

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF</b>	)	
<b>MUHLENBERG COUNTY WATER</b>	)	
<b>DISTRICT #3 REQUESTING</b>	)	<b>CASE NO. 2019-00051</b>
<b>DEVIATION FROM REQUIREMENTS</b>	)	
<b>OF 807 KAR 5:066, SECTION 4(4)</b>	)	

**RESPONSE OF**  
**MUHLENBERG COUNTY WATER DISTRICT #3**  
**TO**  
**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**  
**DATED JUNE 6, 2019**

**FILED: June 21, 2019**

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**ELECTRONIC APPLICATION OF )  
MUHLENBERG COUNTY WATER )  
DISTRICT #3 REQUESTING ) CASE NO. 2019-00051  
DEVIATION FROM REQUIREMENTS )  
OF 807 KAR 5:066, SECTION 4(4) )**

**RESPONSE OF MUHLENBERG COUNTY WATER DISTRICT #3 TO  
COMMISSION STAFF’S FIRST REQUEST FOR INFORMATION**

Comes the Muhlenberg County Water District #3, for its Response to the Commission Staff’s First Request for Information, and states as shown on the following pages.



Damon R. Talley  
Stoll Keenon Ogden PLLC  
P.O. Box 150  
Hodgenville, KY 42748-0150  
Telephone: (270) 358-3187  
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*Counsel for Muhlenberg County Water  
District #3*

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**ELECTRONIC APPLICATION OF                    )**  
**MUHLENBERG COUNTY WATER                )**  
**DISTRICT #3 REQUESTING                    ) CASE NO. 2019-00051**  
**DEVIATION FROM REQUIREMENTS         )**  
**OF 807 KAR 5:066, SECTION 4(4)         )**

**CERTIFICATION OF RESPONSE TO**  
**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

This is to certify that I have supervised the preparation of Muhlenberg County Water District #3's Response to the Commission Staff's First Request for Information. The response submitted on behalf of Muhlenberg County Water District #3 is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

*Ben Tooley*     6-21-19  
\_\_\_\_\_  
Ben Tooley, Superintendent  
Muhlenberg County Water District #3

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 1**

**Responding Witness: Ben Tooley**

Q-1. State whether Muhlenberg District #3 contends that its contract with the city of Sacramento obligates the city to continue to purchase water from Muhlenberg District #3, and if so, describe any actions Muhlenberg District #3 has taken and any actions it intends to take to hold the city of Sacramento to its contractual obligations.

A-1. Yes. Muhlenberg District #3 strongly contends that its contract and addenda with Sacramento requires Sacramento to purchase all its water from Muhlenberg District #3 until August 1, 2035.

Muhlenberg District #3's attorney, Damon R. Talley, had numerous conversations with the City Attorney for Sacramento, Jonathan King; several emails were sent to Mr. King; and a settlement conference was conducted on July 23, 2018. Mr. Talley sent a letter to the City Attorney on June 18, 2018 informing Sacramento that it was in breach of the contract and addenda. On August 21, 2018, a formal "cease and desist" letter was sent by Muhlenberg District #3's Chairman to Sacramento's Mayor. Since Sacramento ignored these letters and warnings and continued to purchase all its water from the McLean County Regional Water Commission, Muhlenberg District #3 was forced to file a lawsuit against Sacramento in the Muhlenberg Circuit Court

on January 17, 2019 (Case No. 19-CI-00024). The lawsuit seeks specific performance of the contract and addenda and monetary damages. The lawsuit is still in the discovery stage.

The following documents are attached to this response as **Attachment**

**1-1:**

6-18-18 Letter to Jonathan King, City Attorney for Sacramento

8-21-18 Cease and Desist Letter to Mayor of Sacramento

1-17-19 Complaint Filed Against Sacramento

# **ATTACHMENT 1-1**



**DAMON R. TALLEY**  
PH: 270-358-3187  
FAX: 270-358-9560  
damon.talley@skofirm.com

PO Box 150  
112 N. LINCOLN BLVD.  
HODGENVILLE, KY 42748

June 18, 2018

Hon. Jonathan S. King  
Paxton & King, PLC  
213 E. Broad Street  
Central City, Kentucky 42330

RE: Contractual Dispute  
Muhlenberg County Water District No. 3  
& City of Sacramento

Dear Jonathan:

Thanks for taking the time today to talk to me about this matter.

As we discussed, the Muhlenberg County Water District No. 3 (MCWD3) considers the City of Sacramento (City) in breach of the Water Supply Contract (Contract) dated October 3, 1968. Under the terms of the Contract, the City is obligated to purchase all of its water from MCWD3. The City has purchased practically no water from MCWD3 since May 31, 2018.

The purpose of this letter is to put the City on notice that MCWD3 intends to specifically enforce the provisions of the Contract and expects to be made whole for its loss of profits.

MCWD3 is willing to offer a wholesale rate to Sacramento and is willing to gradually reduce the amount of water that the City is required to purchase from MCWD3.

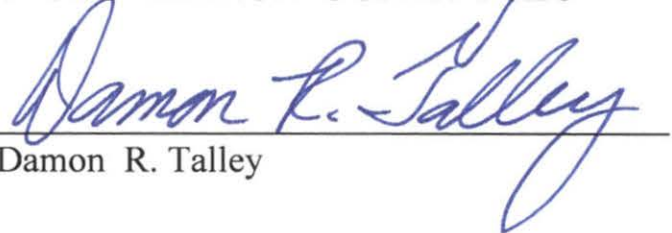
Toward this end, the MCWD3 Board Chairman and I would like to meet with the Mayor and you to seek an amicable resolution of this matter. I anticipate that at tonight's MCWD3 Board of Commissioners' meeting, the Board will authorize its Chairman to negotiate on its behalf and will give him full authority.

Since we talked, I have reviewed the 1995 Addendum to the Contract. The Contract does not expire until August 1, 2035. Thus, there are **17 years** left on the Contract.

In the meantime, MCWD3 calls upon the City to show its good faith and resume purchasing of all its water requirements from MCWD3.

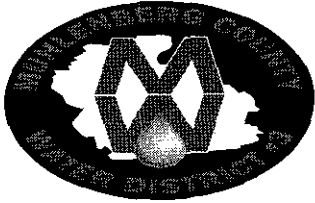
We look forward to hearing from you.

Yours truly,  
**STOLL KEENON OGDEN PLLC**

  
Damon R. Talley

DRT:vl





**BREMEN, KY**

**Muhlenberg County Water District #3  
PO Box 67  
Bremen, KY 42325  
(270)525-6333**

August 21, 2018

Hon. Betty Howard, Mayor  
City of Sacramento  
PO Box 245  
Sacramento, KY 42372

**Hand Delivered**

**RE: Cease and Desist Letter**

Dear Mayor Howard:

The purpose of this letter is two-fold:

1. Muhlenberg County Water District No. 3 ("MCWD3") demands that the City of Sacramento ("City") immediately cease purchasing water from the McLean County Regional Water Commission and resume purchasing all its water from MCWD3; and
2. MCWD3 places the City on notice that MCWD3 intends to pursue any and all legal remedies available, including the recovery of lost profits, for the City's breach of the water supply contract between MCWD3 and the City dated October 3, 1968 ("Contract").


As you know, Article III of the Contract requires the City to purchase "all of its water requirements" from MCWD3. During the last few months, the City has been purchasing almost all of its water from another source and practically none of its water from MCWD3. The City's deliberate decision to ignore this provision of the Contract and to purchase water from another source clearly violates the Contract.

Despite the City's conduct, MCWD3 is still committed to developing a wholesale rate for the City and submitting the wholesale rate to the Kentucky Public Service Commission ("PSC") for approval. Toward this end, MCWD3 has engaged the services of Kentucky Rural Water Association ("KRWA") to perform a Cost-of-Service Study ("COSS"). The COSS will determine MCWD3's actual cost of providing wholesale water service to the City. KRWA expects to complete the COSS by no later than mid-September. As soon as the COSS is complete, MCWD3 will provide a copy to the City for its review and comments.

Please contact MCWD3's Superintendent, Ben Tooley, and let him know the date that the City plans to resume purchasing all its water requirements from MCWD3.

Yours truly,

**Muhlenberg County Water District No. 3**

  
\_\_\_\_\_  
Don Garrett, Chairman

cc: City Attorney

**Fax: (270)525-0025**

**COMMONWEALTH OF KENTUCKY  
MUHLENBERG CIRCUIT COURT  
CASE NO. \_\_\_\_\_**

***ELECTRONICALLY FILED***

**MUHLENBERG COUNTY WATER  
DISTRICT NO. 3**

**PLAINTIFF**

**V.**

**COMPLAINT**

**THE CITY OF SACRAMENTO, KENTUCKY,  
A MUNICIPAL CORPORATION**

**DEFENDANT**

**SERVE: Betty Howard, Mayor  
P.O. Box 245  
Sacramento, Kentucky 42372**

\* \* \* \* \*

Plaintiff, Muhlenberg County Water District No. 3, a duly organized water district in Muhlenberg County, Kentucky, (the "District"), respectfully brings this complaint against the City of Sacramento, Kentucky (the "City"), a municipal corporation in the Commonwealth of Kentucky and McLean County, and states as follows:

**THE PARTIES**

1. Muhlenberg County Water District No. 3 is a duly organized water district in Muhlenberg County, Kentucky, with its principal place of business at 4815 Main Street, Bremen, Kentucky 42325. It was created pursuant to the provisions of KRS Chapter 74.

2. Upon information and belief, the City of Sacramento, Kentucky is a municipal corporation in the Commonwealth of Kentucky and McLean County.

### JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction over this matter because the amount in controversy exceeds the jurisdictional threshold of this Court, because the parties were at all times engaged in business in the Commonwealth of Kentucky, and because the claims set forth herein arise out of Defendant's conduct within the Commonwealth.

4. Venue is proper in the Muhlenberg Circuit Court pursuant to KRS 452.450 and because the causes of action set forth herein arose, and the contract was performed and was being performed, in Muhlenberg County, Kentucky.

### FACTUAL BACKGROUND

5. The District and the City are parties to an agreement (the "Contract") which was entered into on October 3, 1968 and pursuant to which the District agreed to provide the City with its entire supply of water, and the City, in turn, agreed to purchase from the District all of its water requirements. True and accurate copies of the Contract and all subsequent Addenda thereto are attached hereto and made a part hereof as **Exhibit 1**.

6. The Contract was entered into as a result of the City being "in dire need of an adequate water supply" and the District having "an adequate supply of water for its patrons and an adequate supply of water for the needs of the patrons of the City of Sacramento, Kentucky." (See Exhibit 1, p. 2.)

7. The Contract was subsequently amended by Addenda entered into on September 19, 1983; May 18, 1992; October 18, 1993; and August 1, 1995 (collectively, the "Addenda"). (See Exhibit 1.)

8. The last Addendum, executed on August 1, 1995, extended the term of the Contract for another forty (40) years, until approximately August 1, 2035.

