



Purchased Water Adjustment Form 1  
July 2014

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND WATER ASSOCIATIONS (807 KAR 5:068)			RECEIVED  FEB 02 2018  PUBLIC SERVICE COMMISSION												
Name of Utility	BULLOCK PEN WATER DISTRICT														
Date	1-30-18														
Address	P O BOX 188														
City, State, Zip	CRITTENDEN, KY	41030													
Telephone Number	(859) 428-5340														
Email Address	aruark@bpwd.org														
<p>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.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">Supplier(s)</th> <th style="width: 35%;">Base Rate</th> <th style="width: 30%;">Changed Rate</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>SEE EXHIBIT A</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Supplier(s)	Base Rate	Changed Rate					SEE EXHIBIT A				
Supplier(s)	Base Rate	Changed Rate													
	SEE EXHIBIT A														
<p>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</p>															
<p>2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">From</td> <td style="width: 35%;">DECEMBER 2016</td> <td style="width: 10%;">through</td> <td style="width: 40%;">NOVEMBER 2017</td> </tr> <tr> <td></td> <td>(month and year)</td> <td></td> <td>(month and year)</td> </tr> </table>				From	DECEMBER 2016	through	NOVEMBER 2017		(month and year)		(month and year)				
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	(month and year)		(month and year)												
<p>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.</p>															

Supplier(s)	Gallons Purchased during 12 month period
SEE EXHIBIT C	
<b>TOTAL PURCHASES</b>	
4. Total gallons sold for the 12 month period	335,653,210
5. Increased water cost	\$59,690
<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 D</p>	
6. Purchased water adjustment factor	\$0.18 PER 1,000 GALLON
<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 E	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit F	
9. Proposed effective date	3-1-18
	
Signature of Utility Officer	
	
Title	

**BULLOCK PEN WATER DISTRICT  
PURCHASED WATER ADJUSTMENT FORM 1**

**EXHIBIT A**

<b>1.a. Name of all wholesale suppliers and 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>		
<b>Supplier(s)</b>	<b>Base Rate</b>	<b>Charged Rate</b>
CITY OF WILLIAMSTOWN	\$3.10 PER 1,000 GALLONS	\$3.19 PER 1,000 GALLONS
CITY OF WALTON	\$4.24 PER 1,000 GALLONS	\$4.64 PER 1,000 GALLONS
BOONE COUNTY WATER DISTRICT	\$3.53 PER 1,000 GALLONS	\$3.70 PER 1,000 GALLONS
NORTHERN KY WATER SERVICE DIST	\$3.42 PER 1,000 GALLONS	\$3.57 PER 1,000 GALLONS



**CITY OF WILLIAMSTOWN**  
400 NORTH MAIN STREET  
P.O. BOX 147  
WILLIAMSTOWN, KENTUCKY 41097

(859) 824-6351 - Mayor's Office  
(859) 824-3633 - City Clerk's Office  
(859) 824-6320 - Fax

Rick Skinner, Mayor  
Vivian Link, City Clerk/Treasurer

**CITY COUNCIL MEMBERS:**

Kim Crupper  
Greg Middleton  
Robert Perry  
Matthew Smith  
Ken Stone  
Amanda Winters

March 28, 2017

Mr. Bill Catlett  
Bullock Pen Water District  
1 Farrell Drive  
P.O. Box 188  
Crittenden, KY 41030

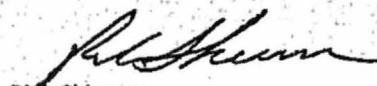
Dear Mr. Catlett:

Pursuant to the terms and conditions of the amended Water Supply Agreement between the City of Williamstown and the Bullock Pen Water District dated August 15, 2013 and executed on December 10, 2013, please allow this correspondence to serve as notification of a 3% water rate increase effective the August 2017 billing cycle.

The City of Williamstown values the working relationship with Bullock Pen and looks at the increase as a necessity to keep our system updated and producing at the highest quality possible. In efforts to spread out the rising cost of maintenance over different water customers, the City of Williamstown's residential rate will be increasing in July 2017 by 10.5%.

The City of Williamstown appreciates the opportunity to provide wholesale water to Bullock Pen and looks forward to continuing this very valuable relationship.

