

SOUTHEAST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd.
Owensboro, KY 42301
Phone: (270) 685-5594
Fax: (270) 683-6324

RECEIVED

APR 30 2018

PUBLIC SERVICE
COMMISSION

April 20, 2018

To : Executive Director
Public Service Commission

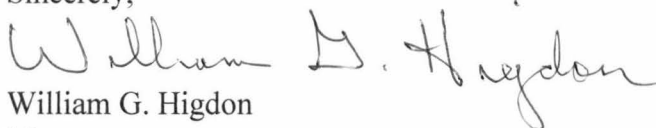
RE : Purchased Water Adjustment

To Whom It May Concern,

At the regular meeting of the Board of Commissioners of the Southeast Daviess County Water District ("District") on April 10, 2018, it was decided to file with the Public Service Commission a purchased water adjustment due to our supplier, Owensboro Municipal Utilities, increasing our wholesale rate. Attached you will find the original and 10 copies of the application along with supplemental information requested by the Public Service Commission.

If you have any questions concerning this request or need additional information, please contact our office. Thank You.

Sincerely,



William G. Higdon
Manager

Purchased Water Adjustment Form 1

July 2014
RECEIVED

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

APR 30 2018

PUBLIC SERVICE
COMMISSION

Name of Utility	Southeast Daviess County Water District		
Date	April 20, 2018		
Address	3400 Bittel Rd		
City, State, Zip	Owensboro, KY 42301		
Telephone Number	270-685-5594		
Email Address	kkrampe@oolwireless.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
	Owensboro Municipal Utilities	\$ 1.54	\$ 1.665
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A			
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	April 2017	through	March 2018
	(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
Owensboro Municipal Utilities	684,484,300
TOTAL PURCHASES	684,484,300
4. Total gallons sold for the 12 month period	600,543,580
5. Increased water cost	\$ 85,560.54
<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 B</p>	
6. Purchased water adjustment factor	\$ 0.14 per 1,000 gal.
<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 C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D	
9. Proposed effective date	June 1, 2018
	
Signature of Utility Officer	
Chairman	
Title	

Exhibit B

Southeast Daviess County Water District

Increased Water Cost and Purchased Water Adjustment Factor

Calculation for Increased Water Cost

	<u>Sales</u>	<u>Gallons Purchased</u>
Apr 2017	43,189,350	52,344,900
May	48,110,100	64,529,100
Jun	57,073,290	66,543,400
Jul	60,241,040	68,262,500
Aug	61,073,990	66,351,100
Sep	58,370,580	55,980,700
Oct	52,073,890	56,845,300
Nov	45,465,360	50,299,500
Dec	43,707,420	45,968,700
Jan 2018	46,661,790	60,636,000
Feb	45,472,270	48,055,000
Mar	39,104,500	48,668,100
	<u>600,543,580</u>	<u>684,484,300</u>

Current Wholesale Rate	1.540	
% increase	x <u>1.0812</u>	8.12%
New Wholesale Rate	1.665	

Water cost at changed rate
684,484,300 x 1.665 per 1,000 gallons = \$ 1,139,666.36

Water cost at base rate
684,484,300 x 1.54 per 1,000 gallons = \$ 1,054,105.82

Increased water cost \$ 85,560.54

Calculation for Purchased Water Adjustment Factor

Increase of water cost divided by total gallons sold divided by 1,000
\$ 85,560.54 / 600,543,580 / 1000 gallons = 0.14 per 1,000 gallons

Exhibit C

Southeast Daviess County Water District

Current and Proposed Rates

<u>Description</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>% Increase</u>
Residential, Apartments, Commercial, & Farmstead			
<u>Usage Charge</u>			
First 20,000 gallons (per 1,000 gallons)	3.48	3.62	4.02%
Over 20,000 gallons (per 1,000 gallons)	2.63	2.77	5.32%
Wholesale			
<u>Usage Charge</u>			
Per 1,000 gallon	1.89	2.03	7.41%

SOUTHEAST DAVIESS COUNTY WATER DISTRICT**MINUTES OF MEETING**

A regular meeting was held at Noon, April 10, 2018 at the Ole South Restaurant, attended by Christina O'Bryan, John Bell, Hugh Bittel, William Higdon, and Keith Krampe. After the meal, the attendees proceeded to the Water District Office for the business portion of the meeting.

John Bell made a motion to approve the minutes of the regular meeting on March 15, 2018. Hugh Bittel seconded the motion and it carried unanimously.

Keith Krampe reported on the financial and statistical condition of the District. John Bell made a motion to accept the March list of expenditures. Hugh Bittel seconded the motion and it carried unanimously. John Bell made a motion to accept the financial and statistical report as presented. Hugh Bittel seconded the motion and it carried unanimously.