9. Each of the Addenda to the Contract, including the last, August 1, 1995 Addendum, stated that, unless otherwise noted, all other provisions of the October 3, 1968 Contract remained in full force and effect.

10. The provisions of the October 3, 1968 Contract requiring the District to provide the City with its entire supply of water and the City to purchase all of its water requirements from the District were never altered or amended by the Addenda to the Contract, and such provisions remain in full force and effect today and at all times relevant to the complaint.

11. Generally speaking, the changes made to the Contract by the subsequent Addenda pertained to the volume of water the District was obligated to provide and the rate at which the City agreed to purchase the water from the District.

12. The October 3, 1968 Contract contained a provision granting the City the right to terminate the Contract at any time during the term thereof “by giving unto the District six (6) months notice of its intention to terminate.” (*See Exhibit 1, Section IX.*) This provision was “deleted in its entirety” by the August 1, 1995 Addendum. (*See Exhibit 1, p. 11.*)

13. Pursuant to the Contract and its Addenda, the District obtains the water it sells to the City pursuant to an agreement between the District and the City of Central City, Kentucky, which is located in Muhlenberg County, Kentucky. (*See Exhibit 1, p. 3, 10.*)

14. The primary master meter where the District delivers water to the City pursuant to the Contract and its Addenda is located in Muhlenberg County, Kentucky.

15. From the time the parties entered into the Contract on October 3, 1968 until approximately June 2018, both parties performed their obligations and duties pursuant to the Contract and its Addenda.

16. Beginning in or around June 2018, the City began obtaining its water from a competitor of the District and ceased all purchase of water from the District.

17. The City, despite its full knowledge of its agreement to purchase all of its water requirements from the District, has refused to do so since approximately June 2018.

### **COUNT I – SPECIFIC PERFORMANCE**

18. The District repeats and reiterates all of the foregoing allegations of the complaint as if fully set forth herein.

19. The District has consistently performed its obligations pursuant to the Contract and its Addenda to provide the City with all of its water requirements at the agreed upon rates.

20. The City is under a contractual obligation to purchase all of its water requirements from the District at the rates set out in the District's Tariff on file with, and approved by, the Kentucky Public Service Commission.

21. Since approximately June 2018, the City has failed to purchase all of its water requirements from the District.

22. The District requests the Court to order specific performance of the Contract and its Addenda by requiring that the City resume purchasing of all of its water requirements from the District pursuant the terms of the Contract and its Addenda.

### **COUNT II – BREACH OF CONTRACT**

23. The District repeats and reiterates all of the foregoing allegations of the complaint as if fully set forth herein.

24. The District has consistently performed its obligations pursuant to the Contract and its Addenda to provide the City with all of its water requirements at the agreed upon rates.

25. The City is under a contractual obligation to purchase all of its water requirements from the District at the rates set out in the District's Tariff on file with, and approved by, the Kentucky Public Service Commission.

26. Since approximately June 2018, the City has failed to purchase all of its water requirements from the District.

27. The City's failure to purchase all of its water requirements from the District is a breach of Section 3 of the Contract.

28. The City has no right of setoff against Plaintiff.

29. The District has incurred and continues to incur damages as the result of the City's breach of the Contract, and is entitled to recover the full value of its damages, plus accrued interest, in an amount to be proved at trial.

WHEREFORE, Plaintiff, Muhlenberg County Water District No. 3, demands as follows:

A. An order requiring specific performance of the Contract and its Addenda by the City;

B. Judgment against the City for damages for breach of contract in an amount proven by the evidence;

B. All appropriate interest, including pre-judgment and post-judgment interest;

C. The District's costs and fees, including reasonable attorney fees, herein expended;  
and,

D. All other relief to which the District may appear entitled.

Respectfully submitted,

/s/ Megan E. Diffenderfer

Justin D. Clark

Megan E. Diffenderfer

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Brent Yonts

Yonts, Sherman & Driskill, PSC

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Greenville, Kentucky 42345

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[brentyonts@yahoo.com](mailto:brentyonts@yahoo.com)

*Counsel for Plaintiff*

120678.162593/1633902.4



# EXHIBIT 1

WHEREAS the Muhlenberg County Water District No. 3 is a duly organized water district in Muhlenberg County, Kentucky and,

WHEREAS the City of Sacramento, Kentucky is a municipal corporation in the state of Kentucky and in McLean County and,

Whereas the City of Sacramento is in dire need of an adequate supply of potable water because of an inadequate water supply and,

WHEREAS the Muhlenberg County Water District No. 3 has an adequate supply of water for the needs of its patrons and an adequate supply of water for the needs of the patrons of the City of Sacramento, Kentucky and has a distribution system which can be extended with very little cost to provide the City of Sacramento, Kentucky with an adequate supply of potable water and,

WHEREAS the Commissioners for the Muhlenberg County Water District No. 3 and the Board of trustees for the City of Sacramento, Kentucky adopted resolutions authorizing and directing the chairman of the Muhlenberg County Water District No. 3 and the Chairman of the Board of Trustees for the City of Sacramento, Kentucky to enter into a contract, now in consideration of the foregoing this contract is made and entered into this 3rd day of October, 1968 by and between the Muhlenberg County Water District No. 3 hereinafter called District, party of the first part and the City of Sacramento, Kentucky, a municipal corporation, hereinafter called City, party of the second part.

W I T N E S S E T H

That the parties hereto in consideration of the promises and agreements of each other agree as follows,

I

The term of this agreement and contract shall be forty (40) years, commencing as hereafter stated, unless sooner terminated under provisions subsequently set forth herein.

## II

The District promises and agrees to furnish and provide the City with its entire supply of water subject to the provisions hereinafter set forth.

## III

The City hereby promises and agrees to purchase from the District all of its water requirements and to pay the District for said water the following rates.

First	500,000 Gallons/Month	- \$0.40 Per Thousand Gallons
Next	500,000 Gallons/Month	- 0.38 Per Thousand Gallons
Next	1,000,000 Gallons/Month	- 0.36 Per Thousand Gallons
All Over	2,000,000 Gallons/Month	- 0.34 Per Thousand Gallons

## IV

During the term hereof the District shall:

1. Deliver to the City water main at the master meter the pressure that is available in their existing water main, such potable water as the City and its customers may require subject however to the following conditions.
  - a. The District shall not be obligated to furnish water in volumes in excess of the amount of their allotment of 2,000,000 Gallons per month, after their own needs are satisfied. The District shall transport through their system any additional amount over and above their excess that amount that may be allotted to the City by the City of Central City.
  - b. The City shall maintain its own adequate storage to provide for the consumption of water, current or future at the foregoing delivery rate.
  - c. The District shall not be liable for interruptions of services by break down or other unavoidable cause, and the City shall maintain its own system for service during any such interruption. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake, other catastrophe, or reasons beyond the district's control shall excuse the District from supplying the required amount of water for such reasonable period of time as may be necessary to restore service.

V

To determine water consumption and to monitor the District shall install and maintain a master meter which shall be freely inspected and examined both by the District and the City. The District shall each month render a statement to the City for water passing through the master meter during the previous calendar month and the City shall pay said statement to the District within ten (10) days after the rendition thereof. In event the City defaults in any monthly payment the District shall have the right to terminate the supply of water; provided however that any failure on the part of the District to render to the City a statement shall not constitute a waiver of its right to terminate such delivery for any future default and it is further provided that upon payment of any delinquent bill the District shall resume the delivery of water to said City.

VI

Should the master meter at any time be found to be defective or out of order so that an accurate monthly statement cannot be submitted by the District, the District shall repair said meter and in event said meter is not repaired within thirty (30) days the City shall have the authority to cause said repairs to be made and will restore said meter to proper operation and the cost thereof shall be paid by the District; the monthly bill in lieu of meter readings shall be a sum equal to the amount paid or due for the preceding month.

VII

The District will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the City with quantities of water required by said City, not to exceed the amounts previously set forth. Temporary or partial failures to deliver water shall be remedied with all possible dispatch.

the District from supplying the required amount of water for such reasonable period of time as may be necessary to restore service.

## VIII

The parties hereto shall have the right at any time during the term hereof to petition the Public Service Commission of Kentucky or its successor and upon proof and a sufficient showing that it cannot financially and feasibly deliver water at the rates herein before provided secure an increase in said rate in such amount as the Public Service Commission of Kentucky should find proper and feasible, and it is further provided that in event the supply of water to the District increases in cost that the increase shall be passed on to the City of Sacramento, as to such amounts of water as may be furnished said City at such increase in cost.

## IX

The term of this agreement as herein before set out is forty (40) years, however the City has the right to terminate the agreement any time during said term by giving unto the District six (6) months notice of its intention to terminate.

## X

The cost of meter installation including all equipment necessary for said installation shall be paid by the City, provided however that in event this agreement remains in force and effect for fifteen (15) years or longer, the District shall reimburse the City for said costs provided however that such reimbursement shall be from the revenues of the District and shall be paid in such sums and over a period of such time as will not jeopardize the payment for the retirement of its bonds and the interest and costs thereon.

## XI

Any successor of the City and District, whether the result of legal process, assignment or otherwise, shall succeed to the rights of such City or District hereunder.

XII

If any section, clause or provision of this contract shall be held invalid, such invalidity shall not effect the validity of any other section, clause or part of said contract.

IN TESTIMONY WHEREOF witness the hands of David Shaver, Chairman of the Muhlenberg County Water District No. 3 and the hand of Clarence Dale Ellis, Chairman of Board of Trustees of the City of Sacramento, Kentucky for and in behalf of the Muhlenberg County Water District No. 3 and the City of Sacramento, Kentucky the date first set out herein.

MUHLENBERG COUNTY WATER DISTRICT NO. 3

David H. Shaver  
by: Chairman

ATTEST:

Harry C. Whelton, Jr.  
Secretary,  
Muhlenberg County Water District No. 3

CITY OF SACRAMENTO, KENTUCKY

Clarence D. Ellis  
by: Chairman, Board of Trustees

ATTEST:

James L. Patterson  
Clerk,  
City of Sacramento, Kentucky

ADDENDUM

The Contract between Muhlenberg County Water District No. 3 and The City of Sacramento, Kentucky, dated October 3, 1968 is hereby amended, by mutual agreement of the parties, as follows:

1. The volume of water as provided for in Section IV, sub-paragraph a. is hereby increased to 3,000,000 gallons per month.
2. The rates as provided for in Section III are hereby increased to \$1.15 per 1,000 gallons of water effective September 21, 1983.
3. All other provisions remain in force and effect.

Made and entered this the 19th day of September, 1983.

