

# MORGAN COUNTY GOVERNMENT

450 Prestonsburg Street  
West Liberty, Kentucky 41472

Timothy Conley  
County Judge Executive

Phone (606) 743-3897  
Fax (606) 743-3895

May 9, 2006

Beth O'Donnell  
Executive Director  
KY Public Service Commission  
PO Box 615  
Frankfort, KY 40602

RECEIVED

MAY 10 2006

PUBLIC SERVICE  
COMMISSION

Dear Ms. O'Donnell,

Case No. 2006-00193

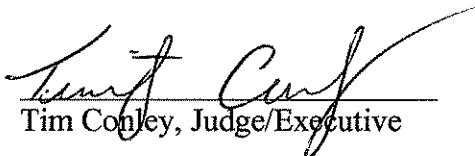
Over the past twenty-four months we have had several water projects in Morgan County that were funded by Coal Severance Bond funds. Therefore, we had no grants or loans to repay. This upcoming budget allows us 2.2 million dollars in state bond monies, which will allow us to extend more water lines into the most rural areas of our county.

However, we have seen a decrease in new users, which we attribute to the increased tap-on fee to \$590.00. I feel sure that our elderly citizens on a fixed income needs and deserves good clean treated water. (The \$590.00 is more than they draw in a month). I feel sure with our new expanded growth that we can lower the current tap-on fee to \$425.00. At this time, the total costs for materials to do a tap-on are only \$330.31. Seventy-five percent of our meter sets is done during the construction phase of a water project, therefore, they are included in our bidding process.

Over the past three years we have almost doubled our water coverage area and we are trying to make good, clean, treated water available to all citizens in Morgan County.

Thank you in advance for your consideration in this request to lower our tap-on fees to \$425.00. If you have any questions or concerns regarding this matter, please feel free to give me a call at 606-743-3897.

Sincerely,

  
Tim Conley, Judge/Executive

Michael Gevedon  
Magistrate

Darrell Patrick  
Magistrate

Denzil Potter  
Magistrate

Darris Smith  
Magistrate

Frankie Spencer  
Magistrate

Tommy Phipps  
County Treasurer

# Morgan County Water District

Beth O'Donnell  
Executive Director  
KY Public Service Commission  
PO Box 615  
Frankfort, KY 40602

**RECEIVED**

MAY 10 2006

PUBLIC SERVICE  
COMMISSION

**RE: Formal Application to revise certain non-recurring charges.**

Dear Ms. O'Donnell:

*Case No. 2006-00193*

This is an application to decrease the tap-on fee for Morgan County Water District. Attached is the non-recurring charge cost justifications and the proposed tariff sheets.

Morgan County Water District is not requesting a water rate increase at this time and does not expect to in the near future. The District is asking for a deviation from 807 KAR 5:011:Section 10(3) as it has already had 2 such filings since its last rate case, but, as previously stated, does not foresee filing a rate case in the near future as current rates are sufficient at this time. The customers affected by these revisions will be the customers that cause the District to incur these expenses. No additional revenue will be generated as this is a rate decrease.

The District has previously filed income statements and balance sheets with the Public Service Commission. These income statements and balance sheets are currently on file with the Commission.

The District will publish the enclosed public notice of these requested rate revisions in the local newspaper for three consecutive weeks. The first notice has already been published and the newspaper ad is enclosed. We will follow up with a filing of the second and third newspaper ads along with an affidavit from the newspaper verifying that the notice was published for three consecutive weeks.

A copy of this application and related filings has been sent to the Office of the Attorney General, State Capitol Building, Suite 118, Frankfort, KY 40601.

Very truly yours,

*Barbara Stacy*  
Manager  
enclosure

**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

Name of Utility                     Morgan County Water District                    

The following is an itemization of expenses for providing a metered service connection.

