

**TREATED SEWAGE ADJUSTMENT
 FOR SEWER UTILITIES
 (807 KAR 5:075)**

Name of Utility	Warren County Water District	
Date	June 23, 2020	
Address	P.O. Box 10180	
City, State, Zip	Bowling Green, KY 42102	
Telephone Number	270-842-0052	
Email address	johnd@warrenwater.com	

1.a. Name of all providers and the base (current) rate and changed rate of each. In the event the utility is billed by the provider on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Provider(s)	Base Rate	Changed Rate
Bowling Green Municipal Utilities	\$2.8377	\$2.8659

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

2. Twelve-month period upon which the treated sewage adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	4/2019	through	3/2020
	(month and year)		(month and year)

3. Statement of sewage treated. Where sewage treatment is from more than one provider, sewage treatment from each provider must be shown separately. When water purchases are the basis for sewage treatment charges and the water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach additional sheets if necessary.

Provider(s)	Gallons of Sewage Treated during 12 month period
Bowling Green Municipal Utilities	959,735,000
TOTAL	959,735,000

4. Total gallons of water sold for the 12 month period	1,223,300,122
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5. Increased cost	\$27,064.53
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The increased cost is the difference between the gallons of treated sewage at the base (current rate) and at the new rate. The calculation and all supporting documents used to determine the change in treated sewage costs sufficient to determine the accuracy of the calculation is attached as Exhibit B

When water usage is the basis for the utility's sewage treatment charge, the treated sewage adjustment shall be calculated as a per 1,000 gallon factor.

6. Treated sewage adjustment factor per 1,000 gallons*	\$0.03
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*The treated sewage adjustment factor is obtained by dividing the increased cost of the sewage treatment by the total gallons of water sold. (Number 5 ÷ (Number 4 ÷ 1,000))

Note: The treated sewage adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the treated sewage adjustment factor would be added to the minimum bill twice.

When the utility has a flat monthly rate the treated sewage adjustment factor shall be calculated as a flat monthly amount to be added to the current rate.

7. Number of customers or Residential Equivalents N/A

8. Treated sewage adjustment (amount to be added to current monthly bill)** N/A

**The treated sewage adjustment factor is obtained by dividing the increased cost by the number of customers or residential equivalents and then by 12 months.
 (Number 5 ÷ (Number 7 ÷ 12).

9. A schedule listing the current and proposed rates is attached as Exhibit C

10. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D

11. Proposed effective date July 1, 2020

Signature of Utility Officer

Allen R Johnson
 Signature of Utility Officer

Chairman
 Title

EXHIBIT A



BOWLING GREEN MUNICIPAL UTILITIES
P.O. BOX 10300
BOWLING GREEN, KY 42102-0300

WARREN COUNTY WATER DISTRICT
P.O. BOX 10180
BOWLING GREEN, KY 42102-4780

May 6, 2020

**BOWLING GREEN MUNICIPAL UTILITIES/WARREN COUNTY WATER DISTRICT JOINT ENGINEERING
 PLANNING AND FINANCE COMMITTEE**

Mr. Joe Taylor, Sr.
 618 Lovers Lane Apt. 222
 Bowling Green, KY 42104

Mr. Tad Donnelly
 1344 Garvin Lane
 Bowling Green, KY 42101

Mr. Steve Snodgrass
 1006 South Park Drive
 Bowling Green, KY 42103

Mr. Todd Davis
 1001 Pepperidge Drive
 Bowling Green, KY 42103

Gentlemen:

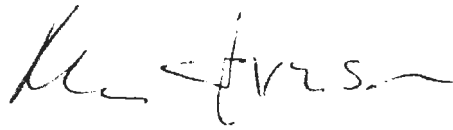
In Accordance with the "Resolution of the Bowling Green Municipal Utilities Board and the Commissioners of the Warren County Water District" dated January 8, 1996, and the "Agreed Order" dated February 27, 1996 in Kentucky Public Service Commission Case No. 95-044, the representatives of BGMU and WCWD have met and calculated wholesale rate adjustments. It is our joint recommendation that the following charges be implemented for the second of four tiered increases on revenue bond debt service for the WTP expansion and Veterans force main projects:

