

North Hopkins Water District
316 Liberty Church Loop
Madisonville, Kentucky 42431

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Public Service
Commission

February 16, 2016

Public Service Commission of Kentucky
211 Sower Blvd.
P. O. Box 615
Frankfort, Kentucky 40602

Pursuant to KRS 278.012 and 278.015 we respectfully submit the enclosed 10 copies of an application for a Purchased Water Rate Adjustment.

Sincerely,



Norman D. Adams, Chairman

cc: file

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

Name of Utility	North Hopkins Water District	
Date	February 16, 2016	
Address	316 Liberty Church Loop	
City, State, Zip	Madisonville, KY	42431
Telephone Number	270-825-1623	
Email Address	northhopkinswd@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 Madisonville, KY	\$3.95 per 1,000 gallons	\$4.13 per 1,000 gallons

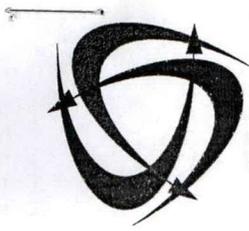
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A

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	January 2015	through	December 2015
	(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 Madisonville, Kentucky	82,831,000
TOTAL PURCHASES	82,831,000
4. Total gallons sold for the 12 month period	76,304,210
5. Increased water cost	\$14,909.58
<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	\$0.20 per 1,000 gallons
<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	March 15, 2016
	
Signature of Utility Officer	
Chairman	
Title	



Berry Kington & Utley PSC
Certified Public Accountants

"EXHIBIT A"

2822 North Main Street ■ Madisonville, KY 42431
Phone 270-821-3355 ■ Fax 270-821-0101

January 8, 2016

COPY

Mr. Cory Alexander
City Finance Director/Treasurer
City of Madisonville, Kentucky
67 North Main Street
Madisonville, KY 42431

Dear Cory:

We have prepared the accompanying Cost Review Formulas for revising calendar year wholesale rate charges as per Treated Water Sale and Purchase Agreements with the North Hopkins Water District.

We prepared the Cost Review Formulas using June 30, 2015 audited financial statements and wholesale user consumption records as provided by the City of Madisonville. We did not audit the wholesale user consumption records during our June 30, 2015 audit due to the fact that such records were outside the scope of the audit.

The wholesale water rate to be charged to the North Hopkins Water District is \$4.13 per each one thousand gallons of treated water. It is my understanding that the new rate will be charged from March 15, 2016 to December 31, 2016.

We appreciate the opportunity to be of service to the City of Madisonville. Please call if you have any questions regarding these computations.

Very truly yours,


Charles A. Kington, CPA

North Hopkins Water District
Purchased Water Rate Adjustment
Date of Issue: February 16, 2016

EXHIBIT B - PURCHASED WATER ADJUSTMENT CALCULATIONS

Water Purchased: 82,831,000 gallons
Water Sold: 76,304,210 gallons

Cost at changed rate: $82,831,000/1,000 \times \$4.13 =$ \$342,092.03

LESS

Cost at base rate: $82,831,000/1,000 \times \$3.95 =$ \$327,182.45

Increase in cost -----
\$ 14,909.58
=====

$\$14,909.58 / 76,304,210$ gallons sold = \$.0001954 or \$.20 per 1,000 gallons

"EXHIBIT C"

