

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

Name of Utility	UNION COUNTY WATER DISTRICT	
Date	DECEMBER 08, 2020	
Address	P.O. BOX 146 409 NORTH COURT STREET	
City, State, Zip	MORGANFIELD, KY	42437
Telephone Number	270-389-3868	
Email Address	ucwdgarysheffer@yahoo.com	

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

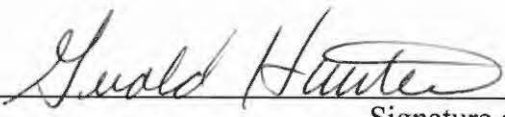
Supplier(s)	Base Rate	Changed Rate
CITY OF MORGANFIELD, KY	2.5242	2.5542

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

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

From	November 2019	through	October 2020
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
CITY OF MORGANFIELD, KY	354,306,000
TOTAL PURCHASES	354,306,000
4. Total gallons sold for the 12 month period	
	292,569,515
5. Increased water cost	
	\$10,629
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit B	
6. Purchased water adjustment factor	
	\$.04
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.	
7. A schedule listing the current and proposed rates is attached as Exhibit C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D	
9. Proposed effective date	
	JANUARY 1, 2021
	
Signature of Utility Officer	
CHAIRMAN	
Title	



CITY OF MORGANFIELD

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

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

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

December 03, 2020

Dear Gary:

Please find enclosed your revised water rates for the calendar year 2021. The rate has been computed using the criteria in the 1986 contract, as amended. The new rate is \$2.5542. I have enclosed a copy of the calculation, if you have any questions regarding this matter, please feel free to contact me or Gary Vetter.

Sincerely,

Randy Greenwell, Mayor

**Union County Water District
Rate Change Calculation
December-20**

		<u>Gallons Purchased</u>	<u>Gallons Sold</u>
2019			
November		30,166,000	27,665,173
December		29,131,000	22,103,842
2020			
October	YTD	<u>295,009,000</u>	<u>242,800,500</u>
	Total	<u><u>354,306,000</u></u>	<u><u>292,569,515</u></u>

Rate per 1000 gallons

		<u>Purchased At</u>
Old Rate	2.5242	<u>894,339.21</u>
New Rate	2.5542	<u>904,968.39</u>
Increased water costs		<u><u>10,629.18</u></u>

Purchased water adjustment factor 0.04

*Gallons purchased taken from City water bills which are recorded on water usage worksheet
Gallons sold as reported by monthly summaries of information provided by Water District*

NOTICE

Union County Water District has filed an application with the Public Service Commission to increase its rates for water service. The proposed effective date of the change is January 1, 2021.

