

From: [PSC Public Comment](#)
To: [Nina McCoy](#); [PSC Public Comment](#)
Subject: RE: Case No. 2020-00154
Date: Wednesday, December 10, 2025 8:42:00 AM

Case No. 2020-00154

Thank you for your comments on the application of Martin County Water District. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2020-00154, in any further correspondence. The documents in this case are available at [View Case Filings for: 2020-00154 \(ky.gov\)](#).

Thank you for your interest in this matter.

From: Nina McCoy [REDACTED]
Sent: Tuesday, December 9, 2025 8:19 PM
To: PSC Public Comment <PSC.Comment@ky.gov>
Subject: Case No. 2020-00154

[REDACTED]

[REDACTED]

Please see attachment in response to Martin County's motion to lift the PSC order.

Nina McCoy
[REDACTED]
Inez, KY 41224
Cell number [REDACTED]
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December 9, 2025

Letter to PSC regarding lifting the order:

I am writing as a longtime resident of Martin County, President of Martin County Concerned Citizens, and current member of the Martin County Water Board regarding the motion by the Martin County Water Board to lift the PSC order (2020-00154).

First, I acknowledge that on July 22, 2025, as a member of the water board, I voted for the motion for the chairman to work with board attorney to file a motion with the PSC to have the order lifted. I felt, at the time of that vote that we were on our way to bringing our community out of the darkness of a long-term water crisis and that, with the help of expert management brought in at the behest of the PSC's previous order along with our new board chairman's expertise, we were finally working toward a sustainable water system and were seeing improvements. At the time of the vote Board Chairman Tim Thoma explained that the reasoning had to do with being relieved of the onerous burdens that our lawyer and local employees had to contend with for continuous reporting.

The chairman noted specifically that we were still under contract with Alliance. I did not consider my vote one that would terminate our work with Alliance as a water management company. It was only after I read in an [article in the Mountain Citizen](#) where the county judge executive was quoted as saying that we were asking the order be lifted in order to get rid of Alliance. I expressed my opinion that it was not the time to get rid of Alliance in an [op-ed in the Mountain Citizen](#) on August 13.

Judge Lafferty's comments, as well as others not made publicly, have portended a distinct possibility of what I worry is a back-sliding before we have really gotten our footing toward creating a reliable and sustainable water and sewer system.

After a meeting between the Alliance president (Tim Geraghty) and two water board members (Tim Thoma and Vernon Robinson), Thoma wrote an email to all water board members on Nov. 25 describing the outcome of the meeting, which included the following (I provide the full email on the next page.):

- AWR also agreed that the District could operate the Districts cheaper than paying AWR to run the District's operations and as such has agreed to work with us in the future when the time is right to transition the operations back to the District. No timetable has been set and both sides agreed transition plan written by both parties would be necessary along with a contract addendum when the time comes.

Sent: Tuesday, November 25, 2025 9:58 AM

To: Timothy Thoma [REDACTED]; Todd Adams [REDACTED]
Cc: Colby May [REDACTED]; Helen Proctor [REDACTED]; Vernon Robinson [REDACTED]; John Hensley [REDACTED]; Colby Kirk [REDACTED]; Dustin Haley [REDACTED]
Subject: Re: November 2026 Board Packet

Hi Tim, et al

I'm not seeing anything about how the meeting with Alliance and Tim Geraghty and Erica went on their proposal from Alliance. Will we be discussing how this played into our budget proposal?

Nine

From: Timothy Thoma [REDACTED]
Date: Tuesday, November 25, 2025 at 10:25 AM
To: Nine McCoy [REDACTED]
Cc: Vernon Robinson [REDACTED], John Hensley [REDACTED], Dustin Haley [REDACTED], [REDACTED]
Subject: RE: November 2026 Board Packet

Good morning, Nine:

I was hopeful to have received a letter from Mr. Geraghty to attach to this email. He has committed to providing the letter sometime today, which I will forward to the Commissioners. The meeting went very well and we will discuss the MCW and MCS Districts budgets tonight, which is a result of the meeting held last week.

The good news is:

- AWR agreed to our budget position discussed during our last regular meeting, which we will review tonight.
- Vernon successfully negotiated AWR to stop all interest charges moving forward until July 2026, which time we are hopeful we will receive debt service payments for KY WWetere program that will remedy debt for both Districts.
- AWR agreed it is time for PSC to close the order and they will work with us and support that motion.
- AWR also agreed that the District could operate the Districts cheaper than paying AWR to run the District's operations and as such has agreed to work with us in the future when the time is right to transition the operations back to the District. No timetable has been set and both sides agreed a transition plan written by both parties would be necessary along with a contract addendum when the time comes.

