

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

Name of Utility	UNION COUNTY WATER DISTRICT	
Date	January 5, 2026	
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	3.2713	3.5920

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	December 2024	through	November 2025
	(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	416,405,000
TOTAL PURCHASES	416,405,000
4. Total gallons sold for the 12 month period	336,232,765
5. Increased water cost	\$133,541.
The decreased 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	\$.40
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, 2026
	
Signature of Utility Officer	
CHAIRMAN	
Title	

Exhibit A



## 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

January 5, 2026

Dear Gary:

Please find enclosed your revised water rates for the calendar year 2026. The rate has been computed using the criteria in the 1986 contract, as amended. The new rate is \$3.5920. I have enclosed a copy of the calculation, if you have any questions regarding this matter, please feel free to contact me or Scott Clements.

Sincerely,

Randy Greenwell, Mayor

**Union County Water District  
Rate Change Calculation  
January-26**

	<u>Gallons Purchased</u>	<u>Gallons Sold</u>
2024		
December	32,821,900	26,956,395
2025		
January	36,015,700	27,885,659
February	43,470,900	34,281,064
March	32,779,300	25,373,460
April	32,261,600	26,004,003
May	31,779,300	24,726,263
June	34,746,400	27,012,738
July	33,560,800	27,602,426
August	38,691,200	31,797,807
September	35,236,900	30,111,586
October	30,690,600	27,039,796
November	34,350,400	27,441,568
Total	<u><u>416,405,000</u></u>	<u><u>336,232,765</u></u>

**Rate per 1000 gallons**

		<u>Purchased At</u>
Old Rate	3.2713	1,362,185.68
New Rate	3.5920	<u>1,495,726.76</u>
(De)Increased water costs		<u><u>133,541.08</u></u>

**Purchased water adjustment factor** 0.40

*Gallons purchased taken from monthly totals reported on Gary's worksheet.  
Gallons sold as reported by monthly summaries of information provided by Water District*

**NOTICE**

Exhibit C

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, 2026. The monthly bill for an average customer using 4,000 gallons of water, including the Water Loss Reduction Surcharge, would increase \$1.60 from \$35.24 to \$36.84.

			<u>Current</u>	<u>Proposed</u>	<u>% Increase</u>	
<b><u>5/8" Meter</u></b>	First	2,000 gallons	\$16.72	\$17.52	4.78%	minimum bill
	Next	3,000 gallons	0.00840	0.00880	4.76%	per gallon
	Next	5,000 gallons	0.00796	0.00836	5.03%	per gallon
	Next	15,000 gallons	0.00757	0.00797	5.28%	per gallon
	Next	25,000 gallons	0.00724	0.00764	5.52%	per gallon
	Next	50,000 gallons	0.00680	0.00720	5.88%	per gallon
	Next	100,000 gallons	0.00635	0.00675	6.30%	per gallon
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>3/4" Meter</u></b>	First	5,000 gallons	\$41.91	\$43.91	4.77%	minimum bill
	Next	5,000 gallons	0.00796	0.00836	5.03%	per gallon
	Next	15,000 gallons	0.00757	0.00797	5.28%	per gallon
	Next	25,000 gallons	0.00724	0.00764	5.52%	per gallon
	Next	50,000 gallons	0.00680	0.00720	5.88%	per gallon
	Next	100,000 gallons	0.00635	0.00675	6.30%	per gallon
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
	<b><u>1" Meter</u></b>	First	10,000 gallons	\$81.71	\$85.71	4.90%
Next		15,000 gallons	0.00757	0.00797	5.28%	per gallon
Next		25,000 gallons	0.00724	0.00764	5.52%	per gallon
Next		50,000 gallons	0.00680	0.00720	5.88%	per gallon
Next		100,000 gallons	0.00635	0.00675	6.30%	per gallon
Next		100,000 gallons	0.00591	0.00631	6.77%	per gallon
All over		300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>1 1/2" Meter</u></b>	First	25,000 gallons	\$195.29	\$205.29	5.12%	minimum bill
	Next	25,000 gallons	0.00753	0.00793	5.31%	per gallon
	Next	50,000 gallons	0.00724	0.00764	5.52%	per gallon
	Next	100,000 gallons	0.00680	0.00720	5.88%	per gallon
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>2" Meter</u></b>	First	50,000 gallons	\$376.28	\$396.28	5.32%	minimum bill
	Next	50,000 gallons	0.00724	0.00764	5.52%	per gallon
	Next	100,000 gallons	0.00680	0.00720	5.88%	per gallon
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>2 1/2" Meter</u></b>	First	75,000 gallons	\$546.18	\$576.18	5.49%	minimum bill
	Next	25,000 gallons	0.00724	0.00764	5.52%	per gallon
	Next	100,000 gallons	0.00680	0.00720	5.88%	per gallon
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>3" Meter</u></b>	First	100,000 gallons	\$716.09	\$756.09	5.59%	minimum bill
	Next	100,000 gallons	0.00680	0.00720	5.88%	per gallon
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>4" Meter</u></b>	First	200,000 gallons	\$1,351.41	\$1,431.41	5.92%	minimum bill
	Next	100,000 gallons	0.00591	0.00631	6.77%	per gallon
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon
<b><u>6" Meter</u></b>	First	300,000 gallons	\$1,942.42	\$2,062.42	6.18%	minimum bill
	All over	300,000 gallons	0.00547	0.00587	7.31%	per gallon

