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**DEXTER-ALMO HEIGHTS WATER DISTRICT**

**RECEIVED**

DEC 14 2017

PUBLIC SERVICE  
COMMISSION

November 30, 2017

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

RE: Formal Application for a Purchase Water Adjustment

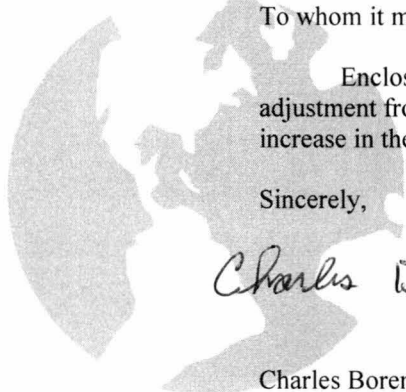
To whom it may concern:

Enclosed with this letter is the original and 10 copies of the application for a purchase water adjustment from 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.

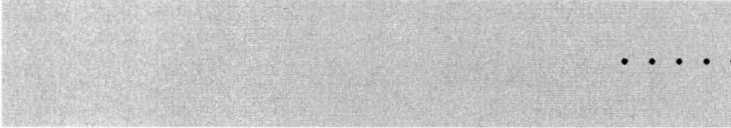
Sincerely,

*Charles Boren*

Charles Boren  
Commissioner



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# **EXHIBIT 1**

**Letter from the City of Murray**



## Murray Municipal Utilities

104 N 5<sup>th</sup> Street, Suite A  
 P O Box 466  
 Murray KY 42071  
 270-762-0300

November 2, 2017

Dexter Almo Water District

Re: Rate increase effective January 2018

To Whom It May Concern:

Effective January 1, 2018 Water Districts will be charged at a rate of \$2.94 per 1000 gallons of water in accordance with City of Murray Ordinance. See below for portion of Ordinance pertaining to Water District Rates.

*(D) Water district customers shall be charged at a rate of \$1.66 per 1,000 gallons of water from 1/1/15 to 6/30/15 and from 7/1/15 to 12/31/18 in accordance with the rate schedule below:*

<b>WATER RATE SCHEDULE/WATER DISTRICT CUSTOMERS</b>							
<b>Gallons Per Month</b>	<b>Rates per Thousand Gallons 7/1/15 through 12/31/15</b>	<b>Rates per Thousand Gallons 1/1/16 through 6/30/16</b>	<b>Rates per Thousand Gallons 7/1/16 through 12/31/16</b>	<b>Rates per Thousand Gallons 1/1/17 through 6/30/17</b>	<b>Rates per Thousand Gallons 7/1/17 through 12/31/17</b>	<b>Rates per Thousand Gallons 1/1/18 through 6/30/18</b>	<b>Rates per Thousand Gallons 7/1/18 through 12/31/18</b>
For the first 1,000 gallons	\$1.83	\$2.01	\$2.21	\$2.43	\$2.67	\$2.94	\$3.23

Cordially,

Tina Sexton  
 Murray Municipal Utilities

# **EXHIBIT 2**

## **Purchase Water Adjustment Form**

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

**RECEIVED**  
**DEC 14 2017**  
**PUBLIC SERVICE  
COMMISSION**

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	dawdoffice@gmail.com	

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	2.67	2.94

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	November 2016	through	October 2017
	(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	44,387,000
TOTAL PURCHASES	44,387,000
4. Total gallons sold for the 12 month period	36,840,200,
5. Increased water cost	\$11,94.49
<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	.33
<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 January 1, 2018	
Signature of Utility Officer	
Title	

# **EXHIBIT 3**

## **Calculation Sheet**

# Dexter Almo Water District

<u>SUPPLIER</u>	NEW RATE (per 1,000)	OLD RATE (per 1,000)
<b>City of Murray</b>	<b>\$2.9400</b>	<b>\$2.6700</b>

TWELVE MONTH TEST PERIOD: **November 2016 - October 2017**

<u>SUPPLIER</u>	GALLONS PURCHASED DURING TEST PERIOD
<b>City of Murray</b>	<b>44,387,000</b>
TOTAL	44,387,000