<u>Water Service</u>	<u>Rate per 1,000 Gallons</u>
Southside	\$2.3168
Morgantown Road Areas	\$1.8547
Northside Area	\$1.8481
Cemetery Road	\$1.7585
BGMU purchases on Cemetery Road	\$2.1247
<u>Sewer Service</u>	
All Connection Points	\$2.8659

The comments below are pertinent to these rate calculations and have been agreed upon by the respective staffs:

- a. All elements/comments (a)-(g) of the March 26, 2019 rate letter continue, and are incorporated by reference into this rate action.
- b. In accordance with element/comment (h) of the March 26, 2019 rate letter, the rates for 2020 incorporate the second of four tiered increases in WCWD's allocated revenue bond debt service for the WTP expansion and Veterans force main projects.
- c. Final KIA and other Capital loan financing amounts related to the Alternate Disinfection project were used for Year 2 rate computations.
- d. WCWD's allocated revenue bond and related debt service for the WTP expansion and Veterans force main projects were subject to fiscal year 2019 sales as these two joint-use projects are considered capacity additions.
- e. Interest income from the 2019 revenue bond accounts (construction, paying and reserve) were allocated to WCWD based on the proportional debt service paid in the previous year.
- f. These rates will be effective no later than July 1, 2020. To implement the tiered debt service as described above, rate adjustments will occur annually through July 1, 2022 and will return to the normal two-year schedule.

Respectfully Submitted,



Mark Iverson
General Manager
Bowling Green Municipal Utilities



John Dix
General Manager
Warren County Water District

EXHIBIT B

EXHIBIT B

TSA Calculation

Gallons Disposed		959,735,000
Cost Old Rate	\$2.8377	\$2,723,440.01
Cost New Rate	\$2.8659	\$2,750,504.54
Difference		\$27,064.53
Gallons Sold		1,223,300,122
Treated Sewer Adj.		\$0.03

EXHIBIT C

EXHIBIT C

CURRENT MONTHLY SEWER RATES

5/8 x 3/4 Inch Meter

First	2,000 gallons	*\$11.77 Minimum Bill
Next	6,000 gallons	5.06 per 1,000 gallons
Next	12,000 gallons	3.92 per 1,000 gallons
Next	80,000 gallons	3.62 per 1,000 gallons
Over	100,000 gallons	3.12 per 1,000 gallons

*The \$11.77 minimum bill shown above applies only to 5/8" x 3/4" meters. The minimum bills listed below apply to all other meter sizes.

<u>Meter Size</u>	<u>Minimum bill</u>	
1 inch	\$26.94	Includes the first 5,000 gallons
1-1/2 inch	49.77	Includes the first 10,000 gallons
2 inch	72.66	Includes the first 16,000 gallons
3 inch	122.09	Includes the first 30,000 gallons
4 inch	190.39	Includes the first 50,000 gallons
6 inch	361.14	Includes the first 100,000 gallons

The rates to be charged for water used in excess of the minimum usage amount are the same regardless of meter size. All rates are subject to a 10 percent penalty if paid after the due date.

MONTHLY SEWER RATES
FOR USERS INSIDE THE CITY OF SMITHS GROVE

5/8 x 3/4 Inch Meter

First	2,000 gallons	*\$18.46 Minimum Bill
Next	6,000 gallons	5.23 per 1,000 gallons
Next	12,000 gallons	5.02 per 1,000 gallons
Next	80,000 gallons	4.40 per 1,000 gallons
Over	100,000 gallons	4.00 per 1,000 gallons

*The \$18.46 minimum bill shown above applies only to 5/8" x 3/4" meters. The minimum bills listed below apply to all other meter sizes.

<u>Meter Size</u>	<u>Minimum bill</u>	
1 inch	\$34.15	Includes the first 5,000 gallons
1-1/2 inch	59.89	Includes the first 10,000 gallons
2 inch	89.00	Includes the first 16,000 gallons
3 inch	154.14	Includes the first 30,000 gallons
4 inch	242.17	Includes the first 50,000 gallons
6 inch	462.22	Includes the first 100,000 gallons

The rates to be charged for water used in excess of the minimum usage amount are the same regardless of meter size. All rates are subject to a 10 percent penalty if paid after the due date.