**A. Meter Size**

5/8-Inch  3/4-Inch  1-Inch  1 1/2 -Inch  2-Inch

Other (specify) \_\_\_\_\_

**B. Materials Expense**

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Water Meter	1_____	38.00	38.00
2. Meter Yoke	1_____	170.14	170.14
3. Corporation Stop	1_____	14.10	14.10
4. Meter Box and Top	1_____	27.37	27.37
5. Miscellaneous Fittings	2_____	3.78	7.56
6. Other (Itemize)			
<u>Pressure reducing valves</u>	1	25.00	25.00
<u>Meter gaskets</u>	2	.03	.06
<u>Pipe Inserts</u>	3	.05	.15
Tapping saddle, s-tubes	1	47.93	47.93
<b>TOTAL MATERIALS EXPENSE</b>			<b>\$330.31</b>
(add total cost)			

C. **Service Pipe Expense**

Type of Service Pipe    200 PSI    Size of Service Pipe   3/4"  

		<u>Quantity</u>	<u>Cost</u>	<u>Unit Cost</u>	<u>Total</u>
1.	Short Side Service	15' <u>    </u>	.22 <u>    </u>		3.30
2.	Long Side Service	40' <u>    </u>	.22 <u>    </u>		8.80 <u>    </u>

AVERAGE SERVICE PIPE EXPENSE                      \$ 6.05       
(add total cost and divide by 2)

D. **Installation Labor Expense**

		<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1.	Short Side Service	<u>    </u>	<u>    </u>	<u>    </u>
2.	Long Side Service	<u>    </u>	<u>    </u>	<u>    </u>

AVERAGE INSTALLATION LABOR EXPENSE                      \$       
(add total cost and divide by 2)

E. **Installation Equipment Expense**

		<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1.	Short Side Service	<u>    </u>	<u>    </u>	<u>    </u>
2.	Long Side Service	<u>    </u>	<u>    </u>	<u>    </u>

AVERAGE INSTALLATION EQUIPMENT EXPENSE                      \$       
(add total cost and divide by 2)

**F. Installation Miscellaneous Expense**

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	1____	50.____	50.00_
2. Site Clean-Up	_____	_____	_____
3. Other			
<u>Water line marking post</u>	_____	_____	30.00_
<u>Grass seed, straw</u>	_____	_____	8.64_
_____	_____	_____	_____

AVERAGE INSTALLATION MISCELLANEOUS EXPENSE \$88.64  
(add total cost)

**G. Overhead Expense**

1. Installation expense (\$\_\_\_\_\_) times  
overhead rate (\_\_\_\_%) \$ \_\_\_\_\_

**H. Administrative Expense**

1. Office expense for establishing a new account  
and billing record. \$ \_\_\_\_\_

**I. Total Expenses**

Materials Expense	\$ <u>330.31</u>
Service Pipe Expense	<u>6.05</u>
Installation Labor Expense	_____
Installation Equipment Expense	_____
Installation Miscellaneous Expense	88.64
Overhead Expense	_____
Administrative Expense	_____

**TOTAL CONNECTION EXPENSE \$ 425.00**

FOR Morgan County, KY  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Morgan County Water District  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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RATES AND CHARGES

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METER CONNECTION/TAP-ON CHARGES:

5/8 Inch X 3/4 Inch \$425.00

All Larger Meters Actual Cost

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DATE OF ISSUE \_\_\_\_\_

Month / Date / Year

DATE EFFECTIVE 01-01-2007

Month / Date / Year

ISSUED BY Troy Culler

(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

# LEGALS

## NOTICE OF BOND RELEASE Pursuant to Permit No. 888-0083 Increment No. 3, 4, & 11

In accordance with the provisions of KRS 350.093, notice is hereby given that Morgan County Leasing, Inc., P.O. Box 267, Hager Hill, Kentucky 41222 has applied for a Phase I bond release on increments #3, 4, and 11 on permit #888-0083, which was last issued on July 15, 2004. The application covers an area of approximately 60.26 acres located 1 mile Northwest of Moon in Morgan County.

The permit area is approximately .19 miles Northwest from Route 172's junction with pasture Fork and located 0.15 miles North of Open Fork, and is located along the waters of Open Fork of Paint Creek. The Latitude is 37d 58m 57s N. The Longitude is 83d 04m 03s W.

The bond now in effect for the Increment #3 (letter of Credit #896 \$24,400.00) and Increment 4 (letter of Credit #897 \$6,500.00) Increment #11 Cash Bond of \$1,800.00 Approximately 60% of the original bond amount of \$19,620.00 is included in the application for release.

