

September 12, 2018

Ms. Gwen R. Pinson
Executive Director
Kentucky Public Service Commission
PO Box 615
Frankfort, KY 40602

RE: Formal Application to Increase Rates
Purchased Water Adjustment
Morgan County Water District, West Liberty KY

Dear Ms. Pinson:

Please find attached Morgan County Water District Board Minutes authorizing the rate increase. Should you have any questions concerning this matter, please do not hesitate to contact me at (502) 343-8518 or email me at montyrhody@gmail.com.

Sincerely,



Monty Rhody, P.E.

Attachments

**Morgan County Water District
Regular Board Meeting
Monday, September 10, 2018**

RECEIVED

SEP 17 2018

PUBLIC SERVICE
COMMISSION

The regular monthly meeting of the Morgan County Water District was held on Monday, September 10, 2018 beginning at 4:30 p.m. at the office. The following were in attendance: Board Members: Kyle Risner, Zach Engle, Shannon Elam and Steve Gunnell; and MCWD Staff: Steve Pelfrey and Chernell Holbrook.

Kyle Risner called the meeting to order and welcomed all present. At 4:30 p.m. Mr. Risner called for a motion to approve and accept the minutes from August 13, 2018. After the board reviewed the minutes, Zach Engel made a motion to approve the minutes. The motion was seconded by Steve Gunnell. Motion Carried.

First item discussed on the agenda was Morris Cemetery Road. Mr. Tracy Ferguson was not in attendance. Steve Pelfrey informed the Board that the new pump station would be here within the next few days. The Board was also informed that the company is allowing us to make payments on the pump.

Second item on the agenda was the AML project. Steve Pelfrey called L & L Excavating and told them what he needed from them in order to get paid. Steve told the Board that he needed the keys to the pump station and the owner's manual for the generator. Steve also told the Board that C.I. Thornburg Co., Inc. still had a few things left to do, but that would not keep L & L Excavating from being paid.

Third item on the agenda was the health insurance. The Board was provided information from three separate companies (Anthem, Humana & United Healthcare). Kyle called for a motion on the health insurance. Shannon Elam made

a motion to keep United Healthcare. Motion was seconded by Steve Gunnell.

Motion carried. The board also decided to give John Coffey three months before adding him to the insurance.

Fourth item on the agenda was the PSC rate increase. Chernell Holbrook asked the Board to make a motion to hire Monty Rhody to do our pass through rate increase. Kyle Risner called for a motion to hire Monty Rhody. Zach Engle made a motion and seconded by Shannon Elam. Motion carried.

Fifth item on the agenda was the generator. Steve Gunnell asked if Caney Valley Propane had the capabilities to switch the generator over to propane and if that would void the warranty. The Board decided to table the generator until next month.

Sixth on the agenda was the USDA loan. Chernell Holbrook informed the Board about the money that the USDA reimbursed for charging the incorrect interest rate on our loans.

Seventh on the agenda was Enterprise. Steve Pelfrey gave the Board two different quotes on the trucks. One quote was for a regular cab truck and the other was for an extended cab truck. The Board decided on the extended cab. Kyle called for a motion to lease the truck. Steve Gunnell made a motion and seconded by Zach Engle. Motion carried.

Eighth item on the agenda was the THM's update. Steve told the Board that our THM's had passed. Steve reported that the flushing hydrant on Bear Branch was doing the job on keeping the THM's down. The next testing period is in November.

OLD BUSINESS:

Update on water loss: Our numbers with West Liberty are looking better.

Profit and Loss: No questions. No discussion.

Invoices: Chernell Holbrook explained the check for the Morgan County Fiscal Court. Kyle Risner called for a motion to approve the invoices. Shannon Elam made a motion, which was seconded by Zach Engle. Motion carried.

Handouts which were given to the board for their review included a list of savings accounts, checking accounts, cut off list, and new meter setting list. Also, for the boards review was a copy of the billing register's total page. The number of customers for the month was 2,778. No questions. No discussions.

OTHER:

Shannon Elam made a motion to close the Equipment account and transfer the funds to the O & M account. The motion was seconded by Steve Gunnell. Motion carried.

The board agreed on the next monthly meeting to be on October 8, 2018. With there being no further business to come before the board, motion made by Shannon Elam and seconded by Steve Gunnell to adjourn the meeting. Motion Carried.

**IN TESTIMONY WHEREOF WITNESS MY SIGNATURE this _____ day
of _____, 2018**

Zachary Engle, Sec/Treas.