			<u>Current</u>	<u>Proposed</u>	<u>% Increase</u>		
<u>5/8" Meter</u>	First	2,000 gallons	\$13.33	\$13.41	0.60%	minimum bill	
	Next	3,000 gallons	6.66	6.70	0.60%	per 1,000 gallons	
	Next	5,000 gallons	6.26	6.30	0.64%	per 1,000 gallons	
	Next	15,000 gallons	5.91	5.95	0.68%	per 1,000 gallons	
	Next	25,000 gallons	5.61	5.65	0.71%	per 1,000 gallons	
	Next	50,000 gallons	5.21	5.25	0.77%	per 1,000 gallons	
	Next	100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons	
	Next	100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
	All over	300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
<u>3/4" Meter</u>	First	5,000 gallons	\$33.30	\$33.50	0.60%	minimum bill	
	Next	5,000 gallons	6.26	6.30	0.64%	per 1,000 gallons	
	Next	15,000 gallons	5.91	5.95	0.68%	per 1,000 gallons	
	Next	25,000 gallons	5.61	5.65	0.71%	per 1,000 gallons	
	Next	50,000 gallons	5.21	5.25	0.77%	per 1,000 gallons	
	Next	100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons	
	Next	100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
	All over	300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
	<u>1" Meter</u>	First	10,000 gallons	\$64.60	\$65.00	0.62%	minimum bill
Next		15,000 gallons	5.91	5.95	0.68%	per 1,000 gallons	
Next		25,000 gallons	5.61	5.65	0.71%	per 1,000 gallons	
Next		50,000 gallons	5.21	5.25	0.77%	per 1,000 gallons	
Next		100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons	
Next		100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
All over		300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
<u>1 1/2" Meter</u>		First	25,000 gallons	\$153.25	\$154.25	0.65%	minimum bill
		Next	25,000 gallons	5.61	5.65	0.71%	per 1,000 gallons
	Next	50,000 gallons	5.21	5.25	0.77%	per 1,000 gallons	
	Next	100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons	
	Next	100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
	All over	300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
	<u>2" Meter</u>	First	50,000 gallons	\$293.50	\$295.50	0.68%	minimum bill
		Next	50,000 gallons	5.21	5.25	0.77%	per 1,000 gallons
		Next	100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons
Next		100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
All over		300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
<u>2 1/2" Meter</u>		First	75,000 gallons	\$423.74	\$426.74	0.71%	minimum bill
	Next	25,000 gallons	5.21	5.25	0.77%	per 1,000 gallons	
	Next	100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons	
	Next	100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
	All over	300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
	<u>3" Meter</u>	First	100,000 gallons	\$553.99	\$557.99	0.72%	minimum bill
Next		100,000 gallons	4.81	4.85	0.83%	per 1,000 gallons	
Next		100,000 gallons	4.41	4.45	0.91%	per 1,000 gallons	
All over		300,000 gallons	4.01	4.05	1.00%	per 1,000 gallons	
<u>4" Meter</u>	First	200,000 gallons	\$1,034.98	\$1,042.98	0.77%	minimum bill	
	Next	100,000 gallons	\$4.41	4.45	0.91%	per 1,000 gallons	
	All over	300,000 gallons	\$4.01	4.05	1.00%	per 1,000 gallons	
<u>6" Meter</u>	First	300,000 gallons	\$1,475.97	\$1,487.97	0.81%	minimum bill	
	All over	300,000 gallons	\$4.01	4.05	1.00%	per 1,000 gallons	

The rates contained in this notice are the rates proposed by the Union County Water District. However, the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice

Any corporation, association, body politic, or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the District office at 409 N Court St in Morganfield, KY 42437. Upon request from an intervenor, the District shall furnish to the intervenor a copy of the application and supporting documents.

MINUTES OF THE MEETING OF THE UNION COUNTY WATER DISTRICT

A meeting of the Union County Water District was held on **December 8, 2020 beginning at 5:00 p.m.**, in the Union County Fiscal Court room, at the Union County Courthouse in Morganfield, Kentucky.

The following persons were in attendance:

- Gerald Hunter, Chairman
- Gary Sheffer, Manager
- Andrew Arnold, Board Member
- Joyce Greenwell, Board Member
- Stephen M. Arnett, Attorney
- Shaun Sheffer, UC Planning Commissioner
- Robbie Baird, Accountant

The meeting was called to order and the minutes from the October 13, 2020 meeting were presented.

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

Gary Sheffer presented the expenses through October 29, 2020.

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

Expenses for September 29, 2020 through October 29, 2020	\$ 102,883.65
<u>Expenses for August 30, 2020 through September 28, 2020</u>	<u>\$ 111,996.82</u>

Gary Sheffer presented the monthly expenses. He stated that the Hawkins bill was from another vehicle breakdown. It was the same truck that had problems before. This time, a hose busted. It was discussed that the truck is the oldest of the fleet, a 2008 model with 300,000 miles. However, the truck still runs well. Andrew Arnold asked what the G&C Supplies expense was for. Gary stated that it was for rings and lids and new meter sets and values and other miscellaneous supplies. The Utility Pipe Sales bill was from running new service lines at Adam O’Nan’s two farm houses. The houses were running off one meter. UCWD will be reimbursed approximately \$4,000 for material and labor.

Motion to pay bills was approved upon motion by Joyce Greenwell and seconded by Andrew Arnold with no objections.

Gary Sheffer presented the financial report.

He reported that the accounts receivable were \$98,276.26 for October. The bill for painting the Davis tank, approximately \$120,000.00, has still not been received.