MUHLENBERG COUNTY WATER DISTRICT NO. 3

By: Harry C. Wheelton, Jr.  
Harry C. Wheelton, Jr.  
Secretary-Treasurer

ATTEST:

Ethel Smith

THE CITY OF SACRAMENTO, KENTUCKY

By: Choyce Barnett  
Choyce Barnett, Mayor

ATTEST:

Arnd L. Patterson, Clerk

A D D E N D U M

The Contract between Muhlenberg County Water District No. 3 and the City of Sacramento, Kentucky dated October 3, 1968 is hereby amended, by mutual agreement of the parties, as follows:

1. The volume of water as provided for in Section IV, sub-paragraph a. is hereby increased to 5,000,000 gallons per month.
2. The rates as provided for in Section III will remain at the current rate of \$1.52 per thousand gallons.
3. All other provisions remain in force and effect.

Made and entered into this 18th day of May, 1992.

MUHLENBERG COUNTY WATER  
DISTRICT NO. 3

By: J. E. Rhoades  
J. E. Rhoades, Chairman

ATTEST:

Harry C. Wheelon, Jr.  
Harry C. Wheelon, Jr.  
Secretary-Treasurer

CITY OF SACRAMENTO, KENTUCKY

By: Choyce Barnett  
Choyce Barnett, Mayor

ATTEST:

Delena Troutman





ADDENDUM

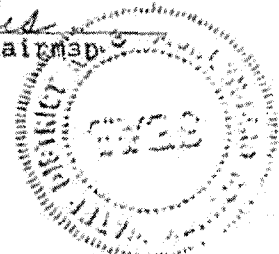
The Contract dated October 3, 1968 and the Addendum dated May 18, 1992 between Muhlenberg County Water District No. 3 and the City of Sacramento, Kentucky is hereby amended, by mutual agreement of the parties, as follows:

1. The volume of water as provided for in Section IV, sub-paragraph a, is hereby increased to six million (6,000,000) gallons per month.
2. The rates as provided for in Section III will remain at the current rate of \$1.52 per thousand gallons.
3. All other provisions remain in force and effect.

Made and entered into this the 18th day of October, 1993.

MUHLENBERG COUNTY WATER DISTRICT NO. 3

By: J. E. Rhoades  
J. E. Rhoades, Chairman



ATTEST:

Harry C. Wheeldon, Jr.  
Harry C. Wheeldon, Jr.  
Secretary-Treasurer

CITY OF SACRAMENTO, KENTUCKY

Joe A. Anthony  
Joe A. Anthony, Mayor

ATTEST:

Delema Troutman

ADDENDUM

The Contract dated October 3, 1968, and the addenda dated May 18, 1992, and October 18, 1993, between Muhlenberg County Water District #3 (the District) and the City of Sacramento, Kentucky, (the City) is hereby amended, by mutual agreement of the parties, as follows:

1. The aforesaid contract dated October 3, 1968, with addenda, shall be extended to a term of forty (40) years, with such forty year term to begin upon and coincide with the District's contract or addendum to existing contract, with the City of Central City to extend the District's right to purchase water from the City of Central City for a total of forty years from the inception of the extension between the District and the City of Central City. It is the intention of the parties that an extension of the aforesaid contract dated October 3, 1968 shall begin simultaneously with the effective date of an anticipated extension between the District and the City of Central City; a tentative commitment from the City of Central City to make such extension has been given, as is evidenced by the letter dated May 10, 1995 from David Greenwood, Chairman of the Municipal Water and Sewer System of the City of Central City, addressed to the District, which letter is attached hereto and made a part hereof by reference. Provided, however, that nothing herein shall be construed to create an obligation on the part of the District to provide water to the City for any period beyond the existing term of the contract until and unless the aforesaid extension in the District's right to purchase water from the City of Central City is obtained.

2. The provision in Item IV-1 (a) in the contract dated October 3, 1968 is hereby amended to read as follows:

The District shall not be obligated to furnish water in volumes in excess of six million gallons per month. Temporary or partial failure to deliver allotted water shall be remedied with all possible dispatch. In the event of a shortage of water, or the supply of water available to the District is otherwise diminished, the supply of water to the City shall be reduced or diminished in the same ratio or proportion as the supply to the District's other customers is reduced or diminished.

3. The construction of the water supply distribution system additions by the City currently planned is being financed by a loan made or insured by the United States of America, acting through the United States Department of Agriculture, Rural Economic Community Development, and the provisions hereof pertaining to the undertakings of the parties are

conditioned upon the approval, in writing, of the State Director of the Rural Economic Community Development. Provided, however, that nothing contained herein shall be construed as a rescission or cancellation of the contract of October 3, 1968, as amended, heretofore in existence between the City and the District, and all such contractual obligations between the parties shall remain in full force and effect as they existed prior to this addendum, in the event that the aforesaid approval of the State Director of the Rural Economic Community Development is not obtained.

- 4. Section IX of the contract dated October 3, 1968 is deleted in its entirety.
- 5. The following language is added to the end of Section VIII of the October 3, 1968

contract;

Except to the extent inconsistent with the law of the Commonwealth of Kentucky, any increase or decrease in rates shall be based on a demonstrable increase or decrease in the cost of performance under this contract, but such cost shall not include increased capitalization of the Sellers system.

- 6. All other provisions of the contract dated October 3, 1968, as amended, will remain in full force and effect.

IN WITNESS WHEREOF the parties have executed any number of counterparts of this Addendum, by and through their duly authorized officers on this the 1st. day of August, 1995.

MUHLENBERG COUNTY WATER DISTRICT #3

By: J.E. Rhoades  
J.E. Rhoades, Chairman

Attest:  
Harry C. Wheeldon, Jr.  
Harry C. Wheeldon, Jr.  
Secretary-Treasurer

CITY OF SACRAMENTO, KENTUCKY

Joseph A. Anthony  
Joseph A. Anthony, Mayor

Attest:  
Delena Troutman  
Delena Troutman, City Clerk

c:\wp51\2073rev.addendum



### CIVIL SUMMONS

*Plaintiff*, **MUHLENBERG COUNTY WATER DISTRICT NO. 3 VS. THE CITY OF SACRA**, *Defendant*

**TO: THE CITY OF SACRAMENTO, KENTUCKY  
P.O. BOX 245  
SACRAMENTO, KY 42372**

The Commonwealth of Kentucky to Defendant:

You are hereby notified that a **legal action has been filed against you** in this Court demanding relief as shown on the document delivered to you with this Summons. **Unless a written defense is made by you or by an attorney on your behalf within twenty (20) days** following the day this paper is delivered to you, judgment by default may be taken against you for the relief demanded in the attached complaint.

The name(s) and address(es) of the party or parties demanding relief against you or his/her (their) attorney(s) are shown on the document delivered to you with this Summons.

/s/ Camron Laycock,  
Muhlenberg Circuit Clerk  
Date: 1/17/2019

### Proof of Service

This Summons was:

Served by delivering a true copy and the Complaint (or other initiating document)

To: \_\_\_\_\_

Not Served because: \_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_ Served By

\_\_\_\_\_ Title





**Commonwealth of Kentucky**  
**Camron Laycock, Muhlenberg Circuit Clerk**

**Case #:** 19-CI-00024

**Envelope #:** 1414832

**Received From:** MEGAN DIFFENDERFER

**Account Of:** MEGAN DIFFENDERFER

**Case Title:** MUHLENBERG COUNTY WATER DISTRICT NO. 3

**Confirmation Number:** 86773125

**VS. THE CITY OF SACRA**  
**Filed On:** 1/17/2019 1:55:41PM

<b>#</b>	<b>Item Description</b>	<b>Amount</b>
1	Access To Justice Fee	\$20.00
2	Civil Filing Fee	\$150.00
3	Money Collected For Others(Court Tech. Fee)	\$20.00
4	Library Fee	\$1.00
5	Court Facilities Fee	\$25.00
6	Money Collected For Others(Attorney Tax Fee)	\$5.00
7	Money Collected For Others(Postage)	\$12.40
8	Charges For Services(Copy - Photocopy)	\$1.90
<b>TOTAL:</b>		<b>\$235.30</b>

D1AE765F-D165-4541-9741-05DB665C5B7BD : 000019 of 000019

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 2**

**Responding Witness: Ben Tooley**

- Q-2. Provide any correspondence, regardless of the manner in which they were sent, between Muhlenberg District #3 and the city of Sacramento discussing the city's obligation, or lack thereof, to continue purchasing water from Muhlenberg District #3.
- A-2. Please see attached. Attached as **Attachment 2-1** is a letter from Muhlenberg District #3's counsel to the City of Sacramento's counsel. Attached as **Attachment 2-2** are eight (8) emails between Muhlenberg District #3's counsel and the City of Sacramento's counsel.

# **ATTACHMENT 2-1**



**DAMON R. TALLEY**  
PH: 270-358-3187  
FAX: 270-358-9560  
damon.talley@skofirm.com

PO Box 150  
112 N. LINCOLN BLVD.  
HODGENVILLE, KY 42748

June 18, 2018

Hon. Jonathan S. King  
Paxton & King, PLC  
213 E. Broad Street  
Central City, Kentucky 42330

RE: Contractual Dispute  
Muhlenberg County Water District No. 3  
& City of Sacramento

Dear Jonathan:

Thanks for taking the time today to talk to me about this matter.

As we discussed, the Muhlenberg County Water District No. 3 (MCWD3) considers the City of Sacramento (City) in breach of the Water Supply Contract (Contract) dated October 3, 1968. Under the terms of the Contract, the City is obligated to purchase all of its water from MCWD3. The City has purchased practically no water from MCWD3 since May 31, 2018.

The purpose of this letter is to put the City on notice that MCWD3 intends to specifically enforce the provisions of the Contract and expects to be made whole for its loss of profits.

MCWD3 is willing to offer a wholesale rate to Sacramento and is willing to gradually reduce the amount of water that the City is required to purchase from MCWD3.

Toward this end, the MCWD3 Board Chairman and I would like to meet with the Mayor and you to seek an amicable resolution of this matter. I anticipate that at tonight's MCWD3 Board of Commissioners' meeting, the Board will authorize its Chairman to negotiate on its behalf and will give him full authority.



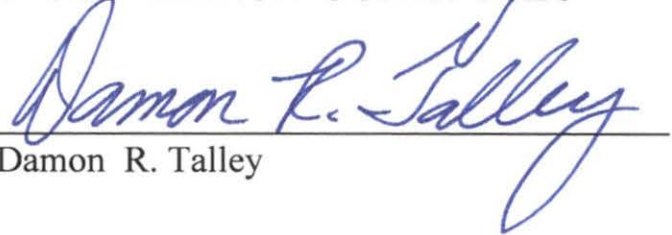
Since we talked, I have reviewed the 1995 Addendum to the Contract. The Contract does not expire until August 1, 2035. Thus, there are **17 years** left on the Contract.

In the meantime, MCWD3 calls upon the City to show its good faith and resume purchasing of all its water requirements from MCWD3.

We look forward to hearing from you.

Yours truly,

**STOLL KEENON OGDEN PLLC**

A handwritten signature in blue ink that reads "Damon R. Talley". The signature is written in a cursive style and is positioned above a horizontal line.