The following bills, more than 60 days overdue, were approved for write off:

05-3400-07	Keith Gibson	4920 Cambridge Dr	49.19
08-0425	Michael Carter	6510 Lilac Ln	37.25
08-2128-01	Kenneth T Braden	6556 U S 231 Lot 32	116.42
10-0080-12	David L Simonds	1940 San Anita Circle	181.47
10-0320-25	James A Waltrip	2121 Keenland Pkwy	84.98
10-0775-10	Stephen S Evans	5405 Aqueduct Ct	51.98
10-0890-01	John M Crowe	2430 Keenland Pkwy	43.54
18-0285-02	John G Ferguson	4948 Old Hartford Rd	70.84
28-3560-02	Miranda N Ash	6451 Autumn Valley Tr	11.90

Manager Higdon reported on the water loss percentage for March.

Keith Krampe reported on the Office Staff meetings and cross training.

Keith Krampe reported that the computer firewall will be installed on April 23, 2018.

The Board reviewed the audited financial statements of 2017. The District saw a \$ 17,000.00 increase in water sales from 2016. Significant changes in expenses include increases in water costs and employee benefits while materials were less than 2016.

The Board reviewed the status of the AMI project. Hugh Bittel made a motion to accept the quote from United Systems for \$ 5,095.00 for programming cost associated with the file needed for the radio installations conditional upon the West District approving the same. John Bell seconded the motion and it carried unanimously. Hugh Bittel made a motion to accept the quote from United Systems for \$ 9,995.00 for programming cost associated with the file needed to synchronize the United System database with the Sensus AMI software conditional upon the West District approving the same. John Bell seconded the motion and it carried unanimously. John Bell made a motion to issue a Notice of Award to The C. I. Thornburg Co. for Phase 1 of the AMI project to supply materials necessary for the AMI project based on the bid of December 6, 2017. Christina O'Bryan seconded the motion and it carried unanimously. John Bell made a motion to issue a Notice of Award to Vanguard Mapping Solutions, LLC for Phase 2 of the AMI project to attach radios to the District's meters for the AMI project based on the bid of December 6, 2017. Christina O'Bryan seconded the motion and it carried unanimously.

The Board reviewed the 2017 and estimated 2018 OMU rate calculation. John Bell made a motion to apply for a purchased water rate adjustment due to an increase of 12.5 cents per 1,000 gallons in the District's wholesale rate from OMU. Hugh Bittel seconded the motion and it carried unanimously.

The Board discussed a letter dated April 3, 2018 from OMU expressing the rejection of the West District's proposal to reduce its Plant A cost allocation. The Board also reviewed a proposal to accept more of the current Plant A allocation, but the Board took no action.

John Bell made a motion to adjourn. Hugh Bittel seconded the motion and it passed unanimously. The meeting adjourned at 6:00 pm.


Hugh Bittel
Secretary

FOR Southeast Daviess County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Sheet NO. 1

Southeast Daviess County Water District

(Name of Utility)

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

Sheet NO. 1

RATES AND CHARGES

A. MONTHLY RATES:

Customer Charge

5/8" x 3/4" Meters	\$ 2.53 per month
1" Meters	\$ 3.54 per month
1 1/2" Meters	\$ 4.55 per month
2" Meters	\$ 7.34 per month
3" Meters	\$ 27.83 per month
4" Meters	\$ 35.42 per month
6" Meters	\$ 53.13 per month
8" Meters	\$ 73.37 per month

Usage Charge

First 20,000 gallons	\$ 3.62 per 1,000 gallons
Over 20,000 gallons	\$ 2.77 per 1,000 gallons

DATE OF ISSUE _____

Month / Date / Year

DATE EFFECTIVE June 1, 2018

Month / Date / Year

ISSUED BY 

(Signature of Officer)

TITLE Board Chairman

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

FOR Southeast Daviess County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Sheet NO. 5

Southeast Daviess County Water District
(Name of Utility)

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

Sheet NO. 5

RATES AND CHARGES

E. PURCHASED WATER RATES:

	<u>Rate</u>
Owensboro Municipal Utilities	\$ 1.665 per 1,000 Gallons

F. WHOLESALE WATER RATES:

	<u>Rate</u>
City of Whitesville	\$ 2.03 per 1,000 Gallons
East Daviess County Water Association	\$ 2.03 per 1,000 Gallons
Owensboro Municipal Utilites	\$ 2.03 per 1,000 Gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE June 1, 2018
Month / Date / Year

ISSUED BY 
Signature of Officer

TITLE Board Chairman

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