Sincerely,



Rick Skinner  
Mayor



**NOTICE:**

The City of Walton is providing notice that it plans to file with the Public Service Commission on or before July 1, 2017, to increase its wholesale rate to Bullock Pen Water District effective for water service rendered on and after July 31, 2017. The proposed rate is as follows:

<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
\$4.24 per 1,000 gallons	\$4.64 per 1,000 gallons	\$0.40 per 1,000 gallons	9.4% Increase

Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed rate.

This filing may be examined at City Hall located at 40 North Main Street in Walton, Kentucky.

The filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; or through its website at <http://psc.ky.gov>.

The proposed rate is the rate proposed by the City of Walton in its filing but the Public Service Commission may order a rate that differs from the proposed rate.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

**SKEES, WILSON & NIENABER, PLLC**

HUGH O. SKEES  
DALE T. WILSON  
THOMAS R. NIENABER

ATTORNEYS AND COUNSELORS AT LAW  
7699 EWING BOULEVARD  
P.O. Box 756  
FLORENCE, KENTUCKY 41022-0756

TELEPHONE  
(859) 371-7407  
FAX  
(859) 371-9872  
E-MAIL  
rswandd@fuse.net

June 30, 2015

Bullock Pen Water District  
Attention: Chairman, Bobby Burgess  
1 Farrell Drive  
PO Box 460  
Crittenden, KY 41030

**Via Email**

In re: Northern Kentucky Water District  
Proposed Rate Increase

Greetings:

On June 30, 2015, I was informed by Mr. Jack Bragg, Northern Kentucky Water District ("NKWD") that NKWD was filing a rate increase application with the Kentucky Public Service Commission.

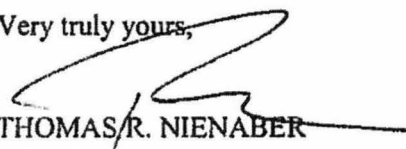
NKWD is seeking a nine percent (9%) rate increase over two years generating approximately \$4,000,000.00 in additional revenue. The proposed rate increases are as follows:

<u>Effective Date</u>	<u>Rate</u>	<u>% Increase</u>
(1) Current	\$3.26 per thousand gallons	
(2) 12 months after approval by PSC	\$3.42 per thousand gallons	4.91%
(3) 24 months after approval by PSC	\$3.57 per thousand gallons	4.2%

A copy of the Rate Increase Application can be found on NKWD's website or on the PSC website.

If you have any questions regarding this rate increase, please feel free to call.

Very truly yours,

  
THOMAS R. NIENABER

TRN/krp  
cc: William Catlett  
Andrea Walton  
Chuck Givin  
Bill Wethington  
Logan Murphy  
Amy Ruark  
Karen VanHolten



Boone County Water District  
2475 Burlington Pike • Burlington, Kentucky 41005-0018  
(859) 586-6155 • Fax (859) 586-5016  
www.boonewater.com

**June 29, 2017**

**Bullock Pen Water District  
Post Office Box 188  
Crittenden, Kentucky 41030**

**Chairman Burgess,**

**Per our approved contract with Bullock Pen Water District, we are required to notify you that the new wholesale water rate to Bullock Pen Water District of \$3.70 per thousand gallons will be effective July 01, 2017.**

**Sincerely,**

A handwritten signature in cursive script that reads "Harry Anness".

**Harry Anness  
General Manager**

OM/BCRWP-attachments

**BULLOCK PEN WATER DISTRICT  
PURCHASED WATER ADJUSTMENT FORM 1**

**EXHIBIT C  
ITEM 3**

Supplier(s)	Gallons Purchased during 12 month period
CITY OF WILLIAMSTOWN	106,727,845
CITY OF WALTON	35,853,220
BOONE COUNTY WATER DISTRICT	48,269,500
NORTHERN KY WATER SERVICE DIST	183,579,698



**BULLOCK PEN WATER DISTRICT  
CALCULATION OF INCREASED WATER COST**

**EXHIBIT D**

Supplier	Base Rate	Gallons Purchased	Annual Cost
CITY OF WILLIAMSTOWN	\$3.10 PER 1,000 GALLONS	106,727,845	\$330,856
CITY OF WALTON	\$4.24 PER 1,000 GALLONS	35,853,220	\$152,018
BOONE COUNTY WATER DISTRICT	\$3.53 PER 1,000 GALLONS	48,269,500	\$170,391
NORTHERN KY WATER SERVICE DIST	\$3.42 PER 1,000 GALLONS	183,579,698	\$627,843

