

351 Almo Rd
Almo, KY 42020
Phone (270) 753-9101
Fax (270) 759-0199
E-mail dawd351@netzero.net

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DEXTER-ALMO HEIGHTS WATER DISTRICT

RECEIVED

June 2, 2016

JUN - 6 2016

Public Service
Commission

Mr. Jeff R. Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RE: Formal Application for a Purchase Water Adjustment

Dear Mr. Derouen:

Enclosed is an original and 10 copies of an application for a purchase water adjustment for the Dexter-Almo Heights Water District. The adjustment is necessary to recover an increase in the cost of water attributable to the City of Murray new wholesale price. A copy of the suppliers' notice of the changed rate showing the effective date is attached.

Sincerely,



Pat Paschall

Commissioner/Secretary

Enclosure

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EXHIBIT 1

PURCHASED WATER ADJUSTMENT FORM

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

Name of Utility	Dexter-Almo Heights Water District	
Date		
Address	351 Almo Rd	
City, State, Zip	Almo, Kentucky 42020	
Telephone Number	270-753-9101	
Email Address	Dawd351@netzero.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.


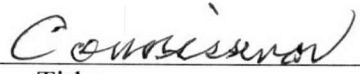
Supplier(s)	Base Rate	Changed Rate
Murray Water & Sewer	\$2.01	2.21

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

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	May 2015	through	April 2016
	(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
Murray Water & Sewer	48,368,300
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	37,132,500
5. Increased water cost	\$9,673.60
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit 2</p>	
6. Purchased water adjustment factor	0.27
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p>	
<p>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.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit 3	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit 4	
9. Proposed effective date July 1, 2016	
	
Signature of Utility Officer	
	
Title	

Dexter-Almo Heights Water District

<u>SUPPLIER</u>	<u>NEW RATE (per 1,000)</u>	<u>OLD RATE (per 1,000)</u>
Murray Water	\$2.2100	\$2.0100

TWELVE MONTH TEST PERIOD:

May 2015 - April 2016

<u>SUPPLIER</u>	<u>GALLONS PURCHASED DURING TEST PERIOD</u>
Murray Water	48,368,300

TOTAL

48,368,300

<u>SUPPLIER</u>	<u>COST AT NEW RATE</u>	<u>COST AT OLD RATE</u>
Murray Water	\$106,893.94	\$97,220.28
TOTAL	\$106,893.94	\$97,220.28

INCREASED
WATER COST
\$9,673.66

TOTAL GALLONS SOLD FOR THE TEST PERIOD :

37,132,500

Increased Water Cost / (total gallons sold / 1,000) = Purchased Water Adjustment Factor

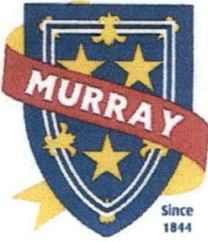
\$9,673.66 / 37,132,500 /1000 = 0.260517337

ROUNDED

0.27

EXHIBIT 2

**LETTER FROM CITY OF MURRAY
NOTICE OF RATE INCREASE**



Murray Municipal Utilities

104 N 5th Street, Suite A

P O Box 466

Murray KY 42071

270-762-0300

January 4, 2016

To Whom It May Concern:

Water rates for Water District customers effective January 1, 2016 through June 30, 2016 are set at \$2.01 per 1000 gallons.

The effective rate from July 1, 2016 through December 31, 2016 will be \$2.21 per 1000 gallons.

Cordially,

Tina Sexton

Tina Sexton

Billing Specialist

Murray Municipal Utilities

270-762-0350 ext. 1110

Email: tina.sexton@murrayky.gov

EXHIBIT 3

EXISTING MONTHLY RATES

&

PROPOSED NEW MONTHLY RATES

For: Calloway County

PSC KY Number: _____

_____ Sheet No. _____

Cancelling PSC KY Number: _____

_____ Sheet No. _____

Dexter-Almo Heights Water District

(Name of Utility)

A: Monthly Rate and Charges:

First 2,000 gallons	12.41 Minimum Bill
Next 3,000 gallons	4.58 per 1,000 gallons
Next 5,000 gallons	3.88 per 1,000 gallons
Next 10,000 gallons	3.58 per 1,000 gallons
Over 20,000 gallons	2.58 per 1,000 gallons

DATE OF ISSUE 02/22/2016

Month, Day, Year

DATE EFFECTIVE 02/01/2016

Month, Day, Year

ISSUED BY Joel Ann Taylor

Signature of Officer

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00064 DATED 02-22-2016

Exhibit 3

Proposed rate increase

First 2,000 gallons	12.95 Minimum Bill
Next 3,000 gallons	4.85 per 1,000 gallons
Next 5,000 gallons	4.15 per 1,000 gallons
Next 10,000 gallons	3.85 per 1,000 gallons
Over 20,000 gallons	2.85 per 1,000 gallons

EXHIBIT 4

MEETING NOTES

DEXTER-ALMO WATER DISTRICT
May 5, 2016 7:00PM

The Dexter-Almo Water Dist. met 05-05-2016 with following present, Charles Boren, Joe Dan Taylor, Pat Paschall, Commissioners. Jasper Wyatt employee of the district.

The meeting was called to order by Joe Dan Taylor at 7pm and the board approved the May Treasurer's Report and the minutes from the April meeting

The board also approved to pay the following bills:

1. AT&T
2. Jay Wyatt 75.65
3. Regions Bank 811.75
4. Howard D Happy 14.34
5. Shell gas card 196.79
6. West KY RECC
7. RVS
8. Calloway County Tax 453.62
9. IRS (payroll tax) 932.58
10. Shane Andrus
11. Qtlry Taxes
12. Pierce & Keller (yrly audit)
13. Microbac 46.00
14. Murray Supply
15. G&C 393.35
16. Scott Pest Control
17. Murray Water System

The board asked Jay to look into prices of mud pumps for pumping out meter boxes, water leaks and cleaning valves and keep out of ditch lines when necessary. As of the meeting time, Jay has not gotten prices yet.

Jay is checking on a water tap on John Purdom Dr. to see if we need to bore under the road so he can get with the City of Murray about doing the bore.

Jay reported that the back door has been repaired where it had developed a leak. The board asked Jay to get estimates on replacing the gutters.

The board received a letter from the City of Murray concerning a rate increase effective July 1st. The board voted to submit to the Public Service Commission a Purchase Water Adjustment for their approval to raise our rates to offset the cost. Kathy will be submitting the paperwork along with help from Jay and PSC.

The meeting adjourned 9:20pm
Pat Paschall
Secretary