

Amy Cabbage
210 Sower Blvd
Frankfort KY 40601

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SEP 24 2021

PUBLIC SERVICE
COMMISSION

For your attention:

I am writing a letter to voice my objection to the rate increase for sewer from \$16.00 per month to \$85.97 which you are allowing Bluegrass Water to charge.

In the first place my water usage has been less than 4000 gal. per month for 3 months, i.e. 3270, 2970, 3490 gals. It would take 3 months to use 12,000 gals of sewage.

Second because we have a working lagoon for the gray water and I have my own septic tank - how can this increase be justified?

I realize we all need to do our part in infrastructure, but a 400% increase per family isn't a fair solution. Please review just what this means to what Bluegrass Water is doing

Sincerely,
Sharon Morse

The Paducah Sun

Tuesday, September 21, 2021 | www.paducahsun.com

Vol. 125, No. 201

Carriage Park residents see 400% sewer rate increase

BY HANNAH SAAD
HSAAD@PADUCAHSUN.COM

Residents in the Carriage Park neighborhood of West Paducah met Monday to discuss what they say is a problem hitting the 39 households in the neighborhood: monthly sewer rates increasing by more than 400%.

Some of the residents told The Sun their sewer bills went up from around \$16 a month to nearly \$86 a month. This change occurred after Bluegrass Water, who now owns the sewer system, was authorized by the Kentucky Public Service Commission in August to increase rates for water and wastewater services.

Many of the people who live in the neighborhood, and most of the

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residents who attended the Monday meeting, are retirees. Some of them expressed concern to The Sun about being able to afford this increase in monthly sewage costs since they live on a fixed income.

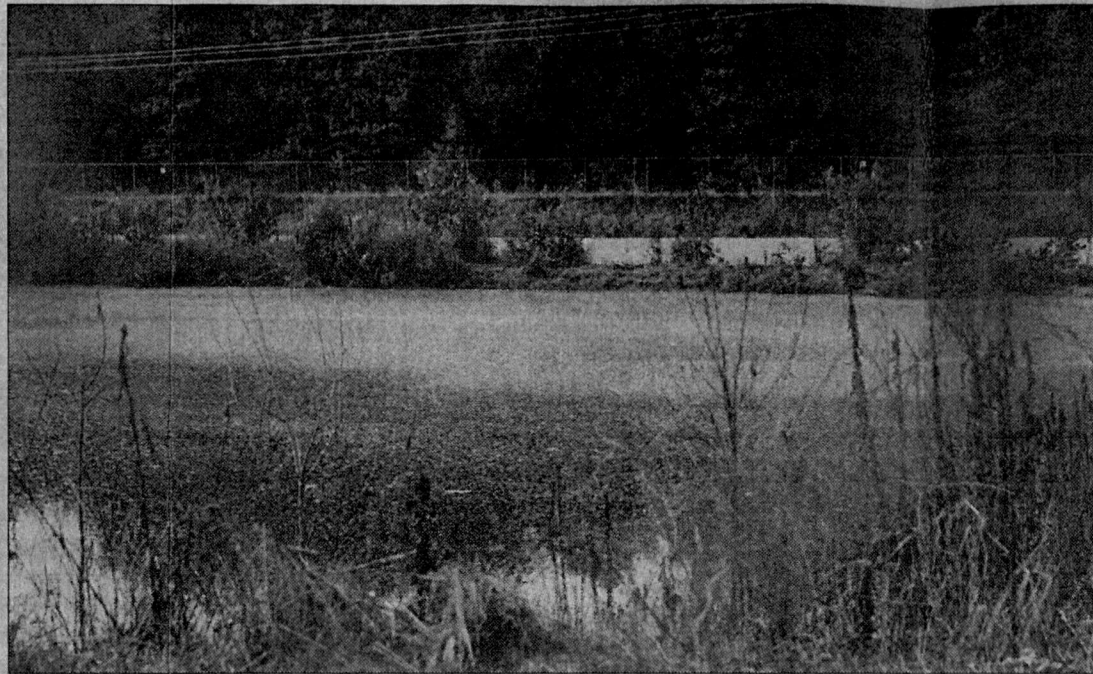
“When I bought the house, had I known I was gonna have to pay this exorbitant amount for sewer, I probably would have [thought twice before buying the house],” Sharon Morse, a retiree who lives in Carriage Park, said.

Bluegrass Water, part of Central States Water Resources based in St. Louis, bought out the sewer system that serves the neighborhood in 2020.

The sewer system, built by developer Sharon Sanderson, was originally a neighborhood association. Each house in the Carriage Park neighborhood has a septic tank. Solid waste piles up at the bottom of septic tanks, and the water, referred to as grey water, is removed from the tank. Carriage Park’s sewer system is a passive system, meaning the water travels via gravity from the septic tanks to a lagoon behind the neighborhood.

Homeowners received notices last month that starting with the August billing period, rates would increase. In a letter one resident provided to The Sun, Carriage Park residential units, as well as 15 other subdivision sewer systems owned by Bluegrass, will be charged \$85.97 per month.

In the November 2020 let-



HANNAH SAAD | The Sun

Sewer water in the Carriage Park neighborhood in West Paducah drains via gravity to a lagoon behind the neighborhood.

ter, Bluegrass Water originally proposed an increase to Carriage Park that would bring its monthly total for single residential units to \$96.14 per month. The company also proposed this same rate for 18 other subdivision sewer systems in Kentucky.

