

LEDBETTER WATER DISTRICT
1483 U. S. 60 West
P. O. Box 123
Ledbetter, Kentucky 42058

Phone: 270-898-3236
Fax: 270-898-3496
ledbetterwaterdi@bellsouth.net

RECEIVED

FEB - 4 2014

PUBLIC SERVICE
COMMISSION

January 20, 2014

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40602-0615

RE: Purchased Water Adjustment

Dear Mr. Derouen:

Ledbetter Water District hereby requests approval for a Purchased Water Adjustment. Pursuant to Case number 2012-00390, Crittenden-Livingston Water District has raised the rate that it charges us for water. The old rate was \$2.34 per thousand gallons, and the new rate is \$2.46. Attached are the application form for the requested PWA, and a revised tariff rate sheet. Also attached is the notice from Crittenden-Livingston regarding the rate increase.

Ledbetter Water District will publish notice of the rate increase, according to PSC regulation, one time prior to rendering bills at the new rate.. An affidavit from the publisher will be provided to the PSC when available. Attached is a copy of the proposed public notice of Ledbetter's PWA.

During the twelve month period from January 1, 2013 to December 31, 2013 Ledbetter Water District purchased 37,001,010 gallons of water from Crittenden-Livingston Water District. During the same period Ledbetter also produced 48,302,700 gallons. Water sales to customers during the period were 59,678,643 gallons.

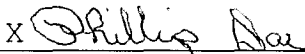
The PWA factor calculates to 0.0744. In order to recover the full cost of the purchased water increase the PWA factor was rounded to 0.08. If you need more information please contact us.

Sincerely,



Billy Downs
District Manager

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND ASSOCIATIONS (807 KAR 5:068)		
Name of Utility	Ledbetter Water District	
Date	January 13, 2014	
Address	1483 US 60 West, PO Box 123	
City, State, Zip	Ledbetter, KY 42058	
Telephone Number	270-898-3236	
Official Email Address	ledbetterwaterdi@bellsouth.net	
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
CrittendenLivingston Water District	\$2.34/Thousand Gal.	\$2.46/Thousand 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		
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, 2013	December 31, 2013
	through	
	(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
Crittenden-Livingston Water District	37,001,010
Ledbetter Water District WTP	48,302,700
TOTAL PURCHASED AND PRODUCED	85,303,710
4. Total gallons sold for the 12 month period	59,678,643
5. Increased water cost	\$4,440.12
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.08
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
Note: 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.	
7. Proposed effective date	February 25, 2014
	
Phillip Dae	
Chairman	
Title	

ATTACHMENT A

PWA FACTOR

Increased cost: $37,001.010 \times \$0.12 = \$4,440.12$

Purchased Water Adjustment Factor:

$\$4,440.12$ divided by 59,678.643 thousand gallons sold = $\$0.0744$

Rounded to $\$0.08$

ATTACHMENT B

RATE COMPARISON SCHEDULE

Ledbetter Water District

ALL METER SIZES

CURRENT RATES

PROPOSED RATE

Customer Charge
First 25,000 gallons
Over 25,000 gallons

\$6.59 Monthly Rate
\$5.51 per 1,000 gallons
\$3.68 per 1,000 gallons

\$6.59 Monthly Rate
\$5.59 per 1,000 gallons
\$3.76 per 1,000 gallons

ATTACHMENT C

NOTICE OF SUPPLIER'S RATE INCREASE

Attachment A
Customer Notice of Proposed
Rate Adjustment

NOTICE

Notice is hereby given that the Crittenden-Livingston Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates in the total amount of \$343,414 on an annual basis, which is an increase of approximately 17.1 percent. Crittenden-Livingston Water District is proposing to phase in its requested increase in rates in three phases. The initial phase will produce annual operating revenues from water sales of \$2,134,177, an increase in of \$124,345 or an increase of approximately 6.2 percent over normalized revenues from water sales of \$2,009,423. The Phase II rate increase will produce annual operating revenues from water sales of \$2,241,227, an increase in of \$107,050 or an increase of approximately 5.0 percent over normalized revenues from the phase I increase of \$2,134,177. The Phase III rate increase will produce annual operating revenues from water sales of \$2,352,837, an increase in of \$111,610 or an increase of approximately 5.0 percent over normalized revenues from the phase II increase of \$2,241,227. Phase II rates will become effective 14-months from the date that Phase I rates take effect and Phase III rates will become effective 14-months from the date that Phase II rates take effect

