

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTHERN WATER AND)	CASE NO.
SEWER DISTRICT FOR AN ALTERNATIVE RATE)	2019-00131
ADJUSTMENT)	

ORDER

On September 9, 2019, Southern Water and Sewer District (Southern District) filed two motions, one requesting approval to extend Southern District’s management contract with Utility Management Group, LLC (UMG), and the second requesting approval to award RG3 the contract to purchase and install new meters. By Order entered June 6, 2019, Southern District must obtain Commission approval prior to entering into contracts with a term of longer than 30 days.

On March 25, 2019, Southern District entered into a six-month management contract with UMG that terminates on September 25, 2019. At the August 29, 2019 board meeting, Southern District’s commissioners voted to extend the current contract with UMG for an additional six months. Southern District explained that it does not have an internal manager and that extending UMG’s contract permits Southern District to retain UMG’s management while investigating all options, including developing a request for proposal to solicit bids for contractual management services.

Having reviewed the motion to extend UMG’s management contract and being otherwise sufficiently advised, the Commission finds that Southern District established

good cause to extend that contract, and therefore Southern District's motion should be granted.

Regarding the motion to award the meter bid package and enter into a contract to purchase new meters from RG3, the Commission finds that the approval to enter into a contract with RG3 to purchase new meters is the subject of Case No. 2019-00328, Southern District's request for a certificate of public convenience and necessity (CPCN) to purchase and install the meters from RG3. For this reason, the Commission finds that the motion should be deferred and a determination made In Case No. 2019-00328.

IT IS THEREFORE ORDERED that:

1. Southern District's motion requesting approval to extend the management contract with UMG is granted.
2. Southern District's motion requesting approval to enter into a contract with RG3 for the purchase of new meters is deferred to Case No. 2019-00328.

By the Commission

ENTERED
OCT 02 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2019-00131

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