Reclamation work performed includes: Grading, seeding, and mulching, and successful establishment of the post-mining land use, which was completed Oct., 2004.

Written comments, objections, or requests for a public hearing or informal conference must be filed with the Director of the Division of Field Services, #2 Hudson Hollow Complex, Frankfort, Kentucky 40601, by June 12, 2006.

A public hearing on the application has been scheduled for 9:00 a.m. on June 19, 2006 at the Department of Natural Resources/Division of Mine Reclamation Enforcement, Prestonsburg Regional Office,

## NOTICE

Morgan County Water District proposes to make the following revisions to its schedule of charges. The proposed effective date for the changes is 01-01-2007.

Meter Connection/Tap-on Charge, 5/8 Inch Meter--Current, \$590; Proposed, \$425; % Change -27.97%

The charges/rates contained in this notice are the charges/rates proposed by the Morgan County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings by contacting the water district.

The Water District has available for inspection at its office the proposed changes to its Rules and Regulations. The office is located at 408 Prestonsburg St., West Liberty, KY 41472.

This notice is published pursuant to 807 KAR 5:011-Tariffs. Morgan County Water District C-4-27-3t Pub. April 27, May 4, 11)

## PUBLIC NOTICE

An ordinance (BAFY200607) amending the Morgan County budget for fiscal year 2006, to include unanticipated revenues from General Fund sources of \$18,108.10; and unanticipated revenues from Road Fund sources of \$17,694.23; and unanticipated revenues from Jail Fund sources of \$7,378.43; and increasing expenditures in the General Fund

## NOTICE TO CONTRACTORS Commonwealth Of Kentucky

Department Of Highways Sealed bids will be received by the Department of Highways in the Division of Construction Procurement on the 3rd floor and/or the Auditorium located on the 1st Floor of the Transportation Cabinet Office Building, Frankfort, Kentucky until, 10:00 a.m. Daylight Savings Time on the 28 day of April, 2006, at which time bids will be publicly opened and read for the improvement of:

Morgan County 088-GR06-P040-FD05 KY 2498, KY 205 and KY 976 Morgan County

Asphalt resurfacing Bid proposals for all projects will be available at the Division of Construction Procurement until 3:00 p.m. Daylight Saving Time, preceding the day of the letting of Friday, April 28, 2006. Bid proposals for all projects will be available at a cost of \$10 each and remittance payable to the State Treasurer of Kentucky must accompany request for proposals (Non-Refundable). Bid Proposals Are Issued To Prequalified Contractors.

Specimen proposals for all projects will be available to all interested parties at a cost of \$10 each (Non-Refundable).

C-4-27-1t

## WARNING ORDER ATTORNEY NOTICE

PLEASE TAKE NOTICE that a complaint has been filed with the Morgan Circuit Court--Case No. 05-CI-00283--entitled Citifinancial Services, Inc. vs. Philip Thornsby a/k/a Phillip Thornsby. The undersigned, Jeffery N. Lovely, has been appointed by the Morgan Circuit Court as Warning Order Attorney for the purpose of notifying The Unknown Spouse (if any) of Philip Thornsby a/k/a Phillip Thornsby, Defendant, of the pending litigation.

The complaint filed by the plaintiff, Citi/financial Services, Inc. for the purpose of foreclosing on the debt owned to the

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BID SCHEDULE (Continued)