The estimated amount of the total increase per customer class/meter size is:

Meter Size	Total Increase	Percentage
5/8"x3/4"	\$ 249,874	72.762%
1"	6,695	1.950%
2"	15,997	4.658%
Bulk	660	0.192%
Wholesale	70,188	20.438%
Totals	\$ 343,414	100.000%

The comparison of the present and proposed rates of the Crittenden-Livingston Water District is as follows:

<u>5/8 inch Meter:</u>		<u>Current Rates</u>	<u>Proposed Rates – Phase I</u>
First	2,000	\$16.00	\$16.99
Next	3,000	9.10	9.66
Next	5,000	7.80	8.28
All Over	10,000	6.15	6.53
<u>1-inch Meter:</u>			
First	5,000	\$52.40	\$55.63
Next	5,000	9.10	9.66
Next	10,000	7.80	8.28
All Over	10,000	6.15	6.53

2-inch Meter:

First	20,000	\$136.9	Minimum Bill	\$145.33	Minimum Bill
Next	10,000	7.80	per 1,000 gallons	8.28	per 1,000 gallons
All Over	20,000	6.15	per 1,000 gallons	6.53	per 1,000 gallons
			<u>Current Rates</u>	<u>Proposed Rates – Phase I</u>	
Bulk Sales		\$6.15	per 1,000 gallons	\$6.53	per 1,000 gallons
Wholesale		\$2.20	per 1,000 gallons	\$2.34	per 1,000 gallons

5/8 inch Meter:

		<u>Proposed Rates – Phase I</u>		<u>Proposed Rates – Phase II</u>	
First	2,000	\$16.99	Minimum Bill	\$17.84	Minimum Bill
Next	3,000	9.66	per 1,000 gallons	10.14	per 1,000 gallons
Next	5,000	8.28	per 1,000 gallons	8.69	per 1,000 gallons
All Over	10,000	6.53	per 1,000 gallons	6.86	per 1,000 gallons

1-inch Meter:

First	5,000	\$55.63	Minimum Bill	\$58.40	Minimum Bill
Next	5,000	9.66	per 1,000 gallons	10.14	per 1,000 gallons
Next	10,000	8.28	per 1,000 gallons	8.69	per 1,000 gallons
All Over	10,000	6.53	per 1,000 gallons	6.86	per 1,000 gallons

2-inch Meter:

First	20,000	\$145.33	Minimum Bill	\$152.55	Minimum Bill
Next	10,000	8.28	per 1,000 gallons	8.69	per 1,000 gallons
All Over	20,000	6.53	per 1,000 gallons	6.86	per 1,000 gallons
Bulk Sales		\$6.53	per 1,000 gallons	\$6.86	per 1,000 gallons
Wholesale		\$2.34	per 1,000 gallons	\$2.46	per 1,000 gallons

5/8 inch Meter:

		<u>Proposed Rates – Phase I</u>		<u>Proposed Rates – Phase II</u>	
First	2,000	\$17.84	Minimum Bill	\$18.76	Minimum Bill
Next	3,000	10.14	per 1,000 gallons	10.65	per 1,000 gallons
Next	5,000	8.69	per 1,000 gallons	9.12	per 1,000 gallons
All Over	10,000	6.86	per 1,000 gallons	7.20	per 1,000 gallons

1-inch Meter:

First	5,000	\$58.40	Minimum Bill	\$61.33	Minimum Bill
Next	5,000	10.14	per 1,000 gallons	10.65	per 1,000 gallons
Next	10,000	8.69	per 1,000 gallons	9.12	per 1,000 gallons
All Over	10,000	6.86	per 1,000 gallons	7.20	per 1,000 gallons

2-inch Meter:

First	20,000	\$152.55	Minimum Bill	\$160.18	Minimum Bill
Next	10,000	8.69	per 1,000 gallons	9.12	per 1,000 gallons
All Over	20,000	6.86	per 1,000 gallons	7.20	per 1,000 gallons
Bulk Sales		\$6.86	per 1,000 gallons	\$7.20	per 1,000 gallons
Wholesale		\$2.46	per 1,000 gallons	\$2.58	per 1,000 gallons