**TOTAL COST AT BASE RATE \$1,281,108**

Supplier	Changed Rate	Gallons Purchased	Annual Cost
CITY OF WILLIAMSTOWN	\$3.19 PER 1,000 GALLONS	106,727,845	\$340,462
CITY OF WALTON	\$4.64 PER 1,000 GALLONS	35,853,220	\$166,359
BOONE COUNTY WATER DISTRICT	\$3.70 PER 1,000 GALLONS	48,269,500	\$178,597
NORTHERN KY WATER SERVICE DIST	\$3.57 PER 1,000 GALLONS	183,579,698	\$655,380

**TOTAL COST AT CHANGED RATE \$1,340,798**

**INCREASED WATER COST \$59,690**

**BULLOCK PEN WATER DISTRICT**

**EXHIBIT E**

**Current & Proposed  
Monthly Water Rates**

			<u>PRESENT RATES</u>			<u>PROPOSED RATES</u>
<b><u>5/8" X 3/4 - inch</u></b>						
First	2,000	Gallons	\$26.99	Minimum Bill		\$27.35
Next	3,000	Gallons	9.00	Per 1,000 Gallons		9.18
Next	5,000	Gallons	8.16	Per 1,000 Gallons		8.34
Next	10,000	Gallons	7.31	Per 1,000 Gallons		7.49
Over	20,000	Gallons	6.46	Per 1,000 Gallons		6.64
<b><u>1 - inch Meter</u></b>						
First	5,000	Gallons	\$53.99	Minimum Bill		\$54.89
Next	5,000	Gallons	8.16	Per 1,000 Gallons		8.34
Next	10,000	Gallons	7.31	Per 1,000 Gallons		7.49
Over	20,000	Gallons	6.46	Per 1,000 Gallons		6.64
<b><u>1 1/2 - inch Meter</u></b>						
First	10,000	Gallons	\$94.79	Minimum Bill		\$96.59
Next	10,000	Gallons	7.31	Per 1,000 Gallons		7.49
Over	20,000	Gallons	6.46	Per 1,000 Gallons		6.64
<b><u>2 - inch Meter</u></b>						
First	20,000	Gallons	\$167.89	Minimum Bill		\$171.49
Over	20,000	Gallons	6.46	Per 1,000 Gallons		6.64
<b>Bulk Loading Station</b>			\$7.18	Per 1,000 Gallons		\$7.36
						Per 1,000 Gallons

FEB 02 2018

PUBLIC SERVICE  
COMMISSION

**MINUTES OF THE  
BULLOCK PEN WATER DISTRICT  
DECEMBER 2017 MEETING**

The December 2017 meeting of the Bullock Pen Water District was called to order on December 21, 2017, at the hour of 1:00 p.m. at the District Headquarters, 1 Farrell Drive, Crittenden, KY 41030. Present at the meeting were Chairman Bobby Burgess, Commissioners Andrea Walton, Rodger Bingham, William Wethington, and Charles Givin. Also present were Superintendent William Catlett, Amy Ruark, Ashley Dyer, Counsel Thomas R. Nienaber, and Kerry Odle of HMB Professional Engineers, Inc.

The first order of business was a review of the November 2017 Minutes. After discussion, upon motion of William Wethington and second by Charles Givin, it was unanimously,

“RESOLVED: that the November 2017 Minutes of the Bullock Pen Water District be approved as attached.”

The next order of business was a review of the November 2017 Profit and Loss and Warrants. Commissioner Givin inquired about the charges for uniform supplies with Cintas. Superintendent Catlett reported that the District is going to discontinue its uniform supply service with Cintas. The District has decided to purchase their own uniforms. Superintendent Catlett reported that in the long-run, significant savings would be realized. Chairman Burgess inquired as to whether or not the arrearage payment for undercharged electric bills with Owen County Rural Electric has been paid in full. Amy Ruark indicated that there are a few months left on that payment schedule. After discussion, upon motion of Charles Givin and second by Andrea Walton, it was unanimously,

“RESOLVED: that the November, 2017 Profit and Loss and Warrants be approved as attached.”