Damon R. Talley

DRT:vl

# **ATTACHMENT 2-2**

**From:** Talley, Damon  
**Sent:** Monday, April 16, 2018 11:46 AM  
**To:** 'Jonathan King'  
**Subject:** RE: Sacramento water

Jonathan,

Good to hear from you. I apologize for not getting back to you sooner. I was out of the office when your email came last week and I forgot to follow-up with you.

My client is interesting in making adjustments to the contract, including offering a wholesale rate and phasing-out the minimum purchase requirements over time, but I cannot get a consensus from the Board members on the exact terms to present to Sacramento.

I will reach out to them again and “turn up the heat” so they understand the urgency of making a proposal to Sacramento.



**Damon R. Talley**  
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270-358-9560 Fax  
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[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

Hodgenville | Lexington | Louisville | Frankfort | Evansville | Greater Pittsburgh | [skofirm.com](http://skofirm.com)

---

**From:** Jonathan King [<mailto:jking@paxtonandking.com>]  
**Sent:** Tuesday, April 10, 2018 3:04 PM  
**To:** Talley, Damon  
**Subject:** Sacramento water

Damon,

When we last touched bases, you thought that Bremen District 3 was going to make an offer on the contract. We are getting close to having to make a decision on this matter. Please advise.

Jonathan S. King  
PAXTON & KING, PLLC  
213 E. Broad Street  
Central City, KY 42330  
270-754-2881 ph  
270-754-9302 fax

[jking@paxtonandking.com](mailto:jking@paxtonandking.com)

**From:** Talley, Damon  
**Sent:** Monday, July 16, 2018 12:54 PM  
**To:** 'Jonathan King'  
**Subject:** RE: City of Sacramento

Jonathan,

Thanks for the reminder. You were on my list to contact today because I thought the Sacramento City Council meets tonight.

At its meeting last week, MCWD3 designated its Chairman, Don Garrett, as its negotiating representative and gave him negotiating authority. I think it would be very productive if your Mayor, you, Don, and me could schedule a negotiating session.

This week is bad for me, but next week is much better. I am free on Monday, July 23. Either late morning or early afternoon works great for me. I need to be at a meeting in Greenville at 4:00 CDT.

On Wednesday, July 25, or Friday, July 27, I am available all day. Let me know which days work best for you and your Mayor. I will check with Don and have him on standby.

I look forward to hearing from you.



**Damon R. Talley**  
270-358-3187 Direct  
270-358-9560 Fax  
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112 N. Lincoln Blvd.  
Hodgenville, KY 42748  
[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

Hodgenville | Lexington | Louisville | Frankfort | Evansville | Indianapolis | [skofirm.com](http://skofirm.com)

---

**From:** Jonathan King [<mailto:jking@paxtonandking.com>]  
**Sent:** Monday, July 16, 2018 12:05 PM  
**To:** Talley, Damon  
**Subject:** City of Sacramento

Damon,

I have a meeting tonight with the City. Do you have any word for me I can relay to them?

Jonathan S. King  
PAXTON & KING, PLLC  
213 E. Broad Street  
Central City, KY 42330  
270-754-2881 ph

270-754-9302 fax

[jking@paxtonandking.com](mailto:jking@paxtonandking.com)

**From:** Talley, Damon  
**Sent:** Friday, July 20, 2018 3:28 PM  
**To:** 'Jonathan King'  
**Subject:** RE: City of Sacramento

Jonathan,

This will confirm that Don Garrett, Chairman of MCWD3, and I will meet with you and the Sacramento Mayor in your office at 11:00 am CDT on Monday, July 23.

See you then.



**Damon R. Talley**  
270-358-3187 Direct  
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[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

Hodgenville | Lexington | Louisville | Frankfort | Evansville | Indianapolis | [skofirm.com](http://skofirm.com)

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**From:** Jonathan King [<mailto:jking@paxtonandking.com>]  
**Sent:** Monday, July 16, 2018 3:44 PM  
**To:** Talley, Damon  
**Subject:** Re: City of Sacramento

My office.

Sent from my iPhone

On Jul 16, 2018, at 2:41 PM, Talley, Damon <[Damon.Talley@skofirm.com](mailto:Damon.Talley@skofirm.com)> wrote:

Jonathan,

Great! Your office or Sacramento?

Damon

Sent from my iPhone

On Jul 16, 2018, at 3:39 PM, Jonathan King <[jking@paxtonandking.com](mailto:jking@paxtonandking.com)> wrote:

Let's meet on the 23rd. Late morning.

Sent from my iPhone

On Jul 16, 2018, at 11:54 AM, Talley, Damon <[Damon.Talley@skofirm.com](mailto:Damon.Talley@skofirm.com)> wrote:

Jonathan,

Thanks for the reminder. You were on my list to contact today because I thought the Sacramento City Council meets tonight.

At its meeting last week, MCWD3 designated its Chairman, Don Garrett, as its negotiating representative and gave him negotiating authority. I think it would be very productive if your Mayor, you, Don, and me could schedule a negotiating session.

This week is bad for me, but next week is much better. I am free on Monday, July 23. Either late morning or early afternoon works great for me. I need to be at a meeting in Greenville at 4:00 CDT.

On Wednesday, July 25, or Friday, July 27, I am available all day. Let me know which days work best for you and your Mayor. I will check with Don and have him on standby.

I look forward to hearing from you.



**Damon R. Talley**

**270-358-3187 Direct**

**270-358-9560 Fax**

**PO Box 150**

**112 N. Lincoln Blvd.**

**Hodgenville, KY 42748**

**[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)**

Hodgenville | Lexington | Louisville | Frankfort | Evansville | Indianapolis | [skofirm.com](http://skofirm.com)

---

**From:** Jonathan King [<mailto:jking@paxtonandking.com>]

**Sent:** Monday, July 16, 2018 12:05 PM

**To:** Talley, Damon

**Subject:** City of Sacramento

Damon,

I have a meeting tonight with the City. Do you have any word for me I can relay to them?

Jonathan S. King  
PAXTON & KING, PLLC  
213 E. Broad Street  
Central City, KY 42330  
270-754-2881 ph  
270-754-9302 fax

[jking@paxtonandking.com](mailto:jking@paxtonandking.com)

**From:** Talley, Damon  
**Sent:** Wednesday, August 01, 2018 2:35 PM  
**To:** 'Jonathan King'  
**Subject:** RE: Bremen Water

Jonathan,

No. MCWD#3 has engaged KRWA to do a Cost of Service Study to determine what it actually costs MCWD#3 to provide water service to Sacramento. Based on this information, then MCWD#3 plans to offer a wholesale rate to Sacramento.

I spoke with the person who will be doing the study on Friday and Monday to give him the details and explain the scope of work. I do not know how quickly he will finish the study. As soon as I have a better idea, I will let you know.



**Damon R. Talley**  
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[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

Hodgenville | Lexington | Louisville | Frankfort | Evansville | Indianapolis | [skofirm.com](http://skofirm.com)

---

**From:** Jonathan King [<mailto:jking@paxtonandking.com>]  
**Sent:** Wednesday, August 01, 2018 2:30 PM  
**To:** Talley, Damon  
**Subject:** Bremen Water

Damon,

Just following up with you on this. Has our status changed?

Jonathan S. King  
PAXTON & KING, PLLC  
213 E. Broad Street  
Central City, KY 42330  
270-754-2881 ph  
270-754-9302 fax

[jking@paxtonandking.com](mailto:jking@paxtonandking.com)



**From:** Talley, Damon  
**Sent:** Tuesday, August 21, 2018 2:58 PM  
**To:** Jonathan King ([jking@paxtonandking.com](mailto:jking@paxtonandking.com))  
**Subject:** Cease and Desist Letter to Sacramento

Jonathan,

Attached is an unsigned version of the Cease and Desist letter that I drafted for MCWD3 to send to the City of Sacramento.

The Board Chairman may or may not sign the letter today. I want you to have a copy of the letter before it is hand delivered to Mayor Howard.

Once I receive the signed letter, I will email it to you.



**Damon R. Talley**  
270-358-3187 Direct  
270-358-9560 Fax  
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[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

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**From:** Talley, Damon  
**Sent:** Wednesday, August 22, 2018 2:32 PM  
**To:** Jonathan King ([jkking@paxtonandking.com](mailto:jkking@paxtonandking.com))  
**Subject:** Sacramento Cease and Desist Letter

Jonathan,

Attached is the signed letter that MCWD3 hand delivered to Mayor Howard's office on 8-21-18.



**Damon R. Talley**  
270-358-3187 Direct  
270-358-9560 Fax  
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112 N. Lincoln Blvd.  
Hodgenville, KY 42748  
[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

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**From:** Talley, Damon  
**Sent:** Tuesday, October 02, 2018 3:35 PM  
**To:** Jonathan King ([jking@paxtonandking.com](mailto:jking@paxtonandking.com))  
**Subject:** Sacramento Wholesale Rate

Jonathan,

As you know, MCWD#3 engaged the services of Kentucky Rural Water Association (KRWA) to perform a Cost of Service Study (COSS) to determine an appropriate wholesale rate for Sacramento. KRWA's work is now complete.


The proposed wholesale rate is **\$3.86**. This is nearly 15% less than the effective rate that Sacramento had been paying under MCWD#3's retail rates.

Good news for Sacramento; bad news for MCWD#3's retail customers. MCWD#3's retail customers' rates will need to be increased by **20.7%**.

MCWD#3 plans to file a Rate Adjustment Application with the PSC next week to increase its retail rates by 20.7% and to establish a wholesale rate of \$3.86 for Sacramento.

Attached is the Wholesale Customer Notice which MCWD#3 will be hand delivering to Sacramento City Hall this afternoon or tomorrow.

If you have any questions, please let me know.

  
**Damon R. Talley**  
270-358-3187 Direct  
270-358-9560 Fax  
PO Box 150  
112 N. Lincoln Blvd.  
Hodgenville, KY 42748  
[damon.talley@skofirm.com](mailto:damon.talley@skofirm.com)

Hodgenville|Lexington|Louisville|Frankfort|Evansville|Indianapolis |[skofirm.com](http://skofirm.com)

**From:** Talley, Damon  
**Sent:** Thursday, January 17, 2019 8:16 PM  
**To:** Jonathan King ([jking@paxtonandking.com](mailto:jking@paxtonandking.com))  
**Subject:** MCWD3 v. Sacramento

Jonathan,

Muhlenberg County Water District No. 3's (MCWD3) Complaint against the City of Sacramento over the contractual dispute was filed on Thursday, January 17, 2019. Attached is a copy of the Complaint.

The official Case Number is 19-CI-00024.

The Summons will be served upon Mayor Howard via Certified Mail.

Below is a link to the Complaint and other documents through the Kentucky Courts eFiling system.