IMPACT ON AVERAGE CUSTOMER BILL

Meter Size	Average	Existing	Phase I	Increase	
	Usage	Rates	Rates	Amount	%
5/8 x 3/4 Inch	5,000	\$52.40	\$55.63	\$3.23	6.16%
1 Inch	7,104	\$71.55	\$75.95	\$4.40	6.15%
2 Inch	94,228	\$601.20	\$638.32	\$37.12	6.17%

Meter Size	Average	Phase I	Phase II	Increase	
	Usage	Rates	Rates	Amount	%
5/8 x 3/4 Inch	5,000	\$55.63	\$58.40	\$2.77	4.98%
1 Inch	7,104	\$75.95	\$79.73	\$3.78	4.98%
2 Inch	94,228	\$638.32	\$670.44	\$32.12	5.03%

Meter Size	Average	Phase II	Phase III	Increase	
	Usage	Rates	Rates	Amount	%
5/8 x 3/4 Inch	5,000	\$58.40	\$61.33	\$2.93	5.02%
1 Inch	7,104	\$79.73	\$83.74	\$4.01	5.03%
2 Inch	94,228	\$670.44	\$703.74	\$33.30	4.97%

The rates contained in this notice are the rates proposed by the Crittenden-Livingston Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Notice is further given that any corporation, association, or person with a substantial interest in the matter may, by written request within thirty (30) days after the publication of this notice, request to intervene in the matter before the Public Service Commission. Intervention may be granted beyond the thirty (30) day period for good cause shown. The request should be submitted to the Public Service Commission at its address shown below. Any person who has been granted intervention by the Commission may obtain copies, free of charge, of the application and testimony by contacting Crittenden-Livingston Water District at the address below. Any person may examine the rate application and any other filings made by Crittenden-Livingston Water District at its offices or at the Public Service Commission at the addresses below.

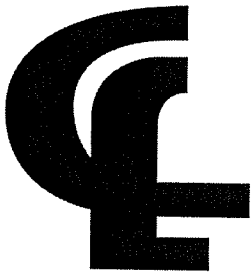
Crittenden-Livingston Water District
620 East Main Street
Salem, Kentucky 42078

Telephone: 270-487-8131

Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602
Telephone: 502-564-3940

Persons may also view and download a copy of the rate application through the Public Service Commission's website at psc.ky.gov.

cc'd 3/16/15



CRITTENDEN-LIVINGSTON County Water District

620 E. Main St. • Salem, Kentucky 42078

Phone (270) 988-2680 • Fax (270) 988-4892

To The Ledbetter Water District:

Here are the new rates for wholesale customers. As of January 1, 2013 the rate is \$2.34 per 1,000 gallons. See appendic C.

On March 1, 2014 the new rate will be \$2.46 per 1,000 gallons upon Crittenden/Livingston Board approval. See appendix D.

On May 1, 2015 the new rate will be \$2.58 per 1,000 gallons upon Crittenden/Livingston Board approval. See appendix E.

Wholesale rate increase as of January 1, 2013- 6.2%

Wholesale rate increase as of March 1, 2014- 5.0%

Wholesale rate increase as of May 1, 2015- 5.0%

Thank You,

Rome Slyden

OK
Phillip Doe

ATTACHMENT D
CUSTOMER NOTICE

NOTICE

Notice is hereby given that the Ledbetter Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates for water service in the total amount of \$4,440.12 on an annual basis, which is an increase of approximately 1.04 percent. Ledbetter Water District requests the increase because of an increase in the rate that it pays Crittenden-Livingston Water District for purchased water. The proposed rates will take effect February 25, 2014.

<u>ALL METER SIZES</u>	<u>CURRENT RATES</u>	<u>PROPOSED RATE</u>
Customer Charge	\$6.59 Monthly Rate	\$6.59 Monthly Rate
First 25,000 gallons	\$5.51 per 1,000 gallons	\$5.59 per 1,000 gallons
Over 25,000 gallons	\$3.68 per 1,000 gallons	\$3.76 per 1,000 gallons

COMPARISON OF RATES FOR ALL METER SIZES AT DIFFERENT USAGE LEVELS

<u>MONTHLY USAGE</u>	<u>MONTHLY BILL AT CURRENT RATE</u>	<u>MONTHLY BILL AT PROPOSED RATE</u>	<u>PERCENT INCREASE OVER CURRENT</u>
0	\$6.59	\$6.59	0%
1,000	\$12.10	\$12.18	0.66%
2,000	\$17.61	\$17.77	0.91 %
5,000	\$34.14	\$34.54	1.17%
10,000	\$61.69	\$62.49	1.30%
20,000	\$116.79	\$118.39	1.37%
30,000	\$162.74	\$165.14	1.47%
50,000	\$236.34	\$240.34	1.69%
75,000	\$328.34	\$334.34	1.83%
100,000	\$420.34	\$428.34	1.90%
200,000	\$788.34	\$804.34	2.03%
1,000,000	\$3,732.34	\$3,812.34	2.14%

Note: Average customer (5,000 gallons usage) bill will increase from \$34.14 to \$34.54 or 1.17%.

