

Peaks Mill Water District
310 Perkins Lane
Frankfort, Ky. 40601

March 5, 2010


Public Service Commission
Jeff Derouen, Executive Director
211 Sower Blvd.
Frankfort, Ky. 40601

RE: Case No. 2009-00365

The Peaks Mill Water District received a request in January 2010 for information concerning our contract with Gatewood Water Service. This request was in relation to the District's application to raise the fee for tap-ons. The District initially responded with a request to finalize an updated fee schedule with Gatewood Water Service. Attached for your information and usage is the long standing contract with Gatewood Water Service dated 1987. The contracted amount has been revised forward over the years to the current amount of \$4,190.00 per month. In addition, there is a revised schedule of fees, current as of March 1, 2010, to cover work actions not covered in the base contract.

The District believes this information satisfies your requested information need.

Please let our office know if we can be of further assistance.

Sincerely,

Church Quarles, Chairman

RECEIVED

MAR 10 2010

PUBLIC SERVICE
COMMISSION

RECEIVED

MAR 10 2010

PUBLIC SERVICE
COMMISSION

PEAKS MILL WATER DISTRICT
CONTRACT
1987

This contract made and entered into the 2nd. day of January 1987; between Dale Gatewood and The Peaks Mill Water District, Route 6, Frankfort, Kentucky. Mr. Gatewood will receive \$4,190.00 per month for the year ending December 1987. This is to include, reading meters (monthly) and general maintenance in the District. Mr. Gatewood will be paid for other services on a per job basis.

PEAKS MILL WATER DISTRICT
W. HENRY PHILLIPS, CHAIRMAN

W. Henry Phillips

DALE GATEWOOD

Dale Gatewood

Additional Fees to be charged

The charges for the following services may be increased by Gatewood Water Service by the percentage of the inflation rate since the last increase as reported by the government or may be raised above the inflation rate due to circumstances upon approval of the board.

1. To repair a leak taking no more than 7 hours will be \$210.00 plus parts.
2. To set a short meter, up to 10 feet from the main line to get inside of the property line, will be \$210.00 plus parts.
3. To set a long meter (crossing road) not to exceed 40 feet, will be \$440.00 including application for encroachment permit, plus parts.
4. To repair fire hydrant which requires fire hydrant being removed from the ground will be \$275.00 plus parts.
5. Service work not included in flat rate concerning pump house, when pump motor blows or burns out, removing pump motor, transporting to rewinders and back and re-installation in pump house will be \$350.00 plus parts.
6. Rebuilding of control valves in pump house will \$210.00 plus parts.

All the above fees include ½ yard of rock, if more is encountered there will be an \$80.00 per yard charge. If distance is longer than stated above, a fee will be set on a per foot basis at that time. All above fees include costs of clearing up rock and seeding and strawing property back.

Any work not covered in the above charges or by any bided contract will be charted as follows:

Backhoe and operator	=	\$55.00 per hour
Extra employees	=	2 x payroll salary
Dump truck	=	\$45.00 per hour and \$0.50 per mile plus operator
Trencher & operator	=	\$65.00
Air compressor with operator & hammer or drill	=	\$65.00 per hour
Grating tractor or tractor/loader with operator	=	\$55.00 per hour
Hourly inspection of water line construction	=	\$35.00 per hour per man

All new construction is guaranteed for one year. All repairs are guaranteed for 90 days.

Gatewood Water Service also does work not included in flat rate, this includes:

1. construction of main lines which will be bid on, on a per job basis
2. repairs and painting to buildings owned by the district
3. repair of chain link fence
4. mowing service to property owned by district
5. cleaning up property owned by district.