PROPOSED MONTHLY SEWER RATES

5/8 x 3/4 Inch Meter

First	2,000 gallons	*\$11.83 Minimum Bill
Next	6,000 gallons	5.09 per 1,000 gallons
Next	12,000 gallons	3.95 per 1,000 gallons
Next	80,000 gallons	3.65 per 1,000 gallons
Over	100,000 gallons	3.15 per 1,000 gallons

*The \$11.83 minimum bill shown above applies only to 5/8" x 3/4" meters. The minimum bills listed below apply to all other meter sizes.

<u>Meter Size</u>	<u>Minimum bill</u>	
1 inch	\$27.09	Includes the first 5,000 gallons
1-1/2 inch	50.07	Includes the first 10,000 gallons
2 inch	73.14	Includes the first 16,000 gallons
3 inch	122.99	Includes the first 30,000 gallons
4 inch	191.89	Includes the first 50,000 gallons
6 inch	364.14	Includes the first 100,000 gallons

The rates to be charged for water used in excess of the minimum usage amount are the same regardless of meter size. All rates are subject to a 10 percent penalty if paid after the due date.

MONTHLY SEWER RATES **FOR USERS INSIDE THE CITY OF SMITHS GROVE**

5/8 x 3/4 Inch Meter

First	2,000 gallons	*\$18.52 Minimum Bill
Next	6,000 gallons	5.26 per 1,000 gallons
Next	12,000 gallons	5.05 per 1,000 gallons
Next	80,000 gallons	4.43 per 1,000 gallons
Over	100,000 gallons	4.03 per 1,000 gallons

*The \$18.46 minimum bill shown above applies only to 5/8" x 3/4" meters. The minimum bills listed below apply to all other meter sizes.

<u>Meter Size</u>	<u>Minimum bill</u>	
1 inch	\$34.30	Includes the first 5,000 gallons
1-1/2 inch	60.19	Includes the first 10,000 gallons
2 inch	89.48	Includes the first 16,000 gallons
3 inch	155.04	Includes the first 30,000 gallons
4 inch	243.67	Includes the first 50,000 gallons
6 inch	465.22	Includes the first 100,000 gallons

The rates to be charged for water used in excess of the minimum usage amount are the same regardless of meter size. All rates are subject to a 10 percent penalty if paid after the due date.

EXHIBIT D

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EXCERPT OF MINUTES OF A REGULAR MEETING OF THE WARREN COUNTY WATER DISTRICT

The Board of Commissioners of the Warren County Water District met in regular session by video and teleconference on May 26, 2020, at 4:00 p.m. at 523 U.S. Hwy 31-W Bypass, Bowling Green, Kentucky. The meeting was called to order with Glen Johnson, Chairman, presiding, and the following other members of the Commission present: Tad Donnelly, Vice-Chairman, Harvey Johnston, Secretary, and Joe Taylor, Sr., Treasurer. Also present were Frank Hampton Moore, Jr., Attorney; John Dix, General Manager, Ryan Leisey, Manager of Engineering & Construction, and Jeff Peeples, Manager of Finance and Administration.

* * *

(Other Business)


The proposed water and sewer retail rates were reviewed. As a result of increased wholesale costs from BGMU, the pass-through purchase water adjustment will be \$0.14 per 1,000 gallons and the treated sewage adjustment will be \$0.03 per 1,000 gallons. The proposed rates will go into effect on July 1, 2020. Mr. Donnelly made a motion to approve the new retail rates as presented. Mr. Johnston seconded the motion, and all voted "aye."

(Other Business)

* * *

Upon motion and vote the meeting adjourned.

I hereby certify that the foregoing excerpts of minutes are true and correct.



Glen Johnson, Chairman
Warren County Water District

EXHIBIT E

DAILY NEWS



813 College St.

P.O. Box 90012

Bowling Green, KY 42102-9012

AFFIDAVIT OF PUBLICATION

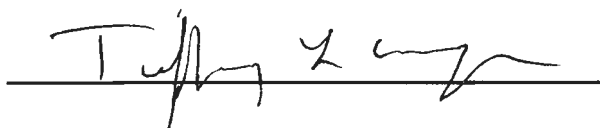
**Warren County Water
P.O. Box 10180
Bowling Green, KY 42101-111**

To Whom It May Concern:

This is to certify that on **Monday, June 8, 2020, a PUBLIC NOTICE ad** ran in the classified of the Daily News, a publication in and for the county of Warren, city of Bowling Green, State of Kentucky.

