



July 12, 2019

Re: UMG Cost of Operations for Waterplant and Distribution

Dear Phillip Elswick

UMG will supply the City the cost that UMG incurs with the operation and maintenance of Pikeville's water treatment plant and water distribution system. It will include the cost of labor, fringe benefits, chemicals, fuel etc. It will also include the allocated cost of the overhead with company profit margin.

UMG will not supply any information concerning the company's balance sheet or cost of any other service that we supply to the city or names of employees.

We are a private company and supplying the necessary information to determine the cost of operating and maintaining the water plant and distribution system will be made available.

Sincerely,

A handwritten signature in black ink that reads "Greg May". The signature is written in a cursive style with a long, sweeping underline.

Greg May
Chief Operating Officer