

SOUTH WOODFORD WATER DISTRICT
117-D CROSSFIELD DRIVE
VERSAILLES, KY 40383
PHONE: 859-783-1308

January 20, 2023

Executive Director Linda Bridwell
Public Service Commission
211 Sower Building
P. O. Box 615
Frankfort KY 40602-0615

Case #: 2022-00035

Dear Executive Director Bridwell:

We are requesting a clarification on Paragraph 2 on Page 21 pertaining to the above mentioned rate increase case. Where an RFP has been issued in the recent past in other water districts and has not been successful in lowering the prices for the water district with little to no response being received. The reason is, it is very difficult due to the fact that there are very few companies that manage water districts in the state of Kentucky. The few companies that there are, are very much regionalized in the areas they serve.

Due to the cost of maintenance being very high priced, South Woodford has contracted with Gatewood Water Service to manage all meter reading, maintenance and operations. This excludes bookkeeping. Gatewood Water Service is probably the only company in Central Kentucky that does this type of service. We are submitting a copy of the contract that was recently signed by South Woodford Water District with Gatewood Water Service. Therefore, we are asking if this contract will meet the necessary requirements.

We anxiously await your response in this management situation in order to move forward in solving existing problems.

Sincerely,



Barry Drury, Chairman
Board of Commissioners

Enclosure

Operations and Maintenance Agreement

This Agreement is entered into by and between South Woodford Water District, ("First Party" or "SWWD") and Gatewood Water Service, ("Second Party" or "GWS").

WHEREAS, GWS represents that it is qualified to operate and maintain the SWWD water system, has all necessary certifications to do so, represents that it is fully capable of fulfilling the requirements of the operations and maintenance of the SWWD water system;

WHEREFORE, the Parties hereby agree as follows:

1. GWS agrees to provide the duties and responsibilities necessary to fulfill the terms of this Agreement and the terms hereof will serve as the Agreement between SWWD and GWS.
2. GWS hereby contracts with SWWD to provide the services listed in the basic monthly services, attached as **Exhibit A**, for an initial monthly fee of **Eight Thousand Five Hundred Dollars (\$8,500.00)**. Payment shall occur on **the 25th day of the month** without a statement.
3. Additional billing required to service the SWWD will be billed per **Exhibit B** and invoiced monthly. Reimbursement shall occur no later than **the tenth of the month**.
4. GWS is an independent contractor for purposes of any work, services, or any form of labor which it provides for SWWD. GWS is responsible for all withholdings on all employees. GWS maintains a policy of Worker's Compensation insurance covering its employees.
5. GWS maintains a general liability insurance policy with a minimum liability amount of One Million Dollars (\$1,000,000.00)
6. GWS will attend board meetings of SWWD and will provide water usage and loss data in a written format approved by the Kentucky Public Service Commission.
7. SWWD or GWS may cancel this Agreement with a ninety (90) day written notice to the other Party. In the event said agreement is canceled, GWS will be responsible to fulfill the Agreement during the ninety (90) day notice of cancelation.
8. The period of this agreement shall be for one (1) year from the date of signature. SWWD and GWS have the option of extending this agreement or negotiating a new contract at the end of the term of this original agreement.

Bary D...

SOUTH WOODFORD WATER DISTRICT, CHAIRMAN

1/10/2023

DATE

Dale S. Gatewood

GATEWOOD WATER SERVICE - Dale Gatewood, Owner

1-07-2023

DATE

South Woodford Water District
Monthly Work – Exhibit A

Read Master Meter - check daily
Check Pumps 3 times a week
Take 2 samples daily
This is 7 days a week 365 days a year

Check system by controls at night

Take Monthly & Quarterly & Yearly samples for DOW

Read Meters once monthly

Meter cutoffs for non-payment & turn back on

Re-read meters for office and customers & readouts

Service calls and meter repair and testing

Work with office personnel at office

DOW Reports & PSC Reports

\$8,500.00 @ month

South Woodford Water District

Exhibit B

Long meter: a meter across the road from the main water line
Includes push under road surface with no more than 25 feet and no solid rock,
pull back casing of 2-inch PE pipe and install $\frac{3}{4}$ PE service line of total of 50 feet
or less including casing. District supplies parts.

Labor: \$800.00 with no rock.

Short meter: same side as main water line

Install water meter 5-foot into property, not to be more than 40 feet.

District supplies parts.

Labor: \$400.00 with no rock.

Water leaks: repair with easy access and no more than 5 feet deep

During regular work hours: First 7 hours \$400.00.

This time also includes time finding leak.

If leak must be repaired after normal work hours there will be an overtime charge
for each person's work of 1 times their hourly wage.

The normal time includes small one backhoe, truck, and 2 men.

All extra work:

- | | |
|---|------------------|
| ◦ Line locates | \$75.00 per hour |
| ◦ Inspecting valve and meter | \$75.00 per hour |
| ◦ Work with Fire Dept. | \$75.00 per hour |
| ◦ Inspecting customer line | \$75.00 per hour |
| ◦ Customer Service call after hours | \$75.00 per hour |
| ◦ Work on radios – minimum \$210.00 | \$75.00 per hour |
| ◦ Mowing of South Woodford property (if needed) | \$50.00 per hour |