

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

RECEIVED

DEC 30 2019

PUBLIC SERVICE
COMMISSION

Name of Utility	UNION COUNTY WATER DISTRICT		
Date	DECEMBER 09, 2019		
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	2.2589	2.5242	
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 2018	through	October 2019
	(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	385,915,800
TOTAL PURCHASES	385,915,800
4. Total gallons sold for the 12 month period	321,826,793
5. Increased water cost	\$102,383
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	
6. Purchased water adjustment factor	\$.32
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
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.	
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, 2020
 Signature of Utility Officer	
CHAIRMAN	
Title	



CITY OF MORGANFIELD

130 East Main Street
P.O. Box 420
Morganfield, Kentucky 42437-0420

Tel. (270)389-2525
TDD (800)648-6056
Fax (270)389-2157
e-mail cityadm@att.net

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

December 09, 2019

Dear Gary:

Please find enclosed your revised water rates for the calendar year 2020. The rate has been computed using the criteria in the 1986 contract, as amended. The new rate is \$2.5242. 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,

A handwritten signature in cursive script that reads "Randy Greenwell, Mayor".

Randy Greenwell, Mayor

**Union County Water District
Rate Change Calculation
December-19**

		Gallons Purchased	Gallons Sold
2018			
November		31,851,300	28,256,830
December		32,055,200	26,950,571
2019			
October	YTD	322,009,300	266,619,392
	Total	<u>385,915,800</u>	<u>321,826,793</u>

Rate per 1000 gallons

		Purchased At
Old Rate	2.2589	871,745.20
New Rate	2.5242	974,128.66
Increased water costs		<u>102,383.46</u>

Purchased water adjustment factor 0.32

F:\Data\Morganfield Client Files\Un Co. Water District\Other\Water Usage Spreadsheet.xlsx]2019

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, 2020.

			<u>Current</u>	<u>Proposed</u>	<u>% Increase</u>	
<u>5/8" Meter</u>	First	2,000 gallons	\$12.65	\$13.29	5.06%	minimum bill
	Next	3,000 gallons	6.32	6.64	5.06%	per 1,000 gallons
	Next	5,000 gallons	5.92	6.24	5.41%	per 1,000 gallons
	Next	15,000 gallons	5.57	5.89	5.75%	per 1,000 gallons
	Next	25,000 gallons	5.27	5.59	6.07%	per 1,000 gallons
	Next	50,000 gallons	4.87	5.19	6.57%	per 1,000 gallons
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>3/4" Meter</u>	First	5,000 gallons	\$31.60	\$33.20	5.06%	minimum bill
	Next	5,000 gallons	5.92	6.24	5.41%	per 1,000 gallons
	Next	15,000 gallons	5.57	5.89	5.75%	per 1,000 gallons
	Next	25,000 gallons	5.27	5.59	6.07%	per 1,000 gallons
	Next	50,000 gallons	4.87	5.19	6.57%	per 1,000 gallons
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>1" Meter</u>	First	10,000 gallons	\$61.20	\$64.40	5.23%	minimum bill
	Next	15,000 gallons	5.57	5.89	5.75%	per 1,000 gallons
	Next	25,000 gallons	5.27	5.59	6.07%	per 1,000 gallons
	Next	50,000 gallons	4.87	5.19	6.57%	per 1,000 gallons
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>1 1/2" Meter</u>	First	25,000 gallons	\$144.75	\$152.75	5.53%	minimum bill
	Next	25,000 gallons	5.27	5.59	6.07%	per 1,000 gallons
	Next	50,000 gallons	4.87	5.19	6.57%	per 1,000 gallons
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>2" Meter</u>	First	50,000 gallons	\$276.50	\$292.50	5.79%	minimum bill
	Next	50,000 gallons	4.87	5.19	6.57%	per 1,000 gallons
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>2 1/2" Meter</u>	First	75,000 gallons	\$398.24	\$422.24	6.03%	minimum bill
	Next	25,000 gallons	4.87	5.19	6.57%	per 1,000 gallons
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>3" Meter</u>	First	100,000 gallons	\$519.99	\$551.99	6.15%	minimum bill
	Next	100,000 gallons	4.47	4.79	7.16%	per 1,000 gallons
	Next	100,000 gallons	4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	3.67	3.99	8.72%	per 1,000 gallons
<u>4" Meter</u>	First	200,000 gallons	\$966.98	\$1,030.98	6.62%	minimum bill
	Next	100,000 gallons	\$4.07	4.39	7.86%	per 1,000 gallons
	All over	300,000 gallons	\$3.67	3.99	8.72%	per 1,000 gallons
<u>6" Meter</u>	First	300,000 gallons	\$1,373.97	\$1,469.97	6.99%	minimum bill
	All over	300,000 gallons	\$3.67	3.99	8.72%	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 10, 2019 beginning at 5:00 p.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 12, 2019 meeting were presented.

