



James A. Carter
Mayor

CITY OF PIKEVILLE
243 Main Street
Pikeville, Kentucky 41501
(606) 437-5100
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Philip R. Elswick, P.E.
City Manager

September 13, 2018

Mr. Dean Hall
Southern Water & Sewer District
P.O. Box 610
McDowell, KY 41647

RE: Rate Increase

Dear Dean:

As we discussed on September 10, 2018, the City of Pikeville will agree to increase wholesale water rates to the Southern Water & Sewer District at a rate of \$2.25 per 1,000 gallons to be effective on October 16, 2018. I am attaching a copy of the customer notice that the Public Service Commission has previously required to be mailed.

It is my understanding that Southern's Board will consider Pikeville's rate increase at its board meeting on September 24, 2018. After that meeting, please confirm that Southern will not object to Pikeville's rate increase.

If you have any questions, please contact me at (606) 437-5100 or via e-mail at philip.elswick@pikevilleky.gov.

Sincerely,

Philip R. Elswick, P.E.
City Manager

NOTICE

Notice is hereby given that the City of Pikeville proposes to increase its rate for wholesale water service to Southern Water and Sewer District effective October 16, 2018. On or about September 13, 2018, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change Ave. Month</u>	<u>% Change Ave. Rate</u>
\$1.72 per 1,000 gallons	\$2.25 per 1,000 gallons	\$5,653.33*	30.81%

* Based on an average of 128,000,000 gallons per year

The proposed effective date is October 16, 2018. Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

The rates contained in this notice are the rates proposed by the City of Pikeville but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may examine this filing at the offices the Pikeville City Hall, City Manager's Office, located at 213 Main Street in Pikeville, Kentucky; telephone (606) 437-5100.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00am to 4:30pm or through the PSC website at <http://psc.ky.gov>.

Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. If the PSC does not receive a written request for intervention within thirty (30) days of the date notice was initially provided, the PSC may take final action on the filing.

Pikeville

Water District Name	Wholesale Rate	Increase Date
Southern Water	\$1.72 per 1,000 gallons	January 1, 2009
	\$1.68 per 1,000 gallons for the first 28 million gallons for each calendar month.	
Mountain Water	\$1.30 per 1,000 gallons for all gallons after the first 28 million gallons per calendar month	March 1, 2009

(4) Pursuant § 52.02 (A), the following rates shall apply if the City Manager grants written approval for an exception for an apartment complex owner/operator with greater than twenty-five (25) units. This exception will be to the complex equipped with a master meter instead of individual meters. At the time he or she requests water service to be installed, the owner/operator shall supply the total number of apartments that the master meter will service. If this number changes at any time, it shall be the owner/operator's responsibility to notify the city at the time in which the number changes. In this event, the following rates shall apply:

(a) Rates inside the city corporate boundaries:

1. The owner of the apartment complex shall be responsible for the total usage and any and all fees cost or billing associated with water service.
2. If any unit is occupied for any amount of time during the billing calendar month, the owner of the apartment complex shall be billed the minimum of twelve dollars forty cents (\$12.40) for each unit. Each unit billed shall get a credit of usage of two thousand (2,000) gallons for that unit. Every gallon used thereafter shall be billed at the rate of sixty-two cents (\$0.620) per one hundred (100) gallons.

(b) Rates outside the city corporate boundaries:

1. The owner of the apartment complex shall be responsible for the total usage and any and all fees cost or billing associated with water service.
2. If any unit is occupied for any amount of time during the billing calendar month, the owner of the apartment complex shall be billed the minimum of twenty-two dollars fifty cents (\$22.50) for each unit. Each unit billed shall get a credit of usage of two thousand (2,000) gallons for that unit. Every gallon used thereafter shall be billed at the rate of sixty-three cents (\$0.630) per one hundred (100) gallons.

Note: In the event a unit is not rented during a calendar billing cycle, it will be the owner/operator's responsibility to submit a written and notarized statement of how many units were never occupied for the entire billing cycle month, together with the billing statement for an adjustment. Each month the city shall consider that all units are in use unless notified by the monthly billing process described herein.

(Ord. 610.2, passed 5-22-78; Am. Ord. 19, passed 10-21-85; Am. Ord. 0-87-001, passed 1-27-87; Am. Ord. 0-89-005, passed 5-22-89; Am. Ord. 0-91-010, passed 5-29-91; Am. Ord. 0-2001-027, passed 10-22-01; Am. Ord. 0-2002-012, passed 10-28-02; Am. Ord. 0-2008-003, passed 1-14-08; Am. Ord. 0-2008-011, passed 3-13-08; Am. Ord. 0-2008-28, passed 12-2-08; Am. Ord. 0-2009-17, passed 6-22-09; Am. Ord. 0-2013-020, passed 8-2-13)

CHAPTER 53: WATER

Section

General Provisions

- 53.01 Fire hydrants; standards
- 53.02 Water meters
- 53.03 Rates and charges
- 53.04 Billings; when due

Cross-reference:

Disconnection upon noncompliance with sewer regulations, see § 52.88

GENERAL PROVISIONS

§ 53.01 FIRE HYDRANTS; STANDARDS.