Form for filing Rate Schedules

For Hopkins County Kentucky
Community, Town or City

P.S.C. NO. _____

____ SHEET NO. _____

North Hopkins Water District
Name of Issuing Corporation

CANCELING P.S.C. NO. 2015-00078

____ SHEET NO. _____

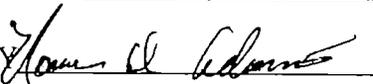
CLASSIFICATION OF SERVICE

Monthly Rates

	Current rates	Proposed rates
<u>5/8 x 3/4 Inch Meters</u>		
First 2,000 gallons	\$23.98 (Minimum Bill)	\$24.38 (Minimum Bill)
Next 2,000 gallons	11.69 per 1,000 gallons	11.89 per 1,000 gallons
Next 3,000 gallons	9.34 per 1,000 gallons	9.54 per 1,000 gallons
Next 3,000 gallons	8.19 per 1,000 gallons	8.39 per 1,000 gallons
Over 10,000 gallons	6.39 per 1,000 gallons	6.59 per 1,000 gallons
<u>3/4 Inch Meters</u>		
First 3,000 gallons	\$35.67 (Minimum Bill)	\$36.27 (Minimum Bill)
Next 1,000 gallons	11.69 per 1,000 gallons	11.89 per 1,000 gallons
Next 3,000 gallons	9.34 per 1,000 gallons	9.54 per 1,000 gallons
Next 3,000 gallons	8.19 per 1,000 gallons	8.39 per 1,000 gallons
Over 10,000 gallons	6.39 per 1,000 gallons	6.59 per 1,000 gallons
<u>1 Inch Meters</u>		
First 5,000 gallons	\$56.70 (Minimum Bill)	\$57.70 (Minimum Bill)
Next 2,000 gallons	9.34 per 1,000 gallons	9.54 per 1,000 gallons
Next 3,000 gallons	8.19 per 1,000 gallons	8.39 per 1,000 gallons
Over 10,000 gallons	6.39 per 1,000 gallons	6.59 per 1,000 gallons
<u>1-1/2 Inch Meters</u>		
First 10,000 gallons	\$99.95 (Minimum Bill)	\$101.95 (Minimum Bill)
Over 10,000 gallons	6.39 per 1,000 gallons	6.59 per 1,000 gallons
<u>2 Inch Meters</u>		
First 15,000 gallons	\$131.90 (Minimum Bill)	\$134.90 (Minimum Bill)
Over 15,000 gallons	6.39 per 1,000 gallons	6.59 per 1,000 gallons
<u>3 Inch Meters</u>		
First 30,000 gallons	\$227.75 (Minimum Bill)	\$233.75 (Minimum Bill)
Over 30,000 gallons	6.39 per 1,000 gallons	6.59 per 1,000 gallons

DATE OF ISSUE February 16, 2016

DATE EFFECTIVE March 15, 2016

ISSUED BY 

TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____
dated _____.

"EXHIBIT D"

NORTH HOPKINS WATER DISTRICT

Meeting Minutes

Present: David Adams, Danny Ashby, Greg Crowley, Tamara Hunter, Timmy Moore, & Steve Oakley

Meeting Date: February 18, 2016

I. Announcements

Meeting was called to order by Chairman David Adams. Chairman David Adams opened meeting with prayer.

II. Discussion

A motion was brought to the board to raise the water rates to compensate for the City of Madisonville raising their rates. Greg Crowley made motion to raise North Hopkins water rate \$.20 per 1,000gals. Danny second motion. Motion to raise NHWD water rates passed.

Steve made motion for board to make decision on maintaining pressure regulators, due the confusion on if we replace them or not. Greg made motion to maintain only the regulators NHWD puts in. David second the motion. Motion on maintaining only NHWD regulators passed.

Motion was brought to board on hiring Tyler Moore for part time help when Steve and Tim need help. Greg made motion to hire Tyler on part time basis. Danny second motion. Motion passed.

Greg made motion to pay Tyler \$16.00 an hour. Danny second motion. Motion on pay rate passed.

Danny made motion to buy a new fire hydrant from Cary Baldwin to replace the one at Anton Fire Dept. Cary will sell it for \$950.00. The Anton Fire Dept. will pay for half of hydrant and labor. Danny second motion. Motion to replace fire hydrant and half cost passed.

David made motion to buy Steve and Tim electronic tablets to keep with them to pull up blue prints of NHWD system, take pictures of flush valves, and any other information to help improve the maintenance and operation of NHWD. Greg second motion. Motion passed to buy the guys tablets.

III. Roundtable

Steve and Tim discussed the NOV's the district has received. We have a corrective action plan in place. We have to send in all paperwork regarding our action plan every quarter. We have to have no high numbers for 4 quarters before violation is lifted.

Next board meeting will be held on March 15, 2016

With no further business Danny motion for meeting to be adjourned. Greg second motion. Motion carried and meeting was adjourned.