RE: Formal Application for a Purchased Water Adjustment**

This is an application for a purchased water adjustment for the Jessamine County Water District No. 1. The adjustment is necessary to reduce rate in the cost of water attributable to our supplier's new wholesale rates that became effective December, 2010. The District is seeking to make this effective June 1, 2011. The district has published a public notice of the requested rate revisions in the local newspaper. In accordance with PSC rules and regulations a copy of the newspaper notice and an affidavit verifying publication will be forwarded to you.

Sincerely



Carl Waits Chairman

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

<b>Name of Utility</b>	Jessamine County Water District NO. 1	
<b>Date</b>	4-25-2011	
<b>Address</b>	2225 Lexington Road	
<b>City, State, Zip</b>	Nicholasville KY	40356
<b>Telephone Number</b>	859-885-9314	

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.


<b>Supplier(s)</b>	<b>Base Rate</b>	<b>Changed Rate</b>
City of Nicholasville	2.73 per 1000 gals.	No change
Nicholasville via Kentucky American	4.92 per 1000 gals	4.20933 per 1000 gals.
Service Charge @ Brannon Crossing	6"meter \$457.50/mth 1½"meter \$45.80/mth	6" meter \$445.00/mth 1½" meter \$44.50/mth

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

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

<b>From</b>	Mar 2010	<b>through</b>	Feb. 2011
	(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
City of Nicholasville	194,426,000
Nicholasville via Ky American	16,755,000
<b>TOTAL PURCHASES</b>	211,181,000
4. Total sales for the 12 month period	181,430,000
5. Increased water cost	(\$12,244.00)
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	(\$ .07) / 1000
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	6-1-2011
Carl Waits	
Signature of Utility Officer	
Chairman	Title

Past 12 months Total water purchased and sold		Brannon Crossing KY American Water	
	Purchased	Sold	
Mar-10	15223000	13123000	1151000
Apr	17299000	14056000	1496000
May	17278000	15086000	1347000
June	18375000	16707000	1436000
July	18486000	17316000	1595000
Aug	21438000	17092000	1202000
Sept	20178000	18496000	2253000
Oct	19106000	16463000	2317500
Nov	17758000	14744000	1982250
Dec	14248000	13226000	1387500
Jan	16113000	11790000	321000
Feb	15679000	13331000	267000
	211181000	181430000	16755250
			18728000

FOR Portion of Jessamine Co. KY.  
Community, Town or City  
P.S.C.KY.NO.  
Original SHEET NO.  
CANCELLING P.S.C.KY. NO. \_\_\_\_\_

Jessamine County Water District No. 1

(Name of Utility)

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

RATES AND CHARGES

Monthly Water Rates

5/8" x 3/4" Meter

First	3000	Gallons	21.51	Minimum Bill
Next	7000	Gallons	5.37	per 1000 gallons
All over	10000	Gallons	5.27	per 1000 gallons

1" Meter

First	5000	Gallons	32.25	Minimum Bill
Next	5000	Gallons	5.37	per 1000 gallons
All over	10000	Gallons	5.27	per 1000 gallons

1-1/2" Meter

First	10000	Gallons	59.10	Minimum Bill
All over	10000	Gallons	5.27	per 1000 gallons

2" Meter

First	20000	Gallons	111.80	Minimum Bill
All over	20000	Gallons	5.27	per 1000 gallons

DATE OF ISSUE 1/6/2011  
Month / Date / Year

DATE EFFECTIVE 6/1/2011  
Month / Date / Year

ISSUED BY Carl Waits  
(Signature of Officer)

Title Chairman

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

## Notice

Due to a rate increase from Kentucky American Water, notice is hereby given that Jessamine County Water District No. 1 has filed an application for a Purchased Water Adjustment with the Kentucky Public Service Commission for the purpose of adjusting its water rate. Customer rates will decrease .07 cents per 1000 gallons used. The proposed change will be effective for service rendered on or after June 1, 2011.