All subdividers, contractors, developers, private businesses, or public agencies having responsibility for providing fire hydrants within the city limits shall conform to the following specifications:

- (A) Hydrants shall be Mueller Centurion with a five and one-fourth (5 1/4) inch hydrant valve and six (6) inch mechanical joint boot. The hydrant drain orifice shall be located so that no water remains in the barrel to freeze or corrode. All threads are to be national standard threads with seven (7) threads per inch.
- (B) Thrust restraints for all hydrants, valves, tees, and plugs shall be provided in accordance with Pages 347-350 of the Fifth Edition of Cast Iron Pipe Research Association Handbook.
- (C) Valves shall be Mueller catalog number C-500 with mechanical joints. Each valve shall have a precast box.
- (D) Each fire hydrant shall have two (2) two and one-half (2 1/2) inch outlets and one (1) four and one-half (4 1/2) inch outlet.
- (E) All hydrants shall be served by at least a minimum six (6) inch water line. In the event a larger water line should be available, the Mueller hydrants of a larger size, as is practical considering the availability of the water line, shall be substituted for the above specifications.
- (F) Each subdivider, contractor, or other individual installing fire hydrants in the city shall provide the Fire Department, at no cost, one (1) breakaway kit for each two (2) hydrants and also two (2) suitable operating wrenches for the valve on that hydrant.

Ord. 310.3, passed 3-9-81; Am. Ord. 0-2008-003, passed 1-14-08) Penalty, see § 10.99

§ 53.02 WATER METERS.

(A) The Public Works Department shall not furnish water to more than one (1) customer or user on the same meter or the same water line connection. A separate meter is required for each residential and/or commercial account, except where there is an apartment complex with more than twenty-five (25) units. The City Manager may permit a master meter in that case. The City Manager may also waive the requirement of one (1) meter per customer and permit a master meter for an existing apartment or residential complex/duplex where the cost to convert the existing apartment or residential complex/duplex for separate meters is not economically feasible. However in both events the special apartment building master meter rates provided in § 53.03(B)(4) below will apply and the owner/operator of the complex will be liable for payment of the total usage and billed amount.

or make a connection on the city water line for each customer or user residing in that building or apartment house, but the connection shall be made only at the city water line. However, the Department shall not furnish the pipe or install the line from the city water line to that building or apartment house.

(Ord. 610.1, passed 2-22-51; Am. Ord. 0-2008-003, passed 1-14-08; Am. Ord. 0-2008-011, passed 3-13-08; Am. Ord. 0-2013-020, passed 8-2-13; Am. Ord. 0-2017-32, passed 12-21-17)

§ 53.03 RATES AND CHARGES.

(A) Service fees shall be as follows for all accounts:

Service	Fees and Charges
Water account deposit	\$25.00
Water tap fees	
5/8" X 3/4" standard tap	\$400.00 in city \$535.00 out of city rate
1" and above	Cost plus \$200.00
Any large rock removal for all installations	Cost of removal
Tap fee for all places of business or other places using sprinkling systems will be at cost plus cost of materials and labor plus the fee charge	Cost plus \$500.00
Service charge for standard read in service for Monday through Friday of operating hours	\$20.00
Service charge for standard read in service for after 5:00 p.m., holidays and weekends	\$30.00
Service charge for standard re-connects of non- payment, Monday through Friday of operating hours	\$30.00
Service charge for standard re-connect of non- payment after 5:00 p.m., holidays and weekends	\$40.00

<i>Service</i>	<i>fees and Charges</i>
Service charge for meter reading re-checks	\$20.00
Service charge for test request	Cost plus \$20.00
Service charge for all investigations	\$20.00

Ord. 610.2, passed 10-10-77)

(B) Water rates shall be as follows:

(1) Effective February 1, 2008, the monthly water service rates and charges for each customer inside the city shall be as follows:

<i>Gallons per Month</i>	<i>Monthly Charge</i>
First 2,000	\$11.20 (min. mo. bill)
Next 3,000	\$0.620 per 100 gallons
Next 5,000	\$0.620 per 100 gallons
Next 10,000	\$0.398 per 100 gallons
Next 30,000	\$0.395 per 100 gallons
Next 50,000	\$0.385 per 100 gallons
Over 100,000	\$0.190 per 100 gallons

(2) From and after January 1, 2009, the monthly water service rates and charges for every account outside the city corporate boundaries, other than the wholesale users named in division (B)(3) below, shall be as set forth in the following schedule:

<i>Gallons per Month</i>	<i>Monthly Charge</i>
First 2,000	\$22.50 (min. mo. bill)
Next 3,000	\$0.630 per 100 gallons
Next 5,000	\$0.630 per 100 gallons
Next 10,000	\$0.540 per 100 gallons
Next 30,000	\$0.540 per 100 gallons
Next 50,000	\$0.500 per 100 gallons
Over 100,000	\$0.350 per 100 gallons

(Ord. 610.3, passed 5-22-78; Am. Ord. 19, passed 10-21-85; Am. Ord. 0-91-005, passed 3-25-91; Am. Ord. 0-99-013, passed 11-22-99; Am Ord. 0-00-009, passed 5-22-00)

(3) From and after the dates as shown in the Increase Date column below in the water service rates and charges for

All charges for water and sewer service shall be billed and payable in accordance with the provisions of Chapter 54.(Am Ord. 0-2008-003, passed 1-14-08)