**Damon R. Talley**  
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Hodgenville | Lexington | Louisville | Frankfort | Evansville | Indianapolis | [skofirm.com](http://skofirm.com)

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**From:** [noreply@kycourts.net](mailto:noreply@kycourts.net) [<mailto:noreply@kycourts.net>]  
**Sent:** Thursday, January 17, 2019 2:05 PM  
**To:** Diffenderfer, Megan  
**Subject:** NCP (for eFiler) MUHLENBERG 19-CI-00024, MUHLENBERG COUNTY WATER DISTRICT NO. 3 VS. THE CITY OF SACRA Envelope # 1414832

Notification of Court Processing

The circuit clerk has processed and ACCEPTED the following filing.

Date and Time Processed: January 17, 2019 at 1:04PM Central / 2:04PM Eastern

eFiler: MEGAN DIFFENDERFER (ATTORNEY FOR PLAINTIFF)

Court: MUHLENBERG (CIRCUIT )

Case Caption: MUHLENBERG COUNTY WATER DISTRICT NO. 3 VS. THE CITY OF SACRA

Case Number: 19-CI-00024

Envelope Number: 1414832

Notice has been electronically mailed to:

Diffenderfer, Megan - [megan.diffenderfer@skofirm.com](mailto:megan.diffenderfer@skofirm.com)

Scheduled Event:  
No scheduled events

The following document(s) were included in this eFiling:  
COMPLAINT / PETITION  
EXHIBIT

Additional details: <https://kcoj.kycourts.net/efiling/Dashboard/Receipt?caseid=1414832>

You may view the document(s) at <https://kcoj.kycourts.net/eFilingRetrieval/Home/Package?id=D1AE765F-D165-4541-9741-05DB65C5B7BD>

This was automatically generated by the [Kentucky Court of Justice eFiling system](#). Do not reply to this email.

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**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 3**

**Responding Witness: Ben Tooley**

Q-3. State whether Muhlenberg District #3 anticipates the city of Sacramento purchasing water from Muhlenberg District #3 in the foreseeable future and provide every basis for your response.

A-3. Muhlenberg District #3 does not anticipate Sacramento purchasing any water from it in the foreseeable future. Sacramento is one of the members of the McLean County Regional Water Commission (the "Commission"). Sacramento executed a long-term water purchase agreement with the Commission. Sacramento is purchasing water from the Commission at a volumetric rate of **\$2.68** per 1,000 gallons. This rate is much, much cheaper than the rate Sacramento was paying Muhlenberg District #3. Central City charges Muhlenberg District \$2.63 per 1,000 gallons. Thus, Sacramento is purchasing its water supply needs from the Commission at almost the same rate that Muhlenberg District #3 is purchasing its water.

Prior to preparing its most recent Alternative Rate Filing ("ARF") Application, Muhlenberg District #3 commissioned KRWA to prepare a Cost of Service Study ("COSS") to determine the actual cost of providing

wholesale water service to Sacramento. The COSS determined that **\$3.86** per 1,000 gallons is the appropriate rate for Muhlenberg District #3 to charge Sacramento. (*See* PSC Case No. 2018-00346). This proposed wholesale rate for Sacramento is still \$1.18 per 1,000 gallons more than Sacramento is currently paying the Commission.

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 4**

**Responding Witness: Ben Tooley**

- Q-4. State whether Muhlenberg District #3 has sought, is seeking or intends to seek a wholesale customer to utilize the capacity, or any portion thereof, previously used to serve the city of Sacramento.
- A-4. Unfortunately, there is no other potential wholesale customer in the region.



**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 5**

**Responding Witness: Ben Tooley**

- Q-5. State whether Muhlenberg District #3 has conducted any study or assessment of expected customer demand in the last year, and if so, provide the results of those studies or assessments.
- A-5. Muhlenberg District #3 has **not** conducted any studies or assessment of expected customer demand within the last year.

It should be noted, however, that Muhlenberg District #3 recently lost another very large customer – KenAmerican Resources, Inc. This customer did operate a large coal mine operation. Its average daily water usage was approximately 73,000 gallons. Muhlenberg District #3's average daily water consumption averaged **379,035** gallons for the months of March, April, and May, 2019.

See the response to Question 7 for additional information concerning the impact that losing this customer has had on Muhlenberg District #3's average daily water consumption.

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 6**

**Responding Witness: Ben Tooley**

Q-6. Provide Muhlenberg District #3's average daily water consumption, as that term is used on Muhlenberg District #3's application, in the first quarter of 2019, the first quarter of 2018, and the first quarter of 2017, excluding any water sold to the city Sacramento.

A-6. For the first quarter of the following years, Muhlenberg District #3's average daily water consumption excluding water sold to the city of Sacramento is as follows:

2019 – 458,0001 Gallons

2018 – 445,311 Gallons

2017 – 451,118 Gallons

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 7**

**Responding Witness: Ben Tooley**

Q-7. Refer to Muhlenberg District #3's application at paragraph no. 9 in which it states that its total water usage has been trending downward for the past five years.

- A. State whether and, if so, explain why Muhlenberg District #3 anticipates that downward trend to continue.
- B. State whether and, if so, when Muhlenberg District #3 anticipates its average daily water consumption, as that term is used in Muhlenberg District #3's application, falling below 500,000 gallons a day. Explain every basis for your response.

A-7.

- A. Yes. **Exhibit 1** to Muhlenberg District #3's Application for Deviation shows that its total water usage decreased from approximately 671,000 gallons per day in 2014 to approximately 552,000 gallons per day in 2018. As shown in **Exhibit 1**, Muhlenberg District #3's average daily usage declined in 2015, 2016, and 2017 **before** Sacramento stopped purchasing water from Muhlenberg District #3 at the end of May, 2018. The loss of Sacramento as a customer made the decline even worse.

Unfortunately, as stated in the response to Question 5, Muhlenberg District #3 just recently lost another major user –

KenAmerican Resources, Inc. This customer has operated a coal mine in Muhlenberg County for many years. Its average daily usage was approximately 73,000 gallons, which was purchased through multiple meters. The coal mine has recently “shut down” its mining operations. Muhlenberg District #3 does not anticipate that this coal mine will re-open in the foreseeable future.

- B. Muhlenberg District #3’s average daily water consumption has already fallen below 500,000 gallons per day. As stated in the response to Question 6, Muhlenberg District #3’s average daily water consumption was approximately 458,000 gallons during the first quarter of 2019. KenAmerican Resources, Inc. was still in operation and using water during the first quarter of 2019. Muhlenberg District #3’s average daily consumption has continued to drop as shown below:

April 2019 – 417,117 Gallons

May 2019 – 370,006 Gallons

As a result of the loss of Sacramento and KenAmerican Resources, Inc. as customers, Muhlenberg District #3 no longer needs a deviation from the water storage requirements of 807 KAR 5:066, Section 4(4). It has 500,000 gallons of water storage. Based upon

these recent developments, Muhlenberg District #3 plans to file a Motion to Withdraw its Application for a Deviation within the near future.

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

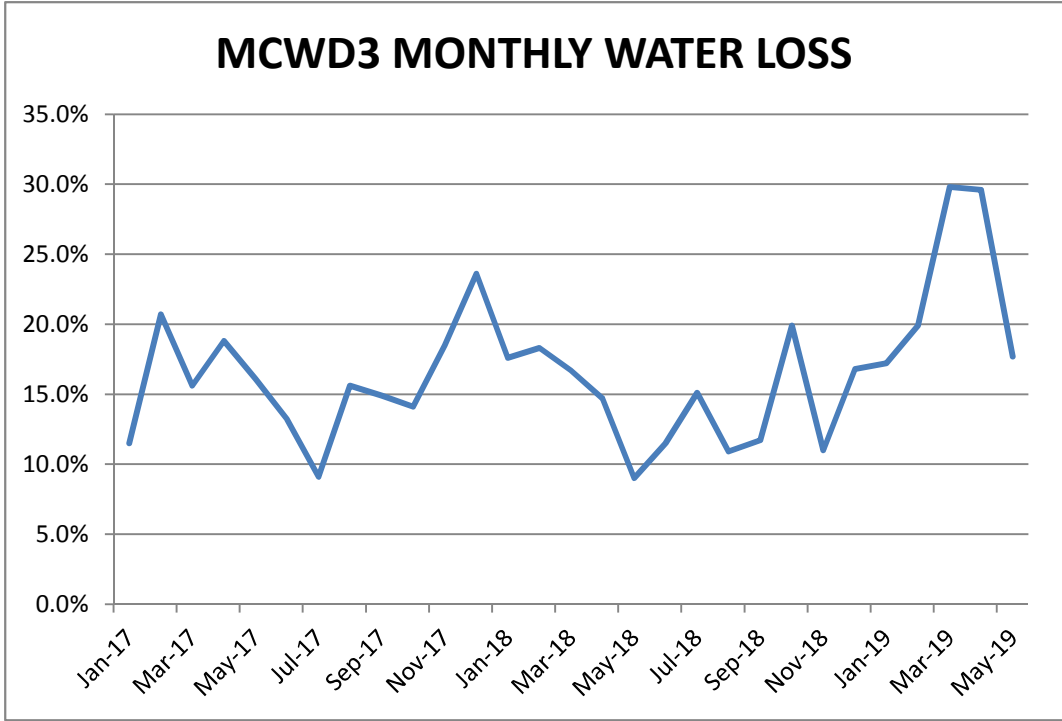
**Question No. 8**

**Responding Witness: Ben Tooley**

- Q-8. Provide the monthly water loss reports for Muhlenberg District #3 from January 2017 through April 2019.
- A-8. Please see the Monthly Water Loss Graph, which is attached as **Attachment 8-1**, and the monthly water loss reports for Muhlenberg District #3 from January 2017 through May 2019, which are attached as **Attachment 8-2**.

As shown on the Monthly Water Loss Graph, which is attached as **Attachment 8-1**, Muhlenberg District #3 experienced some “spikes” in its water loss during the late winter and early spring of 2019. After many hours of diligent efforts, Muhlenberg District #3 was finally able to locate and repair two (2) large leaks that had caused its water loss to increase dramatically. One of these leaks was caused by a break in a 6-inch diameter water transmission main along Kentucky Highway 70. The leak was not easily found because it was in a “swamp.” The other leak was caused by a break in a 4-inch diameter water transmission line that was also difficult to detect. Since these two (2) leaks have been repaired, Muhlenberg District #3's water loss percentage has been lowered substantially.