I further certify that all of the foregoing facts are true on such date aforesaid.

Dated this 10th day of June, 2020.



Subscribed and sworn to before me this 10th day of June, 2020.

My Commission Expires: July 20, 2020.



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NOTICE

Notice is hereby given that Warren County Water District, 523 U.S. 31W Bypass, Bowling Green, KY, has received notice from Bowling Green Municipal Utilities of a wholesale rate increase. Therefore, Warren County Water District plans to file an application with the Public Service Commission, 211 Sower Boulevard, Frankfort, KY, to adjust its sewer rates, effective July 1, 2020, as follows:

Monthly Rates	Prior Rate	New Rate	\$ Change	%Change
First 2,000 gallons (per 1,000 gallons)	\$11.77	\$11.83	0.06	0.5
Next 6,000 gallons (per 1,000 gallons)	5.06	5.09	0.03	0.6
Next 12,000 gallons (per 1,000 gallons)	3.92	3.95	0.03	0.8
Next 80,000 gallons (per 1,000 gallons)	3.62	3.65	0.03	0.8
Over 100,000 gallons (per 1,000 gallons)	3.12	3.15	0.03	1.0

The above Minimum applies to the 5/8 x 3/4 inch meters only. The Minimums below will apply to all other meter sizes.

Monthly Rates	Prior Rate	New Rate	\$ Change	%Change
1" First 5,000 gallons	\$26.94	\$27.09	\$0.15	0.6
1-1/2" First 10,000 gallons	49.77	50.07	0.30	0.6
2" First 16,000 gallons	72.66	73.14	0.48	0.7
3" First 30,000 gallons	122.09	122.99	0.90	0.7
4" First 50,000 gallons	190.39	191.89	1.50	0.8
6" First 100,000 gallons	361.14	364.14	3.00	0.8

The monthly bill for an average customer using 4,000 gallons of water each month will increase \$0.12 (or 0.5%) from \$21.89 to \$22.01. The monthly bill for an average commercial customer using 125,000 gallons of water each month will increase \$3.75 (0.8%) from \$455.94 to \$459.69.

Monthly Rates (Users inside City of Smiths Grove)	Prior Rate	New Rate	\$ Change	%Change
First 2,000 gallons (per 1,000 gallons)	\$18.46	\$18.52	\$0.06	0.3
Next 6,000 gallons (per 1,000 gallons)	5.23	5.26	0.03	0.6
Next 12,000 gallons (per 1,000 gallons)	5.02	5.05	0.03	0.6
Next 80,000 gallons (per 1,000 gallons)	4.40	4.43	0.03	0.7
Next 100,000 gallons (per 1,000 gallons)	4.00	4.03	0.03	0.8

The above Minimum applies to the 5/8 x 3/4 inch meters only. The Minimums below will apply to all other meter sizes inside the City of Smiths Grove.

Monthly Rates (Users inside City of Smiths Grove)	Prior Rate	New Rate	\$ Change	%Change
1" First 5,000 gallons	\$34.15	\$34.30	\$0.15	0.4
1-1/2" First 10,000 gallons	59.89	60.19	0.30	0.5
2" First 16,000 gallons	89.00	89.48	0.48	0.5
3" First 30,000 gallons	154.14	155.04	0.90	0.6
4" First 50,000 gallons	242.17	243.67	1.50	0.6
6" First 100,000 gallons	462.22	465.22	3.00	0.6

The monthly bill for an average residential customer inside the City of Smiths Grove using 4,000 gallons of water each month will increase \$0.12 (or 0.4%) from \$28.92 to \$29.04. The monthly bill for an average commercial customer using 125,000 gallons of water each month will increase \$3.75 (or 0.7%) from \$561.08 to \$564.83.

These rates apply to all customer classifications and are subject to 10 percent penalty if paid after the due date.

A person may examine this application at the District's Office located at 523 U.S. 31W Bypass, Bowling Green, KY. A person may also examine this application at the PSC located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m. or on the PSC website at <http://psc.ky.gov>; telephone (502) 564-3940.