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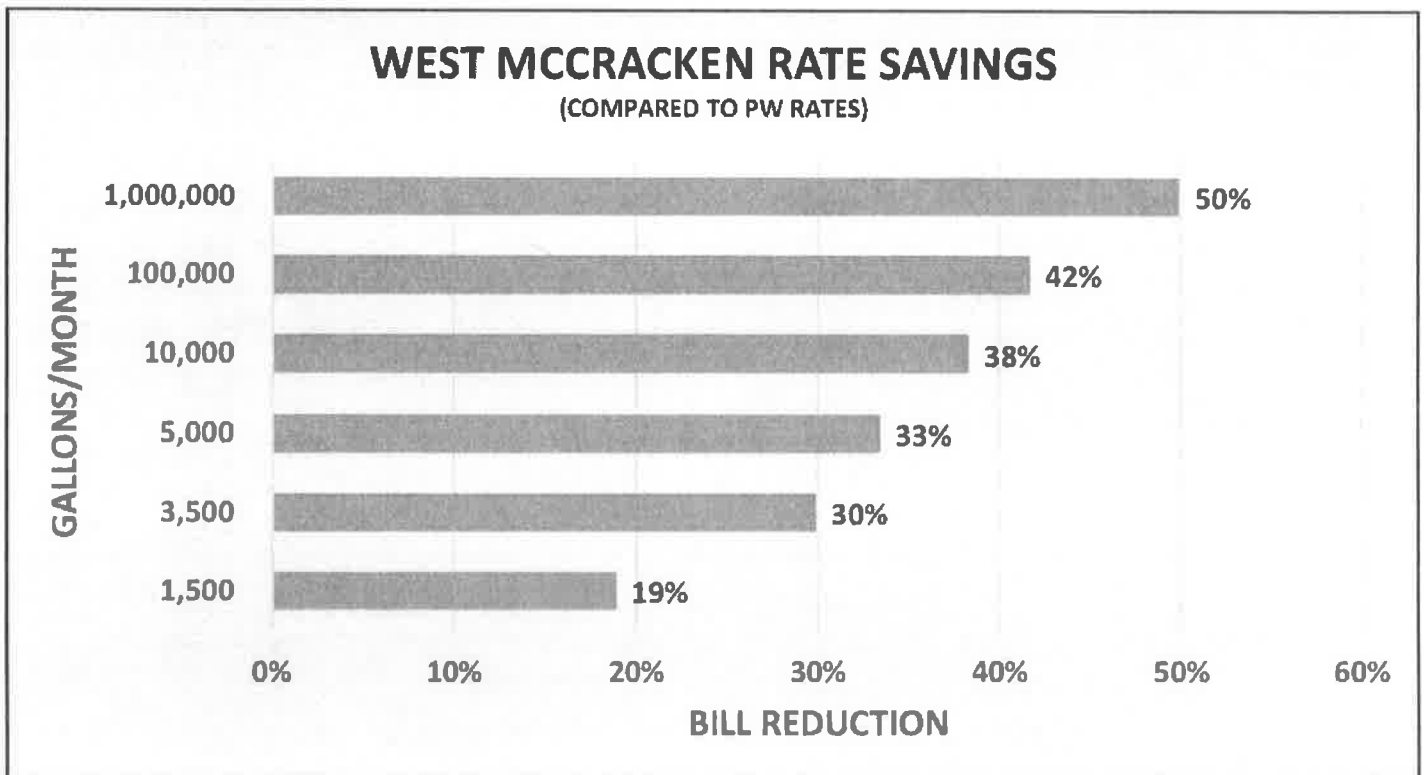
EDITOR'S PICK

West McCracken, Paducah Water merger 'big win'

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Jason Petersen



Source: Paducah Water

The planned merger of the West McCracken Water District and Paducah Water means good things are on tap for consumers, schools, industry and future economic development, officials said.

The Paducah City Commission approved a municipal order Tuesday night clearing the way for the merger, which officials say has been a discussion topic for several months.

“It’s a big win for the residents of west McCracken County, west McCracken schools, existing McCracken County industry and future large-scale economic development project,” said Bruce Wilcox, president/CEO of Greater Paducah Economic Development.

“GPED’s mission is to proactively recruit and support companies for our community. Solid utility infrastructure with competitive rates is a necessity.”

Currently, Paducah Water provides West McCracken Water District customers with water through wholesale agreements, said Jason Petersen, Paducah Water general manager.

Once the merger is completed, current Paducah Water customers’ rates “are not going to be increased,” Petersen said. “They are not going to be impacted by this merger. And, West McCracken customers’ rates will come down.”

It is estimated most West McCracken water customers will experience a 20% to 50% reduction in their monthly bills depending on usage.

Wilcox credited Heather Pierce, GPED project manager and a member of the Paducah Water board, with being a catalyst for the project.

A request six months ago for information from an industrial prospect that had an 80-million-gallon per month water requirement sparked the discussion.

“With Heather knowing West McCracken Water District sources its water through Paducah Water, she saw an opportunity for the systems to be combined,” Wilcox said.

McCracken County Judge-Executive Craig Clymer said after a meeting with representatives of both water utilities, “they recognized a merger was undoubtedly in the best interest of West McCracken customers.”

Paducah Mayor George Bray noted economic development comes in many forms, and utility agencies play critical roles.

“The merger advances our community’s economic development efforts by streamlining the delivery of reliable, high-quality drinking water.”

Since Paducah Water was already supplying West McCracken Water District customers, there are no infrastructure improvements that will be required by the merger, Petersen said.

However, Paducah Water is planning to construct a new one million gallon water tank that will be located in Industrial Park West.

That near \$6 million project has already been designed and bid, and is in the early stages of construction.

“That tank doesn’t have anything directly to do with this merger. It’s included in part of our capital plan to provide elevated storage in that area of our system,” Petersen said.

“The project was designed without any consideration of whether West McCracken would merge with Paducah Water or not. I want to draw a little bit of distinction about that fact.”

He added: “It’s going to position us for increased reliability and capacity in the north and west portions of Paducah Water’s existing system.”

In economic development terms, the merger would allow industrial prospects looking at the Ohio River Triple Rail site less expensive water rates and the ability to work with only one organization (Paducah Water) as opposed to two, Petersen said.

West McCracken Water District currently has approximately 1,500 customers, and Paducah Water, approximately 28,000.

The two local entities are working on preparing filings with the Kentucky Public Service Commission, which oversees the West McCracken Water District, but not Paducah Water, Petersen said.

Once PSC approval is obtained, the West McCracken Water District would be dissolved.

“We’re optimistic we’ll be able to move through the process in a timely manner,” Petersen said, possibly in the October-November time frame.

The overall benefit of the merger is not limited to West McCracken Water District customers, Petersen said.

“We all have the possibility of benefitting from this.”

David Z