		<u>Current</u>	<u>Change</u>	<u>% Change</u>
<u>5/8 x 3/4 Meter</u>				
First	3,000 Gallons	\$21.72 Minimum Bill	\$21.51 Minimum Bill	-1%
Next	7,000 Gallons	5.44 per 1000 gals.	5.37 per 1000 gals.	-1.2%
Next	10,000 Gallons	5.34 per 1000 gals.	5.27 per 1000 gals.	-1.3%
<u>1" Meter</u>				
First	5,000 Gallons	\$32.60 Minimum Bill	\$32.25 Minimum Bill	-1.7%
Next	5,000 Gallons	5.44 per 1000 gals.	5.37 per 1000 gals.	-1.2%
All Over	10,000 Gallons	5.34 per 1000 gals.	5.27 per 1000 gals.	-1.3%
<u>1 1/2" Meter</u>				
First	10,000 Gallons	\$59.80 Minimum Bill	\$59.10 Minimum Bill	-1.6%
All over	10,000 Gallons	5.34 per 1000 gals.	5.27 per 1000 gals.	-1.3%
<u>2" Meter</u>				
First	20,000 Gallons	\$113.20 Minimum Bill	\$111.80 Minimum Bill	-1.2%
All over	20,000 Gallons	5.34 per 1000 gals.	5.27 per 1000 gals.	-1.3%

The monthly bill of a customer using an average of 5000 gallons per month will decrease \$.35 from 32.60 to 32.25 or -1.7%.

The rates contained in this notice are the rates proposed by Jessamine Co. Water District No. 1. The Public Service Commission may order rates to be changed that differ from those proposed rates. Such action may result in rates for consumers other than the rates in this notice.

Jessamine County Water District No. 1 has available for inspection at its office the application submitted to the Public Service Commission. The water office is located at 2225 Lexington Road Nicholasville Ky. 40356

If you have any questions regarding the rate increase please call 859-885-9314.

Chairman Jessamine County Water District No. 1

Carl Waits



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2010-00036  
COMPARISON OF PRESENT AND PROPOSED RATES AND SERVICE CHARGES  
FOR THE GENERAL RATE INCREASE

EXHIBIT 3  
PAGE 1 OF 1

SERVICE CLASSIFICATION NO. 1

METER RATES:

<u>CUSTOMER CATEGORY</u>	<u>PRESENT RATES PER 1000 GALLONS</u>		<u>PROPOSED RATES PER 1000 GALLONS</u>		<u>PRESENT RATES PER 100 CUBIC FT</u>		<u>PROPOSED RATES PER 100 CUBIC FT</u>	
RESIDENTIAL	\$	3.77200	\$	5.76133	\$	2.82900	\$	4.32100
COMMERCIAL	\$	3.48667	\$	5.25067	\$	2.61500	\$	3.93800
INDUSTRIAL	\$	2.81867	\$	4.26667	\$	2.11400	\$	3.20000
OPA	\$	3.29467	\$	4.96667	\$	2.47100	\$	3.72500
SALES FOR RESALE	\$	3.27067	\$	4.92000	\$	2.45300	\$	3.69000

SERVICE CHARGES:

<u>SIZE OF METER</u>	<u>PER MONTH</u>		<u>PER QUARTER</u>	
	<u>PRESENT</u>	<u>PROPOSED</u>	<u>PRESENT</u>	<u>PROPOSED</u>
5/8"	\$	8.60	\$	9.15
3/4"	\$	12.90	\$	13.70
1"	\$	21.50	\$	22.90
1-1/2"	\$	43.00	\$	45.80
2"	\$	68.80	\$	73.20
3"	\$	129.00	\$	137.30
4"	\$	215.00	\$	228.80
6"	\$	430.00	\$	457.50
8"	\$	688.00	\$	732.00

SERVICE CLASSIFICATION NO. 3

RATES FOR PRIVATE FIRE CONNECTIONS:

	<u>PER MONTH</u>		<u>PER ANNUM</u>	
	<u>PRESENT</u>	<u>PROPOSED</u>	<u>PRESENT</u>	<u>PROPOSED</u>
2" DIAMETER	\$	6.08	\$	72.91
4" DIAMETER	\$	24.45	\$	293.43
6" DIAMETER	\$	55.00	\$	660.03
8" DIAMETER	\$	97.79	\$	1,173.45
10" DIAMETER	\$	152.83	\$	1,833.98
12" DIAMETER	\$	220.14	\$	2,641.62
14" DIAMETER	\$	299.67	\$	3,596.08
16" DIAMETER	\$	391.32	\$	4,695.89

SERVICE CLASSIFICATION NO. 4:

	<u>PER MONTH</u>		<u>PER ANNUM</u>	
	<u>PRESENT</u>	<u>PROPOSED</u>	<u>PRESENT</u>	<u>PROPOSED</u>
<u>RATES FOR PUBLIC FIRE SERVICE:</u>				
FOR EACH PUBLIC HYDRANT	\$	30.99	\$	371.87
<u>RATES FOR PRIVATE FIRE SERVICE:</u>				
FOR EACH PRIVATE HYDRANT	\$	54.34	\$	652.13

**CLASSIFICATION OF SERVICE**  
**SERVICE CLASSIFICATION NO. 1**

**Applicable**

Applicable to the entire Service Territory of Kentucky-American Water Company.

