

Subject: Rate increase for Kentucky American Water Co.
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To: mayor@lexingtonky.gov, CouncilMembers@lexingtonky.gov

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To the attention of:

Mayor Gray and Urban County Council

I am writing to you in reference concerning the purposed rate increase applied for my Kentucky American Water Company. I want to join Mayor Gray in full and total opposition to this requested rate increase by the water company. This week I also called the Public Service Commission in Frankfort, Ky and voiced my opposition to the rate increase. While Kentucky American Water Company states in there letter to all the water company customers they have not requested a rate increase for 3 years the amount of the water company past 4 water rate increases in the past 10 years have increase their customers water bills by over 80%. Mayor Gray has correctly informed the citizens of Lexington/Fayette County that this is the Fifth rate increase that Kentucky American Water Company has requested during this 10 year period. I join with Mayor Gray in informing the citizens of Lexington and Fayette County when he states, Enough is Enough for these rate increases.

My main reasons for opposing the present and most all of the past rate increases requested (the past four have been approved in full by the Public Service Commission) are mostly for the following reasons:

- 1). Over 10 years ago the Kentucky American Water Company forced the sale of land (for easement purposes) all the land from the Kentucky River up to and including my property located on Versailles Road and then to a location to the present water plant for a new main water line. I had no choice but to accept the water company offer of \$1.00 per foot for this easement on my land. I received a total of \$1000.00 for this easement right. The easement right runs along the side of my property and all the frontage of Versailles Road from where the new water line was to run along the side of my property. After the water company forced the sale for easement purposes of miles of land they then decided that they would not run this purposed new main water line along all of this easements that they had purchased. Myself along with most of the property owners where this easement was forced on them opposed the water line. After I found out Kentucky American Water Company announced that they would be buying up easements from the Ohio River to Lexington to install the new water line I immediately called Mr. List at the Kentucky American Water Company and informed him that I would be returning my \$1000.00 to the company and they would in turn return the easement forcefully purchased from me. Mr List informed me that the Kentucky American Water Company would not agree to this request from me nor any other property owner. He stated that once the water company had made this purchase of easement they would never agree to return the easement to any of the the property owners. So as a result of this issue each and every Kentucky American Water customer has paid out from these past increases in their water rates to pay for easements not used by the water company. Not only is this abuse of the rights of property owner it is absolutely horrible company management practices. I feel sure that the water company customers still do not realize they had paid for this waste of financial resource. Is it any wonder that the water company has to asked for these water rate increases! If you or I managed

your funds in this manner you too would run out of money only we can not just ask for an increase in our funds, Right!

2). A few years ago I was mowing my land with a tractor and large mower. When I got the property line adjacent to Versailles Road my tractor began to sink into the land. I noticed water was up to the rims on my tractor and the whole bottom was flooded. I found the water problem and it was coming from the main water line for Kentucky American Water Company. This was on a Friday afternoon. I immediately called the water company about the large water leak. A few hours later the water company employee came out to my property, got out of the truck, lean over and observed the leak, and then stated, Yep that is a water leak from the main line. I thought they would send a crew to cut off the water and repair the leak. It was until Monday morning the next week that the water company came out to repair the leak. Over 1,000,000 (million) gallons of water leaked out to the bottom of my land and into the Shanon Run Creek. The water company customers had to pay for this level of apathy towards this waste of water. I am sure the customers never found out they had to pay for this apathy of doing a responsible job in a timely manner.

3) Kentucky American Water Company had to send a representative (employee) out to property on Wednesday, February 3, 2016 because the water company could not locate my water meter and therefore had been just estimating my water bill (which for that month was 3 times my usage). I found out from the water company that the meter had been scheduled for a new reader to be installed in June, 2016 and the work was never done. After working with the representative of the water company the meter was located and read correctly. The water company representative informed me that the meter had never been put on a GPS system and the water meter reader was a contractor and was simply not taking the time to find the meter. The meter was found to be reading correctly and needed no new reader. I told the water company representative that the meter had been in the same location for over 40 (that forty years). I failed to inform him that in the past I myself had shown the meter reading person (contractor) where the meter was located. Here is the problem I have with this issue. The water company is using a meter reading company instead of a Kentucky American Water Company employee to read these meters. These contractors have no reason to do the job correctly and therefore fail to have the necessary, "Pride," doing the job right to start with.

4). I used to raised registered cattle on my farm for over 25 years. Over 15 years or more I was asked by the FSA (Farm Service Agency) office in Lexington to fence off the creek to prevent the cattle from polluting the water in Shannon Run Creek. I did this fencing project and installed self watering units that were fed using City Water from Kentucky American Water Company. The water rates at that time were at a rate that I felt I could afford although it did take away from my profit of raising registered cattle. In the past 8 years I have had to sell the cattle because the water rates for the meter and water usage has gotten so high that I can not afford to use the city water for the water needs. In other words Kentucky American Water Company rate increases have put me out of business. Is there anything right about that???

5) My neighbors are on the Woodford Water Company water supply. Their water bills reflect a usage of 3 times my water usage and their water bills are 1/2 of my present water bills. If Versailles and Woodford County can afford their citizens that level of service and those types of rates and still make a profit then why can not Kentucky American Water Company do the same. My take on the issue is waste within the company and not using the right employees for the process. Maybe Kentucky American Water Company needs to take a look at the salary of the upper

management employees along with stop buying land that is not used and has no purpose for the water company customers.

As a result of these facts and reasons I am totally in opposition to the water rate increase requested by Kentucky America Water Company. In the past few years there was a purpose sale of Kentucky American Water Company to the City of Lexington. I voted against that sale but I have now come to find out that I made a terrible error when I vote against this purposed sale of the water company to the City of Lexington. If the City Council will again bring this purposed sale of Kentucky American Water Company to the City of Lexington I will fully support any such efforts for a sale. Terrible management by the water company, the use of contractors instead of using dependable employees with pride in their work and the company (or city if you will) to do the job right the first time, and waste of funds and disrespect for all land owners are my main reasons for encouraging Mayor Gray and the entire City Council to bring this issue up for vote again. It is my highest hopes that the City of Lexington and Fayette County can do a much better job providing dependable and high quality water for all the citizens in this area. I will vote for this take over of the water company and will agree to campaign strongly for this take over vote.

Thank you and have a great day!

Mr. Lovell C. Foushee III