Water loss reduction surcharge

\$1.72 per customer

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 or from the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at <http://psc.ky.gov>. 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 **January 13, 2026, beginning at 5:00 p.m.**, at the Emergency Management Office located on S. Mart St. in Morganfield, Kentucky.

The following persons were in attendance:

- Andrew Arnold, Chairman
- Gary Sheffer, Manager
- Stephen Loxley, Secretary
- Stephen M. Arnett, Attorney
- Robbie Baird, Accounting
- Sean Sheffer, UC Planning Commissioner / Board Member

The meeting was called to order with the minutes from the **December 9, 2025** meeting being accepted as presented.

**Minutes were approved upon Motion to dispense with the reading of the minutes and to accept as presented by Stephen Loxley and seconded by Sean Sheffer with no objections.**

Gary Sheffer presented the expenses through December 2025.

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

Expenses for November 29, 2025 through December 29, 2025	\$ (159,668.70)
Expenses for October 30, 2025 through November 28, 2025	\$ (157,748.23)

Stephen Loxley inquired about Walter Wolfe and Gary Sheffer stated that Mr. Wolfe is the IT guy for telemetry and that he does not send out invoices very often.

**Motion for expenses and to pay bills was approved upon motion by Sean Sheffer and seconded by Stephen Loxley with no objections.**

Gary Sheffer presented the Financial Report.

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

OPERATIONS & MAINTENANCE: #80137180 (UCB)	\$ 623,757.22
DEVELOPMENT ACCOUNT: #80180175(UCB)	\$ 124,445.89
WATER LOSS REDUCTION FUND #	\$ 113,176.70
UCB CD (Matures 9.15.25)	\$ 108,602.32
UCB CD (Matures 9.11.25)	\$ 209,101.24
<hr/> Grand Total	<hr/> \$1,179,083.37

Accounts Receivable    \$94,394.59

Stephen Loxley inquired about the interest on the CD and Gary Sheffer responded that the interest is paid quarterly.

**Motion to accept financial report was made by Stephen Loxley and seconded by Sean Sheffer with no objections.**

Gary Sheffer presented the manager's report.

- 34,411,500 Gallons of water purchased
- 27,210,037 Gallons of water sold
- 0 Gallons of water due to customer leaks
- 1,289,855 Gallons flushed (other uses)
- 220,000 Gallons due to district leaks
- 4,691,608 Gallons due to line loss

Line loss was 14.04% for the month.

Line loss was 12.38% for 2025.

**Motion to approve manager's report was made by Sean Sheffer and seconded by Stephen Loxley with no objections.**

Discussion was had regarding current customer.

Discussion was had regarding the insurance claim for the tornado and Gary Sheffer stated that he approves of Tokio's numbers.

**Motion to accept Tokio's proposal was made by Sean Sheffer and seconded by Stephen Loxley with no objections.**

Gary Sheffer presented the proposal for purchasing the trailer, part of the Water Loss Production Plan, from Lewis Municipal Sales for \$65,400. \*(See Attached / Exhibit A)

**Motion to make the trailer purchase was made by Sean Sheffer and seconded by Stephen Loxley with no objections.**

Andrew Arnold turned the floor over to Robbie Baird who presented the Budget and Water Rate Calculation.

Robbie Baird first discussed the expenses used in the water rate calculations  
Expected Cost of Water is 3.5920 which is a 9.08% increase from last year.

UCWD purchases almost 75% of the water produced by the City of Morganfield.  
UCWD will increase the minimum monthly bill by 80¢ / 2000 gallons.

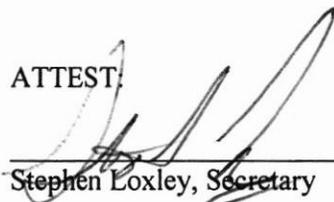
**Motion to accept the proposed rate increase was made by Sean Sheffer and seconded by Stephen Loxley with no objections.**

Next item discussed was the Proposed Budget \*(See Attached / Exhibit B / Exhibit C)

**Motion to modifying the Proposed Budget for a 3% salary increase was made by Stephen Loxley and seconded by Sean Sheffer with no objections.**

**Motion to Adjourn was made by Sean Sheffer and seconded by Stephen Loxley with no objections.**

  
\_\_\_\_\_  
Andrew Arnold, CHAIRMAN  
Union County Water District

ATTEST:  
  
\_\_\_\_\_  
Stephen Loxley, Secretary