**Availability of Service**

Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority metered service.

**Meter Rates**

The following shall be the rates for consumption, in addition to the service charges provided for herein;

	<b>Customer Category</b>	<b>Rate Per 1,000 Gallons All Consumption</b>	<b>Rate Per 100 Cubic Feet All Consumption</b>
(D)	Residential	\$5.30040	\$3.97530
(D)	Commercial	4.82800	3.62100
(D)	Industrial	3.89467	2.92100
	Municipal & Other		
(D)	Public Authority	4.24520	3.18390
(D)	Sales for Resale	4.20933	3.15700

**Service Charges**

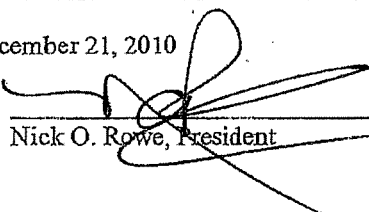
All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

	<b>Size of Meter</b>	<b>Service Charge Per Month</b>
(D)	5/8"	\$8.90
(D)	3/4"	13.35
(D)	1"	22.25
(D)	1-1/2"	44.50
(D)	2"	71.20
(D)	3"	133.50
(D)	4"	222.50
(D)	6"	445.00
(D)	8"	712.00

(D) Indicates Decrease.

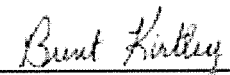
ISSUED: December 21, 2010

ISSUED BY:



Nick O. Rowe, President

2300 Richmond Road, Lexington, KY 40502

<b>KENTUCKY</b>
<b>PUBLIC SERVICE COMMISSION</b>
EFFECTIVE: September 29, 2010
EXECUTIVE DIRECTOR

EFFECTIVE
<b>9/29/2010</b>
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



FOR Nicholasville, Kentucky  
Name of Municipality

P.S.C. KY. NO. 1

3rd Revised SHEET NO. 1

Nicholasville Water Department  
(Name of Municipal Utility)

CANCELLING P.S.C. KY. NO. 1

2nd Revised SHEET NO. 1

RATES AND CHARGES

WHOLESALE WATER RATE:

(Jessamine County Water District No. 1 & Jessamine South Elkhorn Water District)

Meter Size	Bills Due November 2008	Bills Due July 2009	Bills Due July 2010
----- inches	----- (\$/mo)	----- (\$/mo)	----- (\$/mo)
Service Charge			
5/8 x 3/4	4.25	4.25	4.25
1	7.10	7.10	7.10
1 1/2	14.15	14.15	14.15
2	22.65	22.65	22.65
3	42.50	42.50	42.50
4	70.85	70.85	70.85
6	141.65	141.65	141.65
8	283.35	283.35	283.35
Volume Charge			
-----			
All Usage (\$/kgals)	2.14	2.43	2.73

The rate for the Jessamine County Water District No. 1 point of service for Brannon Crossing shall be the same rate that Kentucky-American Water Company charges for Sales for Resale.

DATE OF ISSUE October 4, 2010  
Month / Date / Year

DATE EFFECTIVE November 3, 2010  
Month / Date / Year

ISSUED BY

(Signature of Officer)

TITLE Director of Public Utilities

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. n/a DATED n/a

January 6, 2011

The Board of Commissioners of the Jessamine County Water District #1 met at 8:30 AM. Those present were Eddie Cox, Carl Waits, Chris Stewart, Ron Eldridge, Howard Downing, and Linda Blakeman.

Carl- Had letter from PSC showing our new water rates. Upon our approval of these rates we need to call PSC to see what paper work needs to be returned to them. Carl made the motion to approve the new rates. Eddie 2<sup>nd</sup>.

Jim Hughes has been sent a letter concerning the non payment of bills for sprinkler system installation work done by us for the strip of shops located at Building 8 in Brannon Crossing. He was notified that water service to this building would be cut off if bill not paid by the end of January. We will notify the city fire department and William Hale before doing the cut off.