The rates in this notice are the rates proposed by the Ledbetter Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Notice is further given that any corporation, association, or person with a substantial interest in the matter may, by written request within thirty (30) days after the publication of this notice, request to intervene in the matter before the Public Service Commission. Intervention may be granted beyond the thirty (30) day period for good cause shown. The request should be submitted to the Public Service Commission at its address shown below. Any person who has been granted intervention by the Commission may obtain copies, free of charge, of the application and testimony by contacting Ledbetter Water District at the address below. Any person may examine the rate application and any other filings made by Ledbetter Water District at its offices between 8:00 and 4:00 at the address below, or at the Public Service Commission between 8:00 and 4:30 at the address below.

Ledbetter Water District
1483 US 60 West
PO Box 123
Ledbetter, Kentucky 42058
Telephone: 270-898-3236

Public Service Commission
211 Sower Boulevard
PO Box 615
Frankfort, Kentucky 40602
Telephone: 502-564-3940

Persons may also view and download a copy of the rate application through the Public Service Commission's website at psc.ky.gov.

KENTUCKY PUBLISHING INC
Indiana Newspaper Group
1540 MC CRACKEN BLVE
PADUCAH, KY 42001
61-1199269

Prescribed by State Board of Accounts

General Form No. 99P (Rev. 2009)

..... LEDBETTER WATER DISTRICT
(Governmental Unit)

LEDBETTER WATER DISTRICT
JANET MONEYMAKER
PO BOX 123
LEDBETTER, KY 42058

INV: 05059997

PUBLISHER'S AFFIDAVIT

AD IN THE LIVINGSTON LEDGER

----- \$199.00

CONTENT: RATE ADJUSTMENT
3 COLUMN X 6 INCH AD
PUBLIC ANNOUNCEMENT

AMOUNT DUE \$199.00

Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper The dates of publication being as follows:

..... 21-Jan-14

..... RATE INCREASE
PUBLIC ANNOUNCEMENT

Date Jan 21, 2014

Notary: TERESA LENEAVE, ACCOUNTING DEPT

among youth and adults. I hope this national attention will encourage my colleagues to join me and other smoke-free champions in voting for this lifesaving and money saving legislation," she said.

In the past 50 years, the U.S. has made remarkable progress, cutting smoking rates by more than half and preventing at least 8 million premature, smoking-related deaths. While the country as a whole has made great strides, the battle is far from over, especially here in Kentucky where over 1 mil-

7,800 lives and costs the state \$1.5 billion in health care bills. Furthermore, only 34% of Kentuckians are protected by comprehensive, smoke-free laws or regulations passed at the city or county level.

Smoke Free Kentucky advocates are calling on state leaders to support House Bill 173, a comprehensive, statewide smoke-free law that covers all indoor workplaces, including bars and restaurants. The bill was introduced last week by Rep. Susan Westrom and Rep. Julie Raque Adams (R-

by 50%. Previous reports show secondhand smoke contains more than 7,000 chemicals, including hundreds that are toxic and at least 69 that cause cancer. Secondhand smoke is proven to cause lung cancer, heart disease and other serious illnesses and is responsible for about 50,000 deaths each year in America. The Surgeon General's report and numerous studies also have found that smoke-free laws protect health without hurting business.

NOTICE

Notice is hereby given that the Ledbetter Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates for water service in the total amount of \$4,440.12 on an annual basis, which is an increase of approximately 1.04 percent. Ledbetter Water District requests the increase because of an increase in the rate that it pays Crittenden-Livingston Water District for purchased water. The proposed rates will take effect February 25, 2014.