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

DEVELOPMENT ACCOUNT: #80180175(UCB)	\$165,992.76
<u>OPERATIONS & MAINTENANCE: #80137180 (UCB)</u>	<u>\$293,859.48</u>

Motion to approve financial report was made by Andrew Arnold and seconded by Joyce Greenwell with no objections.

Gary Sheffer presented the November manager's report.

- 28,015,800 Gallons of water purchased
- 22,391,379 Gallons of water sold
- 30,836 Gallons of water due to customer leaks
- 1,608,347 Gallons flushed (other uses)
- 50,000 Gallons due to district leaks
- 3,935,238 Gallons due to line loss

Line loss was 14.05%.

Gerald Hunter turned the floor over to Robbie Baird to present rates for 2021. There was a proposed increase of \$0.04 per 1,000 gallons of water. (See Attached Schedule)

Motion to approve the water rates for 2021 was made by Joyce Greenwell and seconded by Andrew Arnold with no objections.

Gerald Hunter turned the floor over to Gary Sheffer who presented the expenses through November 28, 2020.

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

Expenses for October 30, 2020 through November 28, 2020	\$ 94,856.80
<u>Expenses for September 29, 2020 through October 29, 2020</u>	<u>\$ 102,883.65</u>

Gary stated that the Printing Systems Inc. bill was for the printing of invoices. The AT&T bill was slightly higher due to the repairs to Gary's phone.

Motion to pay bills was approved upon motion by Joyce Greenwell and seconded by Andrew Arnold with no objections.

Gary Sheffer presented the financial report.

He reported that the accounts receivable were \$146,072.71 for November.

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

DEVELOPMENT ACCOUNT: #80180175(UCB)	\$170,992.76
<u>OPERATIONS & MAINTENANCE: #80137180 (UCB)</u>	<u>\$247,527.90</u>

Andrew Arnold asked about uncollectible accounts and Gary Sheffer said that most people had come in and entered into contracts to pay in instalments. However, there are approximately five (5) customers totally approximately \$3,000.00 that have disappeared and will be uncollectible. There was discussion about charging a penalty starting next month.

Motion to approve financial report was made by Andrew Arnold and seconded by Joyce Greenwell with no objections.

Gary Sheffer presented the December manager's report.

- 29,726,400 Gallons of water purchased
- 21,773,174 Gallons of water sold
- 268,845 Gallons of water due to customer leaks
- 2,347,935 Gallons flushed (other uses)
- 20,000 Gallons due to district leaks
- 5,315,446 Gallons due to line loss

Line loss was 17.88%.

Gerald Hunter stated 17.88% line loss was the highest he had ever seen. Gary Sheffer sated they tried to use the same calculations each month. The only explanation is the inaccurate meter by the City of Morganfield. The meter needs to be replaced but the City says they cannot afford to replace it. UCWD is still looking for leaks.

Gary Sheffer stated that RiverView is trying to close a section of Highway 666 but UCWD has a line underlying that Highway. Steve Arnett recommended filing a written objection with the Department of Transportation and coordinate with Union County Judge Executive.

Gerald Hunter asked Gary Sheffer about UCWD employees. Gary said he has a good crew. Last year the employees received a 2% pay increase and the year before a 2.5% increase.

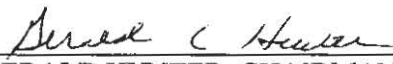
Motion to go into Executive session to discuss employment issues was made by Andrew Arnold and seconded by Joyce Greenwell with no objections.

Employee bonuses will be the same as last year, 2.0%

Motion to approve manager's report was made by Joyce Greenwell and seconded by Andrew Arnold with no objections.

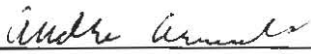
Everyone was in agreement not to have a Christmas part. Andrew Arnold asked if we wanted to buy a gift certificate for employees for a meal in lieu of a Christmas party or if we wanted to wait until later next year. The consensus was to wait.

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



GERALD HUNTER, CHAIRMAN
Union County Water District

ATTEST:



Andrew Arnold, Secretary