Bluegrass Ad has changed our map on their web site. It does not seem as useful as it was. Chris and Carl to take a closer look at the site and will revisit this issue next month.

Ron- Still needs to get Chris generator info on tank for new site.

Park central Plb- Apple Construction Company hit our 6" main line while digging for sewer line construction. A sewer line has to have a 22" fall and this is the location of our line. We have 2 options: A: take our water line back 15' and reinstall fire hydrant or B: Relay our line under the sewer line and concrete it in at Apple's expense. This line is in solid rock and it is the end of the line. Ron recommends moving the hydrant. We agreed. He will give Apple Construction an estimate for him to move the hydrant and install on the other side of the sewer line.

Ron reported that only 2 meter boxes froze during the cold weather in December.

Howard- Asked that we notify our insurance (KACO) of our loss with Schroeder and our claim to Amerisure Insurance Company.

Gave us a copy of the letter he sent to the bonding company, JAH Nicholasville Investment, Nicholasville planning and zoning commission and their lawyer and City Attorney requesting bond use for finishing punch lists for Brannon Crossing properties.

Documentation is still needed for tank option to be completed.

We will again ask for bond information on phase 4 (Ashgrove/Grey Oak) in Brannon Crossing.

Chris- Report on Nicholasville Bypass-looks like it will impact our pump station and PRV on Groggins Ferry Road. The entrance to Baker Lane and Groggins Ferry onto US 27 and land near Walmart will also be involved. The state may call Ron shortly to flag lines in the area so they can begin surveying.

Chris is meeting with KU at 11 AM today to discuss utility needs at new tank site. No people came to our public meeting last week on the building of a new tank.

Carl made the motion to approve the engineering costs for amendment #3 with HMB totaling \$11,000. Eddie 2<sup>nd</sup>.

Linda- Presented Nicholasville Fire Department water usage report for the 4th quarter. There was no information from the county fire department. Ron will check on this.

Report on water leak adjustment needed by customer who does not have a 6 month history of usage. Carl said to use the average of the record we have.

A budget for 2011 has not been completed. May need to ask for our auditor's help.

Carl Waits made the motion, seconded by Eddie Cox, that a closed session be held for the purpose of discussions which might lead to possible discipline or dismissal of an individual employee as permitted

October 14, 2010

The Board of Commissioners of the Jessamine County Water District # 1 met at 8:30 AM. Those present were Carl Waits, Eddie Cox, Claude Lawson, Ron Eldridge, Howard Downing, Chris Stewart, and Linda Blakeman.

Reports and problems:

Mr Ferguson is up to date on payments.

Chris-Hacianda Restaurant- Questioned expense on Ron's expenses of \$3000 for fire protection work he completed. The restaurant has not given us plans, a signed contract for sprinkler system, or up front payment. Steve Schmidt- Central Kentucky Sprinkler- asked sprinkler be set but plans are not approved, \$250 engineering fees and Ron's work needs to be billed. Water is not to be turned on till Hacianda Restaurant provides plans and payments. Ron requests that he not be paid until Hacianda Restaurant completes their obligations.

Jim Hughes – Part of bills on Lot 8 (Bldg. 8) were contested. From Carl's investigation we have a letter from Peggy requesting we put in the water. Steve Stevenson charged us for this work 2 weeks after the letter. We believe this amount is still owed. Spirits Liquor question- We believe \$180 should be deducted from the Hughes bill. This leaves approximately \$3500. Linda sent letter on the amount due and we will wait till November meeting to discuss water cut off.

Cracker Barrell was out of water 7:30 PM. 10/13/10. Ron turned on emergency pigtail and water returned. We will check pressure on master meter. Carl made the motion to get a pressure recorder for this master meter in Brannon Crossing and monitor it 24/7. Eddie 2<sup>nd</sup>.

Chris- Has plans for tank, pump station and electric lines. Pump station is 18' x 9'. We will need a larger easement as well as an access easement recorded. Carl wants a better map before he sees Landy Dale for land request.

Carl to send letter to Tom Calkins thanking him for meeting Oct. 5 on use of bond to pay punch list items needed and not complete in Brannon Crossing and also discussing Schroeder bills incurred during sewer line work. Bobby Gullett is meeting today with Hughes on bond use to finish punch list and repairs in Phase 6 of Brannon Crossing.

Ron had Dix determine pipes in ground, pipes not turned on, pipes not connected, etc. This information is now recorded in our office.