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Kerry Odle, as follows:

1. Mr. Nienaber inquired as to whether or not there has been any action by the Kentucky Legislature relating to the Public Service Commission’s directive that individual sanitary sewer treatment package plants be taken over by existing sewer districts or other utility providers. Mr. Odle reported that the proposed legislation is still in Committee. It is expected that a proposed Bill will be released in the near future.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber inquired as to whether or not there has been any activity by Kentucky relating to the Bullock Pen Lake Dam Project. Superintendent Catlett reported that he had received a phone call from Mr. Robert Porter requesting an update. Mr. Porter stated

he would inquire in Frankfort to see if there is any activity on the dam project. Mr. Porter would report to Superintendent Catlett.

2. Mr. Nienaber reported that there has been no activity in the Supreme Court relating to the August *Properties, LLC v. Burgin*, Case No. 2015-CA-001570-DG decision. Mr. Nienaber will report at the next meeting.
3. Mr. Nienaber reported on the status of the pass-through rate increase for the District. He reported that Peggy Gamble of Morris & Bressler routed the attached Application with supporting financial analysis. Mr. Nienaber reviewed with the Commissioners that report. Based upon the rate increases the District received from the City of Williamstown, City of Walton, Northern Kentucky Water District, and Boone County Water District, the pass-through rate increase would amount to .18¢ per thousand gallons. This would generate approximately \$59,000.00 in additional annual revenue. After considerable discussion, upon motion of Roger Bingham and second by William Wethington, it was unanimously,

“RESOLVED: that Bobby Burgess be and he is hereby authorized to submit to the Public Service Commission the attached Pass-Through Rate Increase Application.”

4. Commissioner Givin inquired as to whether or not the District could issue a “Performance Bonus” for District employees who have worked tirelessly on the Grant County Sanitary Sewer District Water Treatment Plant Reconstruction. Mr. Nienaber recommended that if the District was going to approve a Performance Bonus, it should be recommended by the District for final approval by the Grant County Sanitary Sewer District. Superintendent Catlett reported that the replacement Sanitary Sewer Treatment Plant is far more efficient and economical to operate. This is in large part due to the tireless efforts of various District employees. Superintendent Catlett noted that during this critical time, the Grant County Sanitary Sewer District was not issued one citation or deficiency notice. This incredible performance is due for the most part to the efforts of District personnel. Superintendent Catlett noted that in addition to District personnel performing their regular work for the Bullock Pen Water District, they were also able to totally reconstruct the Sanitary Sewer Treatment Plant without any significant interruption. Moreover, District personnel were able to provide skills, talent, and expertise in areas such as roofing, electrical, plumbing, and the like, which saved the Grant County Sanitary Sewer District and the District significant sums of money and allowed for the reconstruction of the Sanitary Sewer Treatment Plant in a much more efficient manner. These extraordinary services provided by District personnel were clearly over and above those services and responsibilities as set forth in their respective job descriptions. Commissioner Wethington asked if there was overtime paid to District personnel or if services were provided as regular time. Superintendent Catlett noted that minimal overtime was paid to District personnel. Notwithstanding, District personnel were able to perform their regular functions in addition to those additional services

regarding the replacement of the Sanitary Sewer Treatment Plant. Superintendent Catlett also noted that all time expended by District personnel would be reimbursed by the insurance company. Commissioner Bingham noted that the District and the Grant County Sanitary Sewer District saved considerable money by replacing the Sanitary Sewer Treatment Plant while constructing a much more efficient and economical plant. Superintendent Catlett stated that he would like to recognize five (5) employees who provided significant services to the project with a \$500.00 Performance Bonus and three (3) other employees who provided lesser services with a \$250.00 Performance Bonus for a total of \$3,250.00. Mr. Nienaber reported that any Performance Bonus provided would be reimbursed to the District by the Grant County Sanitary Sewer District pursuant to the terms of the District's Management Agreement. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED as follows:

1. The District recommend to the Grant County Sanitary Sewer District that a one-time Performance Bonus be paid to five (5) employees nominated by Superintendent Catlett each to receive \$500.00; and three (3) employees nominated by Superintendent Catlett each to receive a \$250.00 Performance Bonus. Performance Bonuses would be subject to regular withholding;
2. Payment of the Performance Bonus is subject to approval by the Grant County Sanitary Sewer District with the Performance Bonuses being assessed as extra costs pursuant to the terms of the Management Agreement between the Districts;
3. Payment of the Performance Bonuses is subject to confirmation by Counsel Thomas R. Nienaber.”