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

Gary Sheffer presented the expenses through November 28, 2019.

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

Expenses for October 30 2019 to November 28, 2019	\$ 100,487.71
<u>Expenses for September 29, 2019 to October 29, 2019</u>	<u>\$ 98,889.97</u>

Andrew Arnold asked about Anthem Insurance being higher. Gary Sheffer stated that part of the increase was Andrew Arnold's insurance. Gary stated that he contacted Anthem regarding the increase and the amount is correct. Andrew Arnold said that he thought the increase may have something to do with him turning 55 years old.

The bill for O'Nans was for the running boards on the ¾ ton truck. Part of the Fortline bill will be reimbursed approximately \$600 by Bill Thomas.

Motion to Pay Bills was approved upon motion by Andrew Arnold and second by Joyce Greenwell with no objections.

Gary Sheffer presented the financial report for November 2019.

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

RESERVE FUND: #396660586 (ONB)	\$ 0
SINKING FUND: #396660597 (ONB)	\$ 0
DEVELOPMENT ACCOUNT: #80180175(UCB)	\$136,442.76
<u>OPERATIONS & MAINTENANCE: #80137180 (UCB)</u>	<u>\$283,604.95</u>

Gary Sheffer stated that the bills that were questioned from last month are reconciled by paying them early this month.

Motion to approve financial report was approved by Joyce Greenwell second by Andrew Arnold with no objections.

Gary Sheffer presented the manager's report.

- 33,319,600 Gallons of water purchased
- 27,665,173 Gallons of water sold
- 374,875 Gallons of water due to customer leaks
- 1,598,739 Gallons flushed (other uses)
- 18,000 Gallons due to district leaks
- 3,662,813 Gallons due to line loss,

Line loss was 10.99% for November 2019 and 11.99% annual average line loss.

Gerald Hunter turned the floor over to Robbie Baird.

Robbie presented the proposed rate for 2020 which would be the \$.32 per 1000 gallons per month increase or \$.64 per 2000 gallons per month. This increase is due primarily to the Morganfield City improvement project. The old rate was 2.2589 and the new rate would be 2.5242.

\$.32 per 1,000 gallons

Motion to approve the rate increase to ~~2.5242~~ made by Joyce Greenwell and second by Andrew Arnold with no objections.

Gary Sheffer spoke to the Mayor regarding the overcharge. The city of Morganfield would like the UCWD to approve the amount \$8680.93 of overcharge before payment for 4 month period.

Motion to accept the amount of \$8680.93 from the City of Morganfield was made by Andrew Arnold and second by Joyce Greenwell with no objections.

Gary Sheffer stated that he would have a conference call next week with the Division of Enforcement who is threatening to put the Union County Water District under an Order for Violations of HAAs (which we have no control over due to the Morganfield plant). Gary Sheffer is hoping for a reprimand only due to the UCWD having No control. Gary Sheffer stated that with the Morganfield improvements to the plant that the HAAs will be good in the future.

Motion by Andrew Arnold for 2% increase for all employees for 2020 second by Joyce Greenwell with no objections.

Motion for same Christmas bonus \$400 each employee and \$700 for Gary Sheffer by Joyce Greenwell and second by Andrew Arnold with no objections.

Gerald Hunter asked if anyone had anything else.

Motion to Adjourn by Joyce Greenwell and second by Andrew Arnold with no objections.



GERALD HUNTER, CHAIRMAN
Union County Water District

ATTEST:



Andrew Arnold, Secretary