ALL METER SIZES	CURRENT RATES	PROPOSED RATE
Customer Charge	\$6.59 Monthly Rate	\$6.59 Monthly Rate
First 25,000 gallons	\$5.51 per 1,000 gallons	\$5.59 per 1,000 gallons
Over 25,000 gallons	\$3.68 per 1,000 gallons	\$3.76 per 1,000 gallons

COMPARISON OF RATES FOR ALL METER SIZES AT DIFFERENT USAGE LEVELS

MONTHLY USAGE GALLONS	MONTHLY BILL AT CURRENT RATE	MONTHLY BILL AT PROPOSED RATE	PERCENT INCREASE OVER CURRENT
0	\$6.59	\$6.59	0%
1,000	\$12.10	\$12.18	0.66%
2,000	\$17.61	\$17.77	0.91%
5,000	\$34.14	\$34.54	1.17%
10,000	\$61.69	\$62.49	1.30%
20,000	\$116.79	\$118.39	1.37%
30,000	\$162.74	\$165.14	1.47%
50,000	\$236.34	\$240.34	1.69%
75,000	\$328.34	\$334.34	1.83%
100,000	\$420.34	\$428.34	1.90%
200,000	\$788.34	\$804.34	2.03%
1,000,000	\$3,732.34	\$3,812.34	2.14%

Note: Average customer (5,000 gallons usage) bill will increase from \$34.14 to \$34.54 or 1.17%.

The rates in this notice are the rates proposed by the Ledbetter Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

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 PO Box 123
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Public Service Commission
 211 Sower Boulevard
 PO Box 615
 Frankfort, Kentucky 40602
 Telephone: 502-564-3940

Persons may also view and download a copy of the rate application through the Public Service Commission's website at psc.ky.gov.

ATTACHMENT E
COUNTY GOVERNMENT NOTICE

LEDBETTER WATER DISTRICT
1483 U. S. 60 West
P. O. Box 123
Ledbetter, Kentucky 42058

Phone: 270-898-3236
Fax: 270-898-3496
ledbetterwaterdi@bellsouth.net

January 15, 2014

Chris Lasher
Judge executive
Livingston County Fiscal Court
PO Box 70
Smithland, Kentucky 42081

RE: Purchased Water Adjustment

Dear Mr. Lasher:

Notice is hereby given, pursuant to KRS Chapter 65A, that Ledbetter Water District is applying to the Kentucky Public Service Commission (PSC) for a Purchased Water Adjustment (PWA). Attached are rate application documents that are being sent to the PSC. The proposed rate increase for water service will allow the district to recoup the increase in the cost of water that it purchases from Crittenden Livingston Water District. Crittenden-Livingston is raising the rate that it charges us for water. The old rate was \$2.34 per thousand gallons, and the new rate is \$2.46. Their increase will take effect on March 1, 2014.

Ledbetter Water District also gives notice that it will send a representative to the next regularly scheduled meeting of the Fiscal Court, on January 28, 2014, for the purpose of answering any questions that the Court may have regarding this increase. If you need more information please contact us.

Sincerely,



Billy Downs
District Manager

ATTACHMENT F

ATTEST ATTENDANCE OF MEETING

LEDBETTER WATER DISTRICT
1483 U. S. 60 West
P. O. Box 123
Ledbetter, Kentucky 42058

Phone: 270-898-3236
Fax: 270-898-3496
ledbetterwaterdi@bellsouth.net

January 29, 2014

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40602-0615

RE: Purchased Water Adjustment

Dear Mr. Derouen:

This is to attest that Ledbetter Water District delivered to the Livingston County Fiscal Court, through the office of Livingston County Judge Executive Chris Lasher, by hand delivery on Thursday January 16, 2014, a notice of the proposed rate adjustment.

On January 28, 2014 Alan Fox, system operator and Public Relations Manager with Ledbetter Water District, attended the regularly scheduled meeting of the Livingston County Fiscal Court and presented testimony and answered questions regarding the proposed rate increase.