The next order of business was a report by Superintendent Catlett as follows:

1. Superintendent Catlett reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Catlett reported on issues regarding Freedom Lane. He reported that a resident on Freedom Lane had passed away with a new resident taking occupancy of the deceased's resident home. A new meter was requested. In reviewing the situation, Superintendent Catlett confirmed that two residences were being serviced by one meter unbeknownst to the District. Superintendent Catlett checked with the Public Service Commission if the District could go back any period of time for billing adjustment purposes to reflect two residences being served by one meter. The Public Service



Commission informed Superintendent Catlett that the District could go back 24 months. Superintendent Catlett requested direction from the District as to how far back the District should go in rebilling the customers. After considerable discussion, upon motion of Charles Givin and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District go back 12 months for rebilling of multi-meter families. If any resident resided on a “dual meter” as a new customer less than 12 month then the District would only rebill those customers for that period of time of actual residence.”

3. Superintendent Catlett reported that representatives from Kentucky Rural Water made a “electric analysis” of the treatment plant for purposes of recommending energy saving action. Superintendent Catlett reported that the representative indicated the Treatment Plant is running at top efficiency at this point.

4. Superintendent Catlett reported on the status of the truck purchase. Superintendent Catlett went through the State bidding program and received three (3) bids: (A) Ford pick-up truck, \$30,417.00 ( $\pm$ \$300.00); (B) Dodge truck, \$30,607.00; and (C) Chevrolet truck, \$32,730.00. Superintendent Catlett reviewed the bids as attached. He indicated that the bids were for a 4-ton, 4-wheel, V8 Automatic Gas Engine Truck. After discussion, Superintendent Catlett recommended that the District purchase either the Dodge or Ford truck. Thereupon, upon motion of Charles Givin and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Superintendent Catlett be and he is hereby authorized to purchase the Ford truck for \$30,417.00 ( $\pm$  \$300.00).”

5. Superintendent Catlett reported on the Health Insurance Wellness Program. Superintendent Catlett recommended that the District give “incentives” to employees for obtaining “Silver Status” and/or “Gold Status” under the current insurance carrier’s Wellness Program. In doing so, the District could realize significant savings on its health insurance costs. After discussion, upon motion of Charles Givin and second by William Wethington, it was unanimously,

“RESOLVED as follows:

1. Any District employee who attains “Silver Status” under the health insurance carrier’s rules and regulations on or before July 1, 2018, shall receive a \$75.00 incentive; and
2. Any District employee attaining “Gold Status” under the health insurance carrier’s rules and regulations on or before September 1, 2018, shall receive an additional \$50.00 incentive.”

6. Superintendent Catlett reported that on-site Biometric Screening will take place at the District January 10, 2018. The cost of the service to the District would be \$280.00. Superintendent Catlett requested that this cost be paid by the District. After considerable discussion, upon motion of Charles Givin and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District pay for the cost of the Biometric Screening not to exceed \$280.00 total.”

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Amy Ruark presented to the District the proposed Budget as submitted by Morris & Bressler with recommended changes. Mr. Nienaber reported that formal action is required on the Budget. After discussion, upon motion of Charles Givin and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District’s proposed Budget, as amended, be and the same is hereby approved.”

2. Amy Ruark reported to the District the increased contributions of the District to the State Pension Fund.

3. Amy Ruark reviewed with the Commissioners the proposed salary review increases recommended by the salary committee (see attached report and analysis). Proposed salary increases were recommended as set forth in the attached Summary. Ms. Dyer reported that the committee placed more emphasis on performance versus tenure in arriving at the proposed salary increases. Ms. Dyer also reviewed with the Commissioners a second spreadsheet that details the District’s “cost” for employees based upon wages, FICA contributions, healthcare benefits, pension contributions, HRA contributions, and the like. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: that District employees receive pay increases per the attached recommendation of the salary committee.”

4. Amy Ruark reported that the next meeting is scheduled for January 18, 2018.

There being no further business to conduct, upon motion and second, same was adjourned.

BULLOCK PEN WATER DISTRICT

BY: *Bobby Burgess*  
BOBBY BURGESS, CHAIRMAN

ATTEST:

*Wm. M. Wethington*  
WILLIAM WETHINGTON, SECRETARY