

Purchased Water Adjustment Form 1
July 2014

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

RECEIVED

DEC 21 2018

PUBLIC SERVICE
COMMISSION

Name of Utility	UNION COUNTY WATER DISTRICT	
Date	DECEMBER 11, 2018	
Address	P.O. BOX 146 409 NORTH COURT STREET	
City, State, Zip	MORGANFIELD, KY	42437
Telephone Number	270-389-3868	
Email Address	ucwdgarysheffer@yahoo.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
CITY OF MORGANFIELD, KY	2.5650	2.2589

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	November 2017	through	October 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
CITY OF MORGANFIELD, KY	369,757,600
TOTAL PURCHASES	369,757,600
4. Total gallons sold for the 12 month period	316,728,865
5. Increased water cost	\$<113,183>
<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	\$-.36
<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	JANUARY 1, 2019
	
Signature of Utility Officer	
CHAIRMAN	
Title	

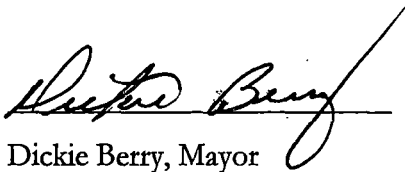
Gary Sheffer
Manager, Union County Water District
P. O. Box 146
Morganfield, Kentucky 42437

December 11, 2018

Dear Gary:

Please find enclosed your revised water rates for the calendar year 2019. The rate has been computed using the criteria in the 1986 contract. The new rate is \$2.2589. I have enclosed a copy of the calculation, if you have any questions regarding this matter, please feel free to contact me or Gary Vetter.

Sincerely,



Dickie Berry, Mayor

**Union County Water District
Rate Change Calculation
December-18**

		<u>Gallons Purchased</u>	<u>Gallons Sold</u>
2017			
	November	28,311,300	23,843,684
	December	27,951,300	23,387,020
2018			
	October	313,495,000	269,498,161
	YTD	<u>313,495,000</u>	<u>269,498,161</u>
	Total	<u><u>369,757,600</u></u>	<u><u>316,728,865</u></u>

Rate per 1000 gallons

		<u>Purchased At</u>
Old Rate	2.5650	948,428.24
New Rate	2.2589	<u>835,245.44</u>
Increased water costs		<u><u>(113,182.80)</u></u>

Purchased water adjustment factor -0.36

F:\Data\Morganfield Client Files\Un Co. Water District\Other\Rate Increase\Dec. 2018\Water Adjustment calc.xlsx]2018

Amounts taken from monthly utility bill reconciliation.

NOTICE

Union County Water District has filed an application with the Public Service Commission to increase its rates for water service. The proposed effective date of the change is January 1, 2019.

			<u>Current</u>	<u>Proposed</u>	<u>% Decrease</u>	
<u>5/8" Meter</u>	First	2,000 gallons	\$13.37	\$12.65	-5.39%	minimum bill
	Next	3,000 gallons	6.68	6.32	-5.39%	per 1,000 gallons
	Next	5,000 gallons	6.28	5.92	-5.73%	per 1,000 gallons
	Next	15,000 gallons	5.93	5.57	-6.07%	per 1,000 gallons
	Next	25,000 gallons	5.63	5.27	-6.39%	per 1,000 gallons
	Next	50,000 gallons	5.23	4.87	-6.88%	per 1,000 gallons
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>3/4" Meter</u>	First	5,000 gallons	\$33.40	\$31.60	-5.39%	minimum bill
	Next	5,000 gallons	6.28	5.92	-5.73%	per 1,000 gallons
	Next	15,000 gallons	5.93	5.57	-6.07%	per 1,000 gallons
	Next	25,000 gallons	5.63	5.27	-6.39%	per 1,000 gallons
	Next	50,000 gallons	5.23	4.87	-6.88%	per 1,000 gallons
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>1" Meter</u>	First	10,000 gallons	\$64.80	\$61.20	-5.56%	minimum bill
	Next	15,000 gallons	5.93	5.57	-6.07%	per 1,000 gallons
	Next	25,000 gallons	5.63	5.27	-6.39%	per 1,000 gallons
	Next	50,000 gallons	5.23	4.87	-6.88%	per 1,000 gallons
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>1 1/2" Meter</u>	First	25,000 gallons	\$153.75	\$144.75	-5.85%	minimum bill
	Next	25,000 gallons	5.63	5.27	-6.39%	per 1,000 gallons
	Next	50,000 gallons	5.23	4.87	-6.88%	per 1,000 gallons
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>2" Meter</u>	First	50,000 gallons	\$294.50	\$276.50	-6.11%	minimum bill
	Next	50,000 gallons	5.23	4.87	-6.88%	per 1,000 gallons
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>2 1/2" Meter</u>	First	75,000 gallons	\$425.24	\$398.24	-6.35%	minimum bill
	Next	25,000 gallons	5.23	4.87	-6.88%	per 1,000 gallons
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>3" Meter</u>	First	100,000 gallons	\$555.99	\$519.99	-6.47%	minimum bill
	Next	100,000 gallons	4.83	4.47	-7.45%	per 1,000 gallons
	Next	100,000 gallons	4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	4.03	3.67	-8.93%	per 1,000 gallons
<u>4" Meter</u>	First	200,000 gallons	\$1,038.98	\$966.98	-6.93%	minimum bill
	Next	100,000 gallons	\$4.43	4.07	-8.13%	per 1,000 gallons
	All over	300,000 gallons	\$4.03	3.67	-8.93%	per 1,000 gallons
<u>6" Meter</u>	First	300,000 gallons	\$1,481.97	\$1,373.97	-7.29%	minimum bill
	All over	300,000 gallons	\$4.03	3.67	-8.93%	per 1,000 gallons

The rates contained in this notice are the rates proposed by the Union County Water District. However, the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice

Any corporation, association, body politic, or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the District office at 409 N Court St in Morganfield, KY 42437. Upon request from an intervenor, the District shall furnish to the intervenor a copy of the application and supporting documents.