<u>SUPPLIER</u>	COST AT NEW RATE	COST AT OLD RATE	INCREASED WATER COST
City of Murray	\$130,497.78	\$118,513.29	
TOTAL	\$130,497.78	- \$118,513.29	= \$11,984.49

TOTAL GALLONS SOLD FOR THE TEST PERIOD : **36,480,200**

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

\$11,984.49	/	36,480,200	/1000	=	0.328520403
				ROUNDED	<b>0.33</b>



# **EXHIBIT 4**

**Current Rates**

**and**

**Proposed New Rates**

For: Calloway County, Kentucky

PSC KY Number: 1

7th Revised Sheet No. 4

Cancelling PSC KY Number: 1

6th Revised Sheet No. 4

Dexter-Almo Heights Water District  
*(Name of Utility)*

Rate and Charges

A: Monthly Rate and Charges

First 2,000 gallons	15.14 Minimum Bill
Next 3,000 gallons	5.82 per 1,000 gallons
Next 5,000 gallons	5.07 per 1,000 gallons
Next 10,000 gallons	4.74 per 1,000 gallons
Over 20,000 gallons	3.67 per 1,000 gallons

C

DATE OF ISSUE November 21, 2017  
*Month / Day / Year*

DATE EFFECTIVE December 1, 2017  
*Month / Day / Year*

ISSUED BY Charles R. Boren  
*(Signature of Officer)*

TITLE Commissioner

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2017-00191 DATED November 21, 2017

Proposed Monthly Water Rates January 2018

First	2,000 gallons	\$15.80 Minimum Bill
Next	3,000 gallons	6.15 per 1,000 gallons
Next	5,000 gallons	5.40 per 1,000 gallons
Next	10,000 gallons	5.07 per 1,000 gallons
Over	20,000 gallons	4.00 per 1,000 gallons

# **EXHIBIT 5**

## **Meeting Notes**

**DEXTER-ALMO WATER DISTRICT**  
**November 2, 2017 6:00PM**

The Dexter-Almo Water Dist. met 11-02-2017 at 6:00 with following present, Joe Dan Taylor, Pat Paschall, Charles Boren, Commissioners. Jasper Wyatt and Kathy Wyatt employees of the district.

The meeting was called to order by Joe Dan Taylor at 6pm.

The board approved the November Treasurer's Report and the minutes from the October meeting.

The board also approved to pay the following bills:

1. KY State W/H	162.14
2. Jay Wyatt	50.00
3. Regions Bank	326.25
4. Shell	249.35
5. Cann-Tech	500.00
6 G&C	876.16
7. Franklin Templeton	75.00
8. Calloway County Tax	534.35
9. IRS (payroll tax)	916.10
10. Microbac	46.00
11. West KY RECC	80.53
12. KY 811	30.40

Joe Dan Taylor introduced Adam Scott with Cann –Tech who reported on the project for Landon Barrow. They have start getting the plans ready to submit to the Division of Water.

Jasper reported to the board reported that Shane Andrus completed the work on Hwy 641 N to cover the waterline and the gas line. The City of Murray agreed to pay ½ of the total cost.

The board received a letter from the City of Murray concerning a rate increase effective January 1, 2018. 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 Jasper.

The board voted to approve the District budget for 2018.

Kathy requested that the board reduce her yearly salary from 15,750 to 13,000. The board discussed it with her and voted to accept her request.

The board looked at the salary of Jasper Wyatt (operator), they found that he had not had a raise in 3 years. The board reviewed his performance over the last three years and voted to raise his salary from \$30,000 yearly to \$35,300 yearly. These salaries will take effect November 3, 2017.

The board voted to write-off the following account for non-payment

11/2/2017	GeraldineMcClard	133	900 Almo Rd	168.98
11/2/2017	Kim Valentine	148	1536 Almo Rd	62.53

The meeting adjourned

9:18pm

Pat Paschall

Secretary