Howard- Tank site closing- Bank wants copy of original deed. Howard is preparing this and release of funds by bank should be forthcoming.

LFUCG truck hit our fire hydrant in Elk Grove. City of Lexington should pay the bills for

repair and water loss. Tom documented the damage. Linda to bill.

Carl-Kentucky American Rate Increase-

Question is whether to go ahead with flow through charges of Ky. Am. Rate change requests. If we go ahead and PSC denys part or all of the increase request then we would have to refund amount overcharged. Do we apply to PSC today or wait for PSC to act on the rate change? Eddie made the motion that in order to minimize loss of revenue to our district, we mail rate change request to PSC. Claude 2<sup>nd</sup>.

Meter connection charges- Carl is filing new tariff request on meter connection/tap on charges (5/8" fee is \$800 and other sizes are actual cost)

Computer Excel 2010 training classes-Linda and Karen have rescheduled. Cost is \$220.50 each.

Linda requesting time off Nov. 19. 22(training). 23, and 24. Request approved.

Vacation/Sick leave discussion for 2011:

Karen and Linda will take turns working Thursday afternoons .

Doctor/Dentist appointments, etc. will continue to be made on Thursday afternoons when possible if not working.

Sick Days: 10 days beginning January 1, 2011. One day a month may be accumulated to a maximum of 20 days.

Vacation days: 10 days beginning January 1, 2011 plus designated holidays

Death in immediate family: 3-5 days

Carl made the motion to accept minutes and bills. Claude 2<sup>nd</sup>.

Linda:

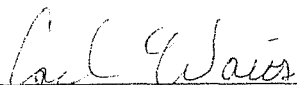
Reviewed bank statements. Agent and O&M accounts for August not reconciled but will try to have by Tues. Oct. 19. Sept. bank statements should be reconciled for all accounts by Nov. meeting. Third quarter reports are due Oct. 31.

Next meeting is Nov 4, 2010.

Meeting was adjourned.

ATTEST

ATTEST



Chairman



Secretary

Current Rate used

FOR Portion of Jessamine Co. KY.

Community, Town or City

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

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

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

Jessamine County Water District No. 1

(Name of Utility)

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

RATES AND CHARGES

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DATE OF ISSUE 1/6/2011  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY Carl Davis  
(Signature of Officer)

Title Chairman

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

The city of

# NICHOLASVILLE

February 14, 2011

Jess. Water District #1  
200 W. Maple Street  
Nicholasville, KY 40356  
# 12-0495378-8  
BRANNON RD

*Progress. Growth. Opportunity.*

Meter		Date Read	Previous Reading	Date Read	Present Reading	100 Cubic ft used	Gallons
<i>Brannon Road-12-0495378-8</i>							
#070145339N	6" Meter	1/5/2011	37330	2/3/2011	37540	210	157,500
#70145339BN	1 1/2" Meter	1/5/2011	34835	2/3/2011	34947	112	84,000
<i>Brannon Crossing-12-0556307-3</i>							
#70184299AN	6" Meter	1/5/2011	2170	2/3/2011	2170	0	0
#70184299BN	1 1/2" Meter	1/5/2011	2310	2/3/2011	2344	34	25,500
						356	267,000

\*\* 1 cubic ft = 7.50 gallons

KRA Withdrawl fee	\$22.87
Meter Service Charge	\$979.00
3.15700*356	\$1,123.89
School Tax	\$0.00
Sales Tax	
Franchise fee-LFUCG	\$0.00
PREV BAL	\$2,435.21
ADJUSTMENT FROM KY AMER	-\$2,895.06
Amount Due	\$1,665.91

*amount refunded from wholesaler*

Ky. Sales Tax Exempt

DUE DATE 3/10/2011  
RE: ACCT#'S 6610003500& 6610004000

Office of the Mayor  
Russ Meyer

517 North Main Street  
Nicholasville, KY 40356

859.885.9473 phone  
859.885.9476 fax  
www.nicholasville.org

The amount of such refund that should be passed on to Jessamine District customers \$0.00.

Explanation as to how this amount was determined.

By the time we had new rate set to be put in to place PSC ruled on the case with KY Amer. so we never got the chance to bill the higher rate. It was advertised that PSC may adjust rates up or down so we adjusted rates to fit the approved KY Amer. rate.

Customers got a break by never having to pay the higher rate.

Any Questions Call  
Carl Waits  
859-948-5527