# **ATTACHMENT 8-1**



2017 Annual Average: 15.9%

2018 Annual Average: 14.5%

2019 Average: 22.8%



# **ATTACHMENT 8-2**

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: January Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	21,763,000	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	21,763,000	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	8,547,600	
8	Commercial	5,731,900	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	4,804,100	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	19,083,600	87.69%
14	<b>TOTAL WATER NOT SOLD</b>	2,679,400	<b>12.31%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	168,253	#VALUE!
18	Fire Department Usage	6,000	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	174,253	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>11.51%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks	438,273	#VALUE!
24	Repaired Line Breaks		
25	Unknown Loss	2,066,874	9.50%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	2,505,147	
27	<b>COST OF WATER NOT SOLD OR USED</b>	#VALUE!	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,066,874	
29	% "Unknown Loss"	9.50%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	66,673	
32	"Unknown Loss" per Minute (GPM)	46.30	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: February Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	24,044,000
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,509,800
8	Commercial	6,478,900
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	5,016,200
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	19,004,900 79.04%
14	<b>TOTAL WATER NOT SOLD</b>	5,039,100 <b>20.96%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	
18	Fire Department Usage	1,500 #VALUE!
19	DBP Flushing	59,441 #VALUE!
20	<b>TOTAL USAGE</b>	60,941
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>20.70%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	851,133 #VALUE!
25	Unknown Loss	4,127,026 <b>17.16%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>4,978,159</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	4,127,026
29	% "Unknown Loss"	17.16%
30	Number of Days in Period	28
31	"Unknown Loss" per Day (Gallons per Day)	147,394
32	"Unknown Loss" per Minute (GPM)	102.36
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: March Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	19,237,500	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	19,237,500	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	6,578,600	
8	Commercial	5,815,900	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	3,709,700	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	16,104,200	83.71%
14	<b>TOTAL WATER NOT SOLD</b>	3,133,300	<b>16.29%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	132,245	#VALUE!
18	Fire Department Usage	1,500	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	133,745	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>15.59%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	554,169	#VALUE!
25	Unknown Loss	2,445,386	12.71%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,999,555</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,445,386	
29	% "Unknown Loss"	12.71%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	78,883	
32	"Unknown Loss" per Minute (GPM)	54.78	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: April Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	0%
4	Water Purchased	25,221,300	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	25,221,300	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	8,184,700	
8	Commercial	7,266,200	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	4,674,000	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	20,124,900	79.79%
14	<b>TOTAL WATER NOT SOLD</b>	5,096,400	<b>20.21%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
16	Wastewater Treatment Plant		
17	System Flushing	350,000	#VALUE!
18	Fire Department Usage		
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	350,000	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>18.82%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
23	Excavation Breaks	199,210	#VALUE!
24	Repaired Line Breaks		
25	Unknown Loss	4,547,190	<b>18.03%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>4,746,400</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	4,547,190	
29	% "Unknown Loss"	18.03%	
30	Number of Days in Period	30	
31	"Unknown Loss" per Day (Gallons per Day)	151,573	
32	"Unknown Loss" per Minute (GPM)	105.26	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: May Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	19,025,900	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	19,025,900	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	7,125,100	
8	Commercial	4,674,600	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	3,885,000	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	15,684,700	82.44%
14	<b>TOTAL WATER NOT SOLD</b>	3,341,200	<b>17.56%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	250,000	#VALUE!
18	Fire Department Usage	2,000	#VALUE!
19	DBP Flushing	30,083	#VALUE!
20	<b>TOTAL USAGE</b>	282,083	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>16.08%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	299,141	#VALUE!
25	Unknown Loss	2,759,976	<b>14.51%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,059,117</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,759,976	
29	% "Unknown Loss"	14.51%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	89,031	
32	"Unknown Loss" per Minute (GPM)	61.83	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: June Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	23,528,300	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	23,528,300	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	9,082,100	
8	Commercial	5,958,500	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	5,371,500	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	20,412,100	86.76%
14	<b>TOTAL WATER NOT SOLD</b>	3,116,200	<b>13.24%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing		
18	Fire Department Usage	1,500	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	1,500	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>13.24%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	505,932	#VALUE!
25	Unknown Loss	2,608,768	11.09%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,114,700</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:		
28	"Unknown Loss"	2,608,768
29	% "Unknown Loss"	11.09%
30	Number of Days in Period	30
31	"Unknown Loss" per Day (Gallons per Day)	86,959
32	"Unknown Loss" per Minute (GPM)	60.39
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: July Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	24,675,900	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	24,675,900	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	9,281,100	
8	Commercial	7,373,400	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	5,765,900	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	22,420,400	90.86%
14	<b>TOTAL WATER NOT SOLD</b>	2,255,500	<b>9.14%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	11,000	#VALUE!
18	Fire Department Usage	2,000	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	13,000	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>9.09%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	513,284	#VALUE!
25	Unknown Loss	1,729,216	<b>7.01%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,242,500</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>		<b>#VALUE!</b>

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	1,729,216	
29	% "Unknown Loss"	7.01%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	55,781	
32	"Unknown Loss" per Minute (GPM)	38.74	
33	"Unknown Loss" Cost for Month		#VALUE!



# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: August Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	22,757,600
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	8,282,000
8	Commercial	6,513,000
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	4,298,300
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	19,093,300 83.90%
14	<b>TOTAL WATER NOT SOLD</b>	3,664,300 <b>16.10%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	76,532 #VALUE!
18	Fire Department Usage	6,000 #VALUE!
19	DBP Flushing	42,487 #VALUE!
20	<b>TOTAL USAGE</b>	125,019
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>15.55%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	642,121 #VALUE!
25	Unknown Loss	2,897,160 <b>12.73%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,539,281</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,897,160
29	% "Unknown Loss"	12.73%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	93,457
32	"Unknown Loss" per Minute (GPM)	64.90
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: September Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	0%
4	Water Purchased	19,441,400	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	19,441,400	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
8	Commercial	5,174,100	
9	Industrial	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
10	Bulk Loading Stations	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
11	Wholesale	3,531,300	
12	Other Sales (explain) _____	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
13	<b>TOTAL WATER SOLD</b>	16,542,500	85.09%
14	<b>TOTAL WATER NOT SOLD</b>	2,898,900	<b>14.91%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
16	Wastewater Treatment Plant	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
17	System Flushing	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
18	Fire Department Usage	6,000	#VALUE!
19	DBP Flushing	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
20	<b>TOTAL USAGE</b>	6,000	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>14.88%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
23	Excavation Breaks	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
24	Repaired Line Breaks	738,131	#VALUE!
25	Unknown Loss	2,154,769	11.08%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,892,900</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,154,769	
29	% "Unknown Loss"	11.08%	
30	Number of Days in Period	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> 30	
31	"Unknown Loss" per Day (Gallons per Day)	71,826	
32	"Unknown Loss" per Minute (GPM)	49.88	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: October Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	21,855,700	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	21,855,700	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	8,104,600	
8	Commercial	6,318,300	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	4,304,100	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	18,727,000	85.68%
14	<b>TOTAL WATER NOT SOLD</b>	3,128,700	<b>14.32%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	35,000	#VALUE!
18	Fire Department Usage	2,500	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	37,500	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>14.14%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	211,324	#VALUE!
25	Unknown Loss	2,879,876	13.18%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	3,091,200	
27	<b>COST OF WATER NOT SOLD OR USED</b>	#VALUE!	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,879,876	
29	% "Unknown Loss"	13.18%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	92,899	
32	"Unknown Loss" per Minute (GPM)	64.51	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: November Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	19,724,500
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	6,931,400
8	Commercial	5,276,400
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	3,440,800
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	15,648,600 79.34%
14	<b>TOTAL WATER NOT SOLD</b>	4,075,900 <b>20.66%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	390,803 #VALUE!
18	Fire Department Usage	6,000 #VALUE!
19	DBP Flushing	39,933 #VALUE!
20	<b>TOTAL USAGE</b>	436,736
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>18.45%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	738,131 #VALUE!
25	Unknown Loss	2,901,033 <b>14.71%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,639,164</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,901,033
29	% "Unknown Loss"	14.71%
30	Number of Days in Period	30
31	"Unknown Loss" per Day (Gallons per Day)	96,701
32	"Unknown Loss" per Minute (GPM)	67.15
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: December Year: 2017

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	21,392,000
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,081,700
8	Commercial	5,342,300
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	3,922,800
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	16,346,800 76.42%
14	<b>TOTAL WATER NOT SOLD</b>	5,045,200 <b>23.58%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	
18	Fire Department Usage	2,000 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	2,000
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>23.58%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	
25	Unknown Loss	5,043,200 23.58%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>5,043,200</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	5,043,200
29	% "Unknown Loss"	23.58%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	162,684
32	"Unknown Loss" per Minute (GPM)	112.97
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: January Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	25,639,200
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	9,804,100
8	Commercial	6,621,500
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	4,635,900
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	21,061,500 82.15%
14	<b>TOTAL WATER NOT SOLD</b>	4,577,700 17.85%

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	53,820 #VALUE!
18	Fire Department Usage	2,000 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	55,820
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>17.64%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	25,427 #VALUE!
24	Repaired Line Breaks	1,725,004 #VALUE!
25	Unknown Loss	2,771,449 10.81%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	4,521,880
27	<b>COST OF WATER NOT SOLD OR USED</b>	#VALUE!

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,771,449
29	% "Unknown Loss"	10.81%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	89,402
32	"Unknown Loss" per Minute (GPM)	62.08
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: February Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	20,992,100
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	6,558,800
8	Commercial	5,324,100
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	5,211,700
12	Other Sales (explain)	
13	<b>TOTAL WATER SOLD</b>	17,094,600 81.43%
14	<b>TOTAL WATER NOT SOLD</b>	3,897,500 18.57%

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	16,803 #VALUE!
18	Fire Department Usage	8,000 #VALUE!
19	DBP Flushing	25,872 #VALUE!
20	<b>TOTAL USAGE</b>	50,675
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>18.33%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	1,080,498 #VALUE!
25	Unknown Loss	2,766,327 13.18%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,846,825</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,766,327
29	% "Unknown Loss"	13.18%
30	Number of Days in Period	28
31	"Unknown Loss" per Day (Gallons per Day)	98,797
32	"Unknown Loss" per Minute (GPM)	68.61
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: March Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	18,667,900
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	6,350,800
8	Commercial	5,418,700
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	3,738,100
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	15,507,600 83.07%
14	<b>TOTAL WATER NOT SOLD</b>	3,160,300 <b>16.93%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	40,491 #VALUE!
18	Fire Department Usage	1,500 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	41,991
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>16.70%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	554,169 #VALUE!
25	Unknown Loss	2,564,140 <b>13.74%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,118,309</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,564,140
29	% "Unknown Loss"	13.74%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	82,714
32	"Unknown Loss" per Minute (GPM)	57.44
33	"Unknown Loss" Cost for Month	#VALUE!



# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: April Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	21,357,600	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	21,357,600	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	7,833,400	
8	Commercial	6,676,100	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	3,650,500	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	18,160,000	85.03%
14	<b>TOTAL WATER NOT SOLD</b>	3,197,600	<b>14.97%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	60,634	#VALUE!
18	Fire Department Usage	6,000	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	66,634	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>14.66%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	399,794	#VALUE!
25	Unknown Loss	2,731,172	<b>12.79%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,130,966</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,731,172	
29	% "Unknown Loss"	12.79%	
30	Number of Days in Period	30	
31	"Unknown Loss" per Day (Gallons per Day)	91,039	
32	"Unknown Loss" per Minute (GPM)	63.22	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: May Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	19,768,700
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,315,800
8	Commercial	6,309,600
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	4,182,200
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	17,807,600 90.08%
14	<b>TOTAL WATER NOT SOLD</b>	1,961,100 <b>9.92%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	176,965 #VALUE!
18	Fire Department Usage	2,500 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	179,465
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>9.01%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	317,462 #VALUE!
25	Unknown Loss	1,464,173 <b>7.41%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>1,781,635</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	1,464,173
29	% "Unknown Loss"	7.41%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	47,231
32	"Unknown Loss" per Minute (GPM)	32.80
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: June Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	0%
4	Water Purchased	21,237,800	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	21,237,800	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
8	Commercial	6,854,400	
9	Industrial	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
10	Bulk Loading Stations	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
11	Wholesale	2,248,700	
12	Other Sales (explain) _____	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
13	<b>TOTAL WATER SOLD</b>	18,783,500	88.44%
14	<b>TOTAL WATER NOT SOLD</b>	2,454,300	<b>11.56%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
16	Wastewater Treatment Plant	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
17	System Flushing	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
18	Fire Department Usage	4,500	#VALUE!
19	DBP Flushing	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
20	<b>TOTAL USAGE</b>	4,500	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>11.54%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
23	Excavation Breaks	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
24	Repaired Line Breaks	241,212	#VALUE!
25	Unknown Loss	2,208,588	<b>10.40%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,449,800</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,208,588	
29	% "Unknown Loss"	10.40%	
30	Number of Days in Period	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> 30	
31	"Unknown Loss" per Day (Gallons per Day)	73,620	
32	"Unknown Loss" per Minute (GPM)	51.12	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: July Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	20,652,100	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	20,652,100	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	10,234,800	
8	Commercial	7,186,800	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	104,800	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	17,526,400	84.86%
14	<b>TOTAL WATER NOT SOLD</b>	3,125,700	<b>15.14%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing		
18	Fire Department Usage	2,500	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	2,500	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>15.12%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	463,133	#VALUE!
25	Unknown Loss	2,660,067	<b>12.88%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,123,200</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,660,067	
29	% "Unknown Loss"	12.88%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	85,809	
32	"Unknown Loss" per Minute (GPM)	59.59	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: August Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	16,731,200	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	16,731,200	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	8,411,200	
8	Commercial	6,167,700	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	99,900	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	14,678,800	87.73%
14	<b>TOTAL WATER NOT SOLD</b>	2,052,400	<b>12.27%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	198,400	#VALUE!
18	Fire Department Usage	7,500	#VALUE!
19	DBP Flushing	27,073	#VALUE!
20	<b>TOTAL USAGE</b>	232,973	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>10.87%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	144,675	#VALUE!
25	Unknown Loss	1,674,752	10.01%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	1,819,427	
27	<b>COST OF WATER NOT SOLD OR USED</b>		#VALUE!

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	1,674,752	
29	% "Unknown Loss"	10.01%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	54,024	
32	"Unknown Loss" per Minute (GPM)	37.52	
33	"Unknown Loss" Cost for Month		#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: September Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	18,881,800	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	18,881,800	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	7,958,600	
8	Commercial	8,603,300	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	99,000	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	16,660,900	88.24%
14	<b>TOTAL WATER NOT SOLD</b>	2,220,900	<b>11.76%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing		
18	Fire Department Usage	4,000	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	4,000	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>11.74%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	103,516	#VALUE!
25	Unknown Loss	2,113,384	<b>11.19%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,216,900</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	2,113,384	
29	% "Unknown Loss"	11.19%	
30	Number of Days in Period	30	
31	"Unknown Loss" per Day (Gallons per Day)	70,446	
32	"Unknown Loss" per Minute (GPM)	48.92	
33	"Unknown Loss" Cost for Month	#VALUE!	

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: October Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	18,505,700	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	18,505,700	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	8,019,100	
8	Commercial	6,722,400	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	77,100	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	14,818,600	80.08%
14	<b>TOTAL WATER NOT SOLD</b>	3,687,100	<b>19.92%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	1,008	#VALUE!
18	Fire Department Usage	1,500	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	2,508	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>19.91%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	159,377	#VALUE!
25	Unknown Loss	3,525,215	<b>19.05%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,684,592</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>		<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	3,525,215	
29	% "Unknown Loss"	19.05%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	113,717	
32	"Unknown Loss" per Minute (GPM)	78.97	
33	"Unknown Loss" Cost for Month		#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: November Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	17,215,400	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	17,215,400	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	7,348,900	
8	Commercial	7,866,600	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	99,100	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	15,314,600	88.96%
14	<b>TOTAL WATER NOT SOLD</b>	1,900,800	<b>11.04%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing		
18	Fire Department Usage	2,000	#VALUE!
19	DBP Flushing	7,785	#VALUE!
20	<b>TOTAL USAGE</b>	9,785	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>10.98%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	331,064	#VALUE!
25	Unknown Loss	1,559,951	<b>9.06%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>1,891,015</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>	

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	1,559,951	
29	% "Unknown Loss"	9.06%	
30	Number of Days in Period	30	
31	"Unknown Loss" per Day (Gallons per Day)	51,998	
32	"Unknown Loss" per Minute (GPM)	36.11	
33	"Unknown Loss" Cost for Month	#VALUE!	



# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: December Year: 2018

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	16,840,100
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,201,800
8	Commercial	6,708,800
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	107,200
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	14,017,800 83.24%
14	<b>TOTAL WATER NOT SOLD</b>	2,822,300 16.76%

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	
18	Fire Department Usage	2,000 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	2,000
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>16.75%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	21,172 #VALUE!
25	Unknown Loss	2,799,128 16.62%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,820,300</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,799,128
29	% "Unknown Loss"	16.62%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	90,294
32	"Unknown Loss" per Minute (GPM)	62.70
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: January Year: 2019

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	19,365,400
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,806,400
8	Commercial	8,040,300
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	138,500
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	15,985,200 82.55%
14	<b>TOTAL WATER NOT SOLD</b>	3,380,200 17.45%

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	53,820 #VALUE!
18	Fire Department Usage	2,000 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	55,820
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>17.17%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	25,427 #VALUE!
24	Repaired Line Breaks	1,725,004 #VALUE!
25	Unknown Loss	1,573,949 8.13%
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,324,380</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	1,573,949
29	% "Unknown Loss"	8.13%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	50,773
32	"Unknown Loss" per Minute (GPM)	35.26
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: February Year: 2019

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	18,014,900
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,027,200
8	Commercial	7,217,200
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	141,100
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	14,385,500 79.85%
14	<b>TOTAL WATER NOT SOLD</b>	3,629,400 <b>20.15%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	16,803 #VALUE!
18	Fire Department Usage	8,000 #VALUE!
19	DBP Flushing	25,872 #VALUE!
20	<b>TOTAL USAGE</b>	50,675
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>19.87%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	1,080,498 #VALUE!
25	Unknown Loss	2,498,227 <b>13.87%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>3,578,725</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,498,227
29	% "Unknown Loss"	13.87%
30	Number of Days in Period	28
31	"Unknown Loss" per Day (Gallons per Day)	89,222
32	"Unknown Loss" per Minute (GPM)	61.96
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: March Year: 2019

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED			
3	Water Produced		0%
4	Water Purchased	15,521,900	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	15,521,900	
6	<b>TOTAL COST #VALUE!</b>		

WATER SOLD			
7	Residential	6,212,000	
8	Commercial	4,506,800	
9	Industrial		
10	Bulk Loading Stations		
11	Wholesale	130,600	
12	Other Sales (explain) _____		
13	<b>TOTAL WATER SOLD</b>	10,849,400	69.90%
14	<b>TOTAL WATER NOT SOLD</b>	4,672,500	<b>30.10%</b>

BREAKDOWN OF WATER USAGE			
15	Water Treatment Plant		
16	Wastewater Treatment Plant		
17	System Flushing	40,491	#VALUE!
18	Fire Department Usage	1,500	#VALUE!
19	DBP Flushing		
20	<b>TOTAL USAGE</b>	41,991	
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>		<b>29.83%</b>

BREAKDOWN OF WATER LOST			
22	Tank Overflows		
23	Excavation Breaks		
24	Repaired Line Breaks	554,169	#VALUE!
25	Unknown Loss	4,076,340	<b>26.26%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>4,630,509</b>	
27	<b>COST OF WATER NOT SOLD OR USED</b>		<b>#VALUE!</b>

"UNKNOWN LOSS" FLOW RATE AND COST:			
28	"Unknown Loss"	4,076,340	
29	% "Unknown Loss"	26.26%	
30	Number of Days in Period	31	
31	"Unknown Loss" per Day (Gallons per Day)	131,495	
32	"Unknown Loss" per Minute (GPM)	91.32	
33	"Unknown Loss" Cost for Month		#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: April Year: 2019

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	17,873,200
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,788,900
8	Commercial	4,598,800
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	125,800
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	12,513,500 70.01%
14	<b>TOTAL WATER NOT SOLD</b>	5,359,700 <b>29.99%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	60,634 #VALUE!
18	Fire Department Usage	6,000 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	66,634
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>29.61%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	399,794 #VALUE!
25	Unknown Loss	4,893,272 <b>27.38%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>5,293,066</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	4,893,272
29	% "Unknown Loss"	27.38%
30	Number of Days in Period	30
31	"Unknown Loss" per Day (Gallons per Day)	163,109
32	"Unknown Loss" per Minute (GPM)	113.27
33	"Unknown Loss" Cost for Month	#VALUE!

# Water Use Report

Water Utility: Muhlenber County Water Dist. #3 PWSID: KY0890304

For the Month of: May Year: 2019

1 PRODUCTION COST PER THOUSAND (insert cost)   
 2 PURCHASE COST PER THOUSAND (insert cost)

**GALLONS**

WATER PRODUCED or PURCHASED		
3	Water Produced	0%
4	Water Purchased	100%
5	<b>TOTAL PRODUCED AND PURCHASED</b>	14,149,800
6	<b>TOTAL COST #VALUE!</b>	

WATER SOLD		
7	Residential	7,504,200
8	Commercial	3,835,900
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	130,100
12	Other Sales (explain) _____	
13	<b>TOTAL WATER SOLD</b>	11,470,200 81.06%
14	<b>TOTAL WATER NOT SOLD</b>	2,679,600 <b>18.94%</b>

**BREAKDOWN OF WATER USAGE**

15	Water Treatment Plant	
16	Wastewater Treatment Plant	
17	System Flushing	176,965 #VALUE!
18	Fire Department Usage	2,500 #VALUE!
19	DBP Flushing	
20	<b>TOTAL USAGE</b>	179,465
21	<b>WATER LOSS PERCENTAGE FOR RATE PURPOSES</b>	<b>17.67%</b>

**BREAKDOWN OF WATER LOST**

22	Tank Overflows	
23	Excavation Breaks	
24	Repaired Line Breaks	317,462 #VALUE!
25	Unknown Loss	2,182,673 <b>15.43%</b>
26	<b>TOTAL WATER NOT SOLD OR USED</b>	<b>2,500,135</b>
27	<b>COST OF WATER NOT SOLD OR USED</b>	<b>#VALUE!</b>

**"UNKNOWN LOSS" FLOW RATE AND COST:**

28	"Unknown Loss"	2,182,673
29	% "Unknown Loss"	15.43%
30	Number of Days in Period	31
31	"Unknown Loss" per Day (Gallons per Day)	70,409
32	"Unknown Loss" per Minute (GPM)	48.90
33	"Unknown Loss" Cost for Month	#VALUE!