Yours truly,



Billy Downs
District Manager

Alan Fox
PR Manager



ATTACHMENT G

MINUTES OF MEETING
WHERE RATE INCREASE WAS APPROVED

*Minutes
January 20, 2014
5:30 P.M.*

***THE SIX HUNDRED THIRTY-SECOND MEETING OF THE LEDBETTER WATER DISTRICT
WAS HELD AT THE OFFICE IN LEDBETTER KENTUCKY, JANUARY 20, 2014 AT 5:30 P.M.***

***MEETING WAS HELD ON PURSUANT TO NOTICE AND CONSENT BY SAID DISTRICT, PHILLIP DAE,
CHAIRMAN; TERRY TEITLOFF, VICE-CHAIRMAN; JAMES SCHADE, SECRETARY-TREASURER; ARNIE
PUCKETT, COMMISSIONER; BILL GILLAHAN, COMMISSIONER.***

Those present: Terry Teitloff, Billy Downs, Phillip Dae , James Schade, Arnie Puckett, Bill Gillahan, Keith Guill, Jeremy Kolba, Alan Fox and Paula Malone

Guests Present: John Elliott, CPA

Phillip called the meeting to order at 5:30 P.M.

2012 Audit

Phillip asked John Elliott to proceed with his presentation of our 2012 Audit. John went over the audit report basically page by page, explaining each as he went along. He told the Board that this was a clean audit and they found nothing negative. Phillip asked him if we had any weaknesses that we should improve on. John said that we need more in the depreciation for Sewer and depreciation of the equipment could be more accurate which Thurman and Campbell Group will be helping us with this next year. They really disagree with the previous audit reports about the lack of control. With the Board going over financials each month and approval of invoices, they feel that they seem to have control. The 2012 audit was completed 01/14/2014. John said the 2013 should not take so long. Paula said that Stacy from Thurman Campbell Group has already been to the office to start getting some of the reports for 2013.

Tinsley Sewer to Shop

The Tinsley's did not attend the meeting so Billy told the Board what they wanted. They own the shop on Highway 68 next to Louis Moore's house. This shop does not have sewer connection. They may want to build apartments on this site in the future and want to know if the District would run sewer here.

National Maintenance

Around December 30, J.C. Swinford contacted Billy and told him he would accept the amount that the insurance has paid us for his property damage. He would just write the rest off as a loss on his taxes. He has signed a release. Pam Piers on Mary Drive still will not accept anything less than her contractor's estimate. Terry told Billy to talk to National Maintenance and see if they will pay her the rest. Bill said there is the clause in the agreement, they are still liable. Phillip asked if they were still following procedures that we agreed on. Are they keeping the barges locked? Are we there when they are sampling? James asked if they have their new system in and running like they were supposed to. No, it is not in operation yet. Bill said he is ready to shut them off if they won't pay Ms. Piers. Terry said to send them a bill.

NEW BUSINESS:

Purchased Water Adjustment 2014

Crittenden/Livingston has another rate increase March 1, 2014. Per PSC in applying for our rate increase we have to show something official from the Board approving our increase. Our cost for the year will be \$4,440.00 this year. C/L is increasing their rate \$0.12, we will have to increase our rate \$0.08 per 1000 gallons. We will also have to notify the Fiscal Court. Someone will have to go to their meeting and be there in case they have any questions. This is a regulation of House Bill 1 for Special Districts. Phillip asked if Billy could go to the meeting, he said he would. He has already called them to get put on the agenda for the next meeting, Tuesday, January 28.

James made a motion to approve the rate increase \$0.08 per 1000 gallons at the time that Crittenden/ Livingston Water rate is effective. Terry seconds the motion. All were in favor, none opposed. Motion carries. Be sure to get the red-stamped approval from PSC.

Minutes-Page 5
January 20, 2014

James made a motion to accept the minutes and financials as written. Arnie seconds the motion. All were in favor, none opposed. Motion carries.

This concludes our agenda for this evening. Phillip adjourns the meeting at 6:52 P.M.

WE THE UNDERSIGNED BEING THE COMMISSIONERS OF THE LEDBETTER WATER DISTRICT ORGANIZED AND BY THE LAWS OF THE STATE OF KENTUCKY, DO HEREBY SEVERLY WAIVER ANY AND ALL NOTICE OF THE COMMISSIONERS OF SAID DISTRICT, CONSENT, RATIFY, APPROVE AND CONFIRM ANY AND ALL TRANSACTIONS AT SUCH MEETING HEREIN SET FORTH.

PHILLI DAE, CHAIRMAN

TERRY TEITLOFF, VICE-CHAIRMAN

JAMES SCHADE, SECRETARY-TREASURER

ARNIE PUCKETT, COMMISSIONER

BILL GILLAHAN, COMMISSIONER

PAULA MALONE, OFFICE MANAGER

MINUTES WILL BE APPROVED AND
SIGNED AT FEBRUARY 2014 MEETING.

Billy Downs