18	4-Inch Blowoff Assembly, Including Fitting, Concrete Thrust Blocking, Gate Valve, Complete in Place	6	EA.	721.73	4,330.38
19	2-Inch Blowoff Assembly, Including Fitting, Concrete Thrust Blocking, Gate Valve, Complete in Place	2	EA.	506.41	1,132.82
20	<del>Meter Setting Same Side</del> , Including Sensus Meter, Meter Box, Coppersetter, Corp Stop, PRV, Yoke, and 10-foot Service Tubing From the Corp Stop to the Meter Setting as Shown on the Standard Details, Complete in Place	48	EA.	403.05	19,346.40
21	<del>Meter Setting Opposite Side</del> , Including Sensus Meter, Meter Box, Coppersetter, Corp Stop, PRV, Yoke, and 70-foot Service Tubing From the Corp Stop to the Meter Setting as Shown on the Standard Details, Complete in Place	48	EA.	694.19	33,321.12
22	Creek Crossing Meter Setting, Including Sensus Meter, Meter Box, Coppersetter, Corp Stop, PRV, Yoke, and necessary Service Tubing From the Corp Stop to the Meter Setting as Shown on the Standard Details, Complete in Place	2	EA.	1,034.74	2,069.48
23	Additional Service Tubing, 200 psi HDPE Tubing (3/4 in and 1-in)	200	L.F.	8.21	1,642.00
24	Connection to Existing Line (Includes dry taps and wet taps)	12	EA.	2,102.43	25,229.16
25	Pressure Reducing Valve and Vault (Main Line) Including Fittings, Concrete Thrust Blocking, Gate Valves, Complete in Place	1	EA.	12,406.74	12,406.74
26	Gravel Replacement	7,740	L.F.	5.00	38,700.00
27	Bituminous Pavement and Concrete Replacement	50	L.F.	20.00	1,000.00
28	6-inch Joint Restraints	25	EA.	60.00	1,500.00
29	4-inch Joint Restraints	25	EA.	60.00	1,500.00

BID TOTAL (Sum of Items 1 through 29)

\$ 1,138,724.14

One million one hundred thirty eight thousand seven hundred twenty four and 14/100

The above prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for, complete in place.

G & W Const. Co., Inc.

(Name of Corporation, Partnership, Individual)

6730 Flemingsburg Road, Morehead, Ky 40351

(Business Address)

November 7, 2005

(Date)

606-784-2396

(Phone and FAX Number)

*[Handwritten Signature]*

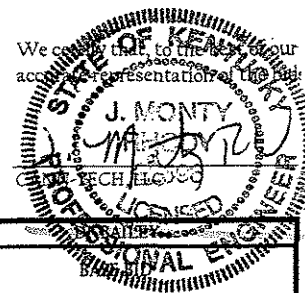
(Agent's Signature)

President

(Title)