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 9**

**Responding Witness: Ben Tooley**

- Q-9. Refer to Muhlenberg District #3's application at paragraph no. 11 in which it states that it has two storage tanks in its water system with a total of 500,000 gallons of available storage capacity.
- A. State whether both of the storage tanks are currently in use, and identify the current capacity of each storage tank.
  - B. Describe the expected useful life of each of the storage tanks, and explain how the expected useful life was determined.
  - C. State whether either of the tanks have been taken out of service since January 1, 2018, and if so, identify each period during which either tank was taken out of service and describe why the tank was taken out of service for each such period.
- A-9.
- A. Both of the 250,000 gallon water storage tanks are currently in use.
  - B. The estimated useful life of each tank is **80 to 100** years. This useful life assumes that the tanks are maintained properly. This estimate was obtained from Jay Hoffman, President of Wet or Dry Tank Inspection. Mr. Hoffman thoroughly inspects the inside and outside of the tanks every five (5) years. The tanks were last inspected in 2017. The estimated useful life provided by Mr. Hoffman is consistent with the information that I have obtained by talking to

engineers, manufacturers' representatives, and others in the water industry.

- C. One of the tanks was taken out of service for two (2) days in May 2018 to "touch-up" the interior coating. This is the only time that either tank has been taken out of service since January 1, 2018.



**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 10**

**Responding Witness: Ben Tooley**

Q-10. Refer to Muhlenberg District #3's application at paragraph no. 12 in which it states that Central City has a storage capacity of 4.8 million gallons of water per day and only consumes an average of 770,000 gallons daily. State whether Central City sells water wholesale to any other utilities, including county or city utilities, and if so, provide the total average amount of water Central City sells to other utilities if known.

A-10. Central City provides wholesale water service to only two (2) wholesale customers: Muhlenberg District #3 and Muhlenberg County Water District. During calendar year 2018, it sold a total of 483,200,200 gallons or an average of **1,323,836 gallons per day** to Muhlenberg County Water District. Thus, Central City has an abundant amount of storage capacity.

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 11**

**Responding Witness: Ben Tooley**

Q-11. Refer to Muhlenberg District #3's application at paragraph no. 18 in which it states that Sacramento had already stopped buying water from Muhlenberg District #3 when it received the Commission's September 12, 2018 Order in Case No. 2018-00159. Explain why Muhlenberg District did not file a motion to alter or amend the September 12, 2018 Order based on the change in circumstances if it contends that the change in circumstances rendered the conditions of the Order unnecessary.

A-11. Muhlenberg District #3 did not believe it was necessary to file a motion to alter or amend the September 12, 2018 Order. Muhlenberg District #3 apologizes for this oversight.

**MUHLENBERG COUNTY WATER DISTRICT #3**

**CASE NO. 2019-00051**

**Response to Commission Staff's First Request for Information**

**Question No. 12**

**Responding Witness: Ben Tooley**

Q-12. Refer to Muhlenberg District #3's application at paragraph no. 22 in which it describes "promising discussions with Central City's new Mayor."

- A. Describe the "promising discussions" referred to therein, including the dates on which they occurred.
- B. Describe any and all discussions Muhlenberg District #3 has had with Central City or any representative thereof regarding water storage since this application was filed.

A-12.

- A. I spoke with Tony Armour in the late fall of 2018 prior to the November election. At that time, Central City Mayoral candidate Armour was very receptive to the idea of providing assistance to Muhlenberg District #3 and entering into a formal agreement with Muhlenberg District #3 concerning allocating a portion of Central City's water storage to Muhlenberg District #3. Mr. Armour requested that I follow up with him after the election if he were to be elected Mayor.

Mr. Armour was elected Mayor of Central City. Shortly after he took office in January 2019, I followed up with email memos and another phone call to him. Mayor Armour agreed to present

Muhlenberg District #3's request to David Rhoades, who is the City Administrator for Central City, to the City's Water and Sewer Commission, and to the City Council. Attached as **Attachment 12-1** is a series of email memos between Mayor Armour and me. To date, neither Mayor Armour, nor Central City has provided a written response to Muhlenberg District #3's request for a formal, written agreement.

I have not followed up with Mayor Armour recently because it is now obvious that Muhlenberg District #3 no longer needs a water storage deviation. The loss of Sacramento and KenAmerican Resources, Inc. as customers has significantly reduced Muhlenberg District #3's average daily usage well below 500,000 gallons per day (see responses to Questions 5, 6, and 7).

B. See above response to Question 12A and **Attachment 12-1**.

# **ATTACHMENT 12-1**

**From:** Ben [<mailto:ben@muhlenbergwater.com>]  
**Sent:** Tuesday, January 15, 2019 1:54 PM  
**To:** [mayor@centralcityky.com](mailto:mayor@centralcityky.com)  
**Cc:** 'Talley, Damon' <[Damon.Talley@skofirm.com](mailto:Damon.Talley@skofirm.com)>  
**Subject:** Tank Storage

Tony,

Muhlenberg County Water District is working with KY PSC to resolve an issue that we have with water storage. The PSC says that we do not have enough storage for a 24 hour period. I reached out to David Rhoades in 2016 and received a letter from him stating that CCWS would hold 700,000 gallons of water storage for MCWD3. The PSC is saying the letter does not address duration of agreement, renewal periods, or right and obligations of the parties that includes time of emergency. The amount of storage at 700,000 is for sure something that I think can be lowered if that would help with CCWS's commitment.

**I have attached a copy of the letter that David sent me back in 2016.**

If you think this is something we could work out please let me know, I would be happy to come talk with you or send my Board chairman (Don Garrett) to come talk to you.

Thanks for your time in looking at this issue.

**Ben Tooley, Superintendent**  
**Muhlenberg County Water District #3**  
**PO Box 67**  
**Bremen, KY 42325**  
**Office: 270-525-6333**  
**Fax: 270-525-0025**  
**Cell: 270-977-4070**

**From:** Tony Armour [<mailto:mayor@centralcityky.com>]

**Sent:** Thursday, January 17, 2019 9:37 AM

**To:** Ben <[ben@muhlenbergwater.com](mailto:ben@muhlenbergwater.com)>

**Subject:** Re: Tank Storage

Ben: I have discussed this issue with David and understand the importance for both parties involved. The City Attorney will be checking in on the details along with input from Ron Mobley and the Water and Sewer Commission. We will get back to you as soon as we can with more details. Thanks Tony

On Tue, Jan 15, 2019 at 1:54 PM Ben <[ben@muhlenbergwater.com](mailto:ben@muhlenbergwater.com)> wrote:

Tony,

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**Muhlenberg County Water District #3**

**PO Box 67**

**Bremen, KY 42325**

**Office: 270-525-6333**

**Fax: 270-525-0025**

**Cell: 270-977-4070**

**From:** Ben [<mailto:ben@muhlenbergwater.com>]  
**Sent:** Thursday, January 17, 2019 9:53 AM  
**To:** 'Tony Armour' <[mayor@centralcityky.com](mailto:mayor@centralcityky.com)>  
**Subject:** RE: Tank Storage

Tony,

Thank you for looking into this for me. I will have to start applying for another deviation with the PSC next month so if we could work this out soon that would be great, but I understand this stuff takes time also. Again thanks for taking the time to look into this for me.

Sincerely,

**Ben Tooley, Superintendent**  
**Muhlenberg County Water District #3**  
**PO Box 67**  
**Bremen, KY 42325**  
**Office: 270-525-6333**  
**Fax: 270-525-0025**  
**Cell: 270-977-4070**

**From:** Tony Armour [<mailto:mayor@centralcityky.com>]  
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**To:** Ben <[ben@muhlenbergwater.com](mailto:ben@muhlenbergwater.com)>  
**Subject:** Re: Tank Storage

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**I have attached a copy of the letter that David sent me back in 2016.**

If you think this is something we could work out please let me know, I would be happy to come talk with you or send my Board chairman (Don Garrett) to come talk to you.



Thanks for your time in looking at this issue.

**Ben Tooley, Superintendent**

**Muhlenberg County Water District #3**

**PO Box 67**

**Bremen, KY 42325**

**Office: 270-525-6333**

**Fax: 270-525-0025**

**Cell: 270-977-4070**

**From:** Ben [<mailto:ben@muhlenbergwater.com>]

**Sent:** Tuesday, February 05, 2019 8:35 AM

**To:** 'Tony Armour' <[mayor@centralcityky.com](mailto:mayor@centralcityky.com)>

**Subject:** Tank Storage

Tony,

Just wanted to touch base with you on the water storage issue I emailed you about a couple weeks ago. I have to start preparing my new letter to the KY PSC and was wanting to know if you were able to take this issue to the Board yet to see if this is something we can work out.

Thanks

**Ben Tooley, Superintendent**  
**Muhlenberg County Water District #3**  
**PO Box 67**  
**Bremen, KY 42325**  
**Office: 270-525-6333**  
**Fax: 270-525-0025**  
**Cell: 270-977-4070**

**From:** Ben [<mailto:ben@muhlenbergwater.com>]

**Sent:** Thursday, February 07, 2019 9:28 AM

**To:** 'Tony Armour' <[mayor@centralcityky.com](mailto:mayor@centralcityky.com)>

**Subject:** Water Storage

Tony,

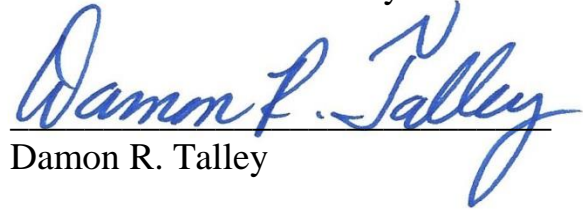
In reference to the Water Storage issue I emailed you about, If it would help if MCWD3 paid CCWS a small monthly fee to enter an agreement to have CCWS hold this water for us I would be happy to ask my Board about that as well.

Thanks

**Ben Tooley, Superintendent**  
**Muhlenberg County Water District #3**  
**PO Box 67**  
**Bremen, KY 42325**  
**Office: 270-525-6333**  
**Fax: 270-525-0025**  
**Cell: 270-977-4070**

## CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Muhlenberg County Water District #3's June 21, 2019 electronic filing of this Response is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on June 21, 2019; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that one copy in paper medium of this Response will be delivered to the Commission within two business days.

  
Damon R. Talley