Carriage Park residents said they felt the system they had did not justify the new monthly total, and their costs for their systems should not be bundled with other sewer systems in different parts of the state.

“We’re subsidizing subdivisions that have to have a lot of work done and will cost a lot of money, according to the company,” Mike Legendre, Carriage Park resident, said.

When Bluegrass Water first acquired the system and others in nearby counties, including in

the Timberland neighborhood next to Carriage Park, company officials said in a June 2020 news release it “will continue to charge the same rates to customers as previous systems owners.” A few months later in October, Bluegrass Water began the legal process to raise rates with the Kentucky Public Service Commission.

Josiah Cox, president of Bluegrass Water, told The Sun the company typically buys “small, environmentally distressed,” systems that either have violations or are out of compliance. Cox said the process to ask for rates to be increased was “arduous,” and the burden of proof for reasons to increase rates falls on the utility provider.

A letter to residents noted the Carriage Park wastewater sys-

tem was “unable to treat wastewater because the facility’s poor condition and signs of failure.”

When asked if the system was out of compliance when the deed to the sewer system was signed, Sanderson said that was “absolutely untrue.” She said the natural system once had an issue with beavers building dams near the lagoon where the sewage water drains, but the beavers were removed from the system.

The letter also outlined improvements the company planned to make if approved by the Public Service Commission, including repairing the fence around the lagoon, repairing berm, drain field and animal damage, paving a new all-access road to the lagoon, hiring professional operators and providing 24/7 support. In total, Blue-

grass Water said it planned to invest more than \$106,000.

When The Sun visited the lagoon, there was a fence around it with what appears to be minimal animal damage. The unpaved access road from Carriage Park cut through a wooded area and a creek. There was one gravel road leading from Timberland, the neighborhood next to Carriage Park, to the lagoon.

Sanderson told The Sun she was approached by Bluegrass Water with an offer to buy the sewer system. Sanderson said she sent an email to the residents of Carriage Park informing them about a meeting with Bluegrass Water, and she informed residents she would like to step away from overseeing the sewer system. She said four residents showed up to this meeting in 2019, and they approved of Bluegrass Water.

Sanderson said Bluegrass Water came off as benevolent and accommodating. When she and other neighborhood developers who signed over their sewer systems to Bluegrass Water found out about the potential rate increase, Sanderson said they hired an attorney to speak against these increases to the Kentucky Public Service Commission.

Cox said Bluegrass Water is looking into an income-based program that was established during the COVID-19 pandemic to possibly help residents who are unable to pay the new higher bills.

Follow Hannah Saad on Twitter, @ByHannahSaad or on Facebook at facebook.com/hannahsaadpaducahsun.

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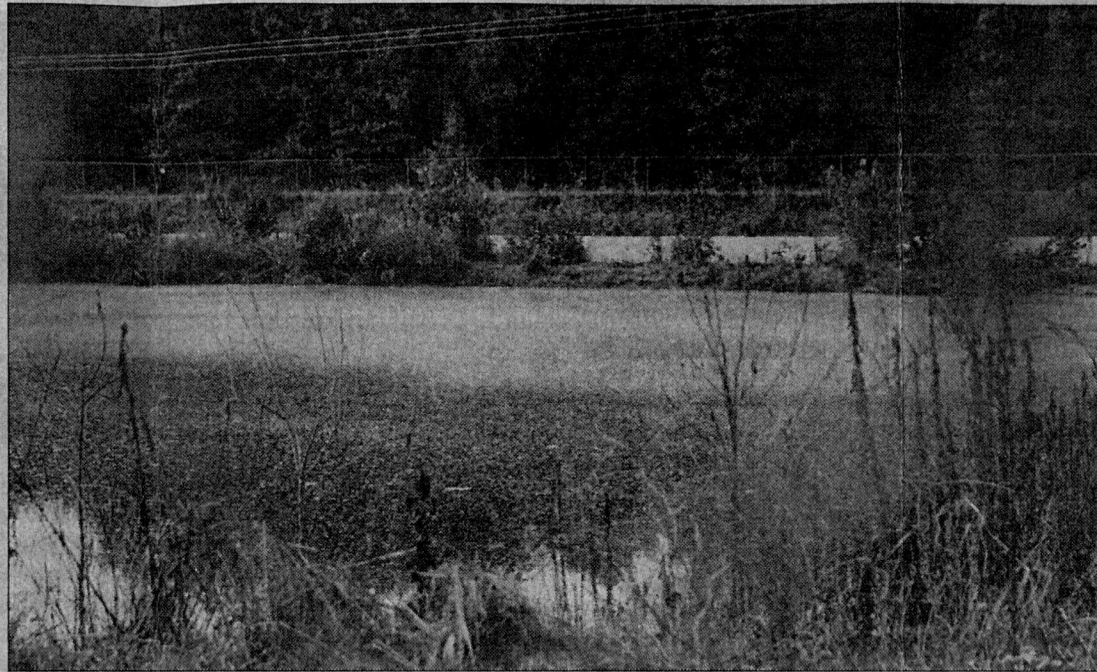
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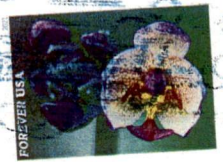
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