BID TABULATION  
 PHASE II  
 MORGAN COUNTY WATER DISTRICT  
 BID DATE - 04/17/2006



		R. RISNER CONSTRUCTION INC.								
		BASE BID								
NO.	ITEM	Quantity	Unit	Unit Price	Total	Quantity	Unit	Unit Price	Total	
1	6-in. PVC SDR 21 Class 200 p.s.i.	42,000	LF	\$6.07	\$254,940.00	42,000	LF	\$6.95	\$291,900.00	
2	6-in. PVC SDR 17 Class 250 p.s.i.	74,000	LF	\$6.77	\$500,980.00	74,000	LF	\$7.74	\$572,760.00	
3	6-in. PVC C-900 Class 250 p.s.i.	34,000	LF	\$7.95	\$270,300.00	34,000	LF	\$9.11	\$309,740.00	
4	6-in. D.I. Class 250 p.s.i.	350	LF	\$16.00	\$5,600.00	350	LF	\$13.93	\$4,875.50	
5	4-in. PVC SDR 21 Class 200 p.s.i.	11,000	LF	\$4.55	\$50,050.00	11,000	LF	\$4.86	\$53,460.00	
6	4-in. PVC SDR 17 Class 250 p.s.i.	8,500	LF	\$4.85	\$41,225.00	8,500	LF	\$5.24	\$44,540.00	
7	3-in. PVC SDR 17 Class 250 p.s.i.	2,400	LF	\$4.32	\$10,368.00	2,400	LF	\$4.28	\$10,272.00	
8	12-in. Steel Casing Unclassified Bore & Jack	350	LF	\$85.00	\$29,750.00	350	LF	\$101.35	\$35,472.50	
9	10-in. Steel Casing Unclassified Bore & Jack	900	LF	\$82.00	\$73,800.00	900	LF	\$93.74	\$84,366.00	
10	8-in. Steel Casing Unclassified Bore & Jack	75	LF	\$80.00	\$6,000.00	75	LF	\$86.03	\$6,452.25	
11	Creek Crossing Type B	1,000	LF	\$30.00	\$30,000.00	1,000	LF	\$71.49	\$71,490.00	
12	6-in. Gate Valve & Box	44	EA	\$620.00	\$27,280.00	44	EA	\$526.48	\$23,165.12	
13	4-in. Gate Valve & Box	8	EA	\$520.00	\$4,160.00	8	EA	\$431.33	\$3,450.64	
14	3-in. Gate Valve & Box	2	EA	\$500.00	\$1,000.00	2	EA	\$390.98	\$781.96	
15	Fire Hydrant, 3 Nozzle	7	EA	\$2,700.00	\$18,900.00	7	EA	\$2,604.68	\$18,232.76	
16	6-in. Blowoff Assembly	5	EA	\$800.00	\$4,000.00	5	EA	\$912.58	\$4,562.90	
17	4-in. Blowoff Assembly	3	EA	\$750.00	\$2,250.00	3	EA	\$747.84	\$2,243.52	
18	3-in. Blowoff Assembly	2	EA	\$610.00	\$1,220.00	2	EA	\$682.26	\$1,364.52	
19	Meter Setting Same Side	145	EA	\$440.00	\$63,800.00	145	EA	\$449.95	\$65,242.75	
20	Meter Setting Opposite Side	93	EA	\$770.00	\$71,610.00	93	EA	\$674.50	\$62,737.80	
21	Additional Service Tubing	1,000	LF	\$7.20	\$7,200.00	1,000	EA	\$4.60	\$4,600.00	
22	Creek Crossing Meter Setting	1	EA	\$1,000.00	\$1,000.00	1	LF	\$494.32	\$494.32	
23	Connection To Existing Line	8	EA	\$1,890.00	\$15,120.00	8	EA	\$1,488.69	\$11,909.52	
24	Gravel Replacement	6,300	LF	\$5.00	\$31,500.00	6,300	LF	\$8.54	\$53,802.00	
25	Blacktop Replacement	400	LF	\$20.00	\$8,000.00	400	EA	\$27.06	\$10,824.00	
26	Air Release Valve	4	EA	\$750.00	\$3,000.00	4		\$453.86	\$1,815.44	
27	6-Inch Joint Restraints	80	EA	\$75.00	\$6,000.00	80	EA	\$50.09	\$4,007.20	
28	4-Inch Joint Restraints	25	EA	\$72.00	\$1,800.00	25	EA	\$45.50	\$1,137.50	
TOTAL					\$1,540,853.00	\$1,755,700.20				

# Morgan County Water District

---

Gregory D. Stumbo  
Office of the Attorney General  
The Capitol, Suite 118  
700 Capital Avenue  
Frankfort, KY 40601

RE: Formal Application to increase certain non-recurring charges.

Dear Mr. Stumbo:

This filing shall serve notice that Morgan County Water District has filed an application with the Public Service Commission to decrease its tap-on fee.

Morgan County Water District is not requesting a water rate increase at this time and does not expect to in the near future. The customers affected by these increases will be the customers that cause the District to incur these expenses. No additional revenue will be generated as this is a rate decrease.

The District will publish a public notice of these requested rate revisions in the local newspaper for three consecutive weeks. You will find a copy of this publication notice enclosed.

Very truly yours,

  
manager  
enclosure

## NOTICE

Morgan County Water District proposes to make the following revisions to its schedule of charges. The proposed effective date for the change is 01-01-2007

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Meter Connection/Tap-on Charge 5/8 Inch Meter	\$590.00	\$425.00	-27.97%

The charges/rates contained in this notice are the charges/rates proposed by the Morgan County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings by contacting the water district.

The Water District has available for inspection at its office the proposed changes to its Rules and Regulations. The office is located at 408 Prestonsburg St., West Liberty, KY 41472.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

Morgan County Water District



RECEIVED

MAY 1 0 2006

PUBLIC SERVICE  
COMMISSION



**MORGAN COUNTY FISCAL COURT**

450 Prestonburg Street  
County Gov. & Community Center Bldg.  
West Liberty, KY 41472  
Phone (606) 743-3898

BETH O'DONNELL  
EXECUTIVE DIRECTOR  
KYPUBLIC SERVICE COMMISSION  
PO BOX 615  
FRANKFORT, KENTUCKY 40602