MINUTES OF THE MEETING OF THE UNION COUNTY WATER DISTRICT

A meeting of the Union County Water District was held on **December 11, 2018 beginning at 5:00p.m.**, in the Union County Fiscal Court room, at the Union County Courthouse in Morganfield, Kentucky.

The following persons were in attendance:

- Gerald Hunter, Chairman
- Gary Sheffer, Manager
- Andrew Arnold, Board Member
- Joyce Greenwell, Board Member
- Stephen M. Arnett, Attorney.
- Robbie Baird, Accountant
- Sean Sheffer, UC Planning Commission

The meeting was called to order and the minutes from the November 13, 2018 meeting were presented.

Minutes were approved upon motion by Andrew Arnold and second by Joyce Greenwell with no objections.

Gary Sheffer presented the expenses for October 30 through November 28, 2018.

- Kentucky Utilities doubled this month.
- RDL2 is Ryan Logan to fix yard where the fire hydrant was run over but have been reimbursed by that man's insurance company.
- Steve Watson had to make repairs to Tim's truck.
- Others are just standard bills.

Expenses of the Water District are as follows, per the attached Expense Reports:

Expenses for October 30 through November 28, 2018	\$ 106,467.20
Expenses for September 29 through October 29, 2018	\$ 111,431.61

Bills for November were approved with no objections upon motion by Joyce Greenwell and second by Andrew Arnold to pay bills.

Gary Sheffer presented the financial report.

Current Balances of the Water District are as follows, per the attached Reports:

SINKING FUND: #396660597 (ONB)	\$ 19,715.50
RESERVE FUND: #396660586 (ONB)	\$ 44,471.47
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OPERATIONS & MAINTENANCE: #80137180 (UCB)	\$184,810.94
DEVELOPMENT ACCOUNT: #80180175(UCB)	\$108,727.84

Motion to accept financial reports for November by Joyce Greenwell and Second by Andrew Arnold passed with no objections.

Gary Sheffer presented the managers' report for October.

- 31,851,300 Gallons of water purchased
- 28,256,830 Gallons of water sold
- 145,339 Gallons of water due to customer leaks
- 0 Gallons due to district leaks
- 1,338,530 Gallons flushed
- 2,110,601 Gallons due to line loss

Line Loss for this month alone is reflecting 6.63% loss.

Motion to accept the financial report by Andrew Arnold and second by Joyce Greenwell with no objections.

Gary Sheffer presented the Managers Report

Gary stated that there has been a follow up on reworking the pumps at Riverview and that there is a concern that Riverview would start using their underground water. They have started with a 10% mix and Riverview promised they would never use more than a 60:40 mix. Still waiting on parts for rework on pumps. David Brockman from Riverview said water is not as good of quality as they expected. Gary Sheffer stated that he felt more comfortable after talking with Mr. Brockman.

Gary Sheffer stated that there was a line that needed to be lowered it was hit on William Ball Road by disking.

The work began on the Uniontown project today by tapping into the Uniontown line. Steve Arnett will be preparing the easements after it is determined who needs to take the easements.

Gerald Hunter turned the meeting over to Robbie Baird. Robbie Baird presented a rate change calculation. The water cost for the last 12 months were reduced. This would result in a \$.36 per 1000 gallon reduction (see attached Exhibit C). Next year the city has a large project that will soon be completed and could result in an increase next year.

Motion to reduce rates for 2019 by \$.36 per 1000 gallons by Andrew Arnold and second by Joyce Greenwell with no objections.

Gerald Hunter asked Sean Sheffer, Steve Arnett, Joyce Greenwell, and Andrew Arnold if they had anything to add and they did not.

Gary Sheffer stated that the raises and bonuses for employees needs to be considered. Joyce Greenwell moved Andrew Arnold seconded a motion to enter in to executive session. It was discussed that it would be appropriate for a 2 ½ % increase across the board as well as the same bonuses for same as last year (\$400.00 all across the board plus \$700.00 to Gary Sheffer)

Motion to accept the increase made by Andrew Arnold and second by Joyce Greenwell with no objections.

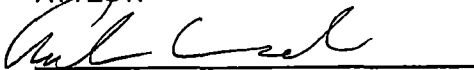
Motion made by Andrew Arnold and second by Joyce Greenwell to go back in to regular session, with no exception.

Andrew Arnold reported that Kevin Price was thankful that the meter was moved and he said that he appreciated UCWD in helping to get it done.

Motion to adjourn by Andrew Arnold and second by Joyce Greenwell; passed with no objections.


GERALD HUNTER, CHAIRMAN
Union County Water District

ATTEST:


Andrew Arnold, Secretary