Overall, the meeting went very well and exceeded my expectations. The meeting was cooperative, professional, and transparent. I will forward the letter from Mr. Geraghty upon receipt.

Needless to say, this revelation confirmed my worst fears. For this reason, I am writing this letter to the PSC to be included in the case and will be voicing my concerns publicly at the next water board meeting on Dec. 16. There may come a time when we are ready for a county run system, but we are just not there yet.

I am going to express my concerns with what I see as possible ramifications of cutting ties with Alliance at such an early stage of our progress.

First, I want to lay out how the contract with Alliance has been a positive in our community. Many of the improvements that are touted in the Motion to Lift the Order have been achieved by Alliance. Some of the positive achievements include:

1. All audits are completed on time each year. This is a true positive for our community and allows us to hold our heads a little higher with a feeling a true transparency, even as our bills continue to rise.
2. The accounting is completed in a timely and professional manner. All bills are paid on time, leaving us only with a negative balance to Alliance. While this debt to Alliance may be considered a reason to try to run the whole thing by ourselves, a look at our former accounting methods brought to light in the 2016-00142 investigation shows that this was not always the case. In the August 29, 2018 hearing in that case, there was ample testimony showing how badly the district was in debt to numerous vendors. The debt that the district owes Alliance currently is manageable in comparison to the mountain of debt that was allowed to build up in the past.
3. While retaining water workers in such a difficult and unpopular position is a continuous problem for many across the country at this time, I think we can see that our workers are currently more likely to be trained and maintained than before 2020.
4. While it has been a slow and arduous process, as I'm sure the local workers can attest, the water loss has finally been brought from 70+ percent down to below 50 percent.

Second, as a larger company, Alliance brings expertise and capacities that go beyond the daily running of the district that I fear would be lost or would be replaced only at a great cost if the contract with Alliance is terminated. Specifically, Alliance offers the following services as part of its contract that will be particularly difficult for the district to replicate:

1. Human Resources: Managing onboarding of new employees, providing employee health insurance, workers comp, retirement plans are some of the many things that our small district with a few workers in the office would have to tackle or would have to outsource, which brings its own added expenses.

2. Accounting: Alliance has provided full in-house accounting services including all the computing systems and software available for invoicing, customer billing, as well as taxes, and payroll. If the contract with Alliance is terminated, the system would be required to provide these services or, again, outsource them.
3. Regulatory and Safety Requirements: Alliance provides the policies, trainings, and SOP's that keep our workers and our water safe.
4. Insurance: Alliance has provided insurance policies that helped us recover the cost of much of the loss in two floods this year alone. Recently two of our board members, Colby Kirk and Vernon Robinson, agreed to try to get our own policy and found that no company would even respond to a request for a quote.
5. Equipment: Alliance has furnished equipment to the district that we could not afford to rent or purchase. Alliance has provided several trucks as well as an excavator.
6. Emergency Assistance: During emergency situations, such as major freezes and flooding events, Alliance has been able to bring in their workers from other districts to aid in the quick response. They have also been able to come in to help with leak detection, which I believe was a major factor in our reduction in water loss.
7. Mapping: Alliance has spent a lot of time mapping our system. Before 2020 the local workers were often working in such dire and emergency situations with little or no funding that the lines often were not mapped. After six years, Alliance is still in the process of finding and mapping a lot of the system. While that mapping data will be retained by the district if Alliance leaves, the district would be required to pay for Geosync separately without the discount that a larger corporation, like Alliance, can maintain.
8. Stability in the finances: Currently the Martin County Water District can rely on the monthly payments regarding running the system, including the cost of overtime, loss of workers, requiring updated training, giving a consistency in the budget as a whole and allowing for less versatility in the finances in this one regard.
9. Institutional knowledge: With the loss of Alliance we can only assume that some of the employees may not be willing to stay on and we will be losing much of the information that our employees have gained from their time and training over the past several years.

Finally, while the I voted for the motion to start this process as well as the wording of the final request for the PSC to lift the order, I feel a dire need at this time to voice my grave concerns about the possible speed and true intentions of this process. Perhaps it is just a matter of degree and a few words that now requires me to make my concerns public. This, I agree with from page 2 of Martin County's petition: "Moreover, Martin District has worked diligently with Alliance to improve all areas of operation." This, I now consider a stretch:

“Martin District has moved far from the ‘constant state of emergency’ found by the Commission in Case No. 2018-00017.”

While I welcome the addition of our new board chairman who came in as a new resident to Inez a few years ago and has shown an amazing knowledge of all things water and sewer, from contracts to engineering to boots on the ground work, I fear that putting all our faith in one person who has a full time job traveling the country while he volunteers his time for this district is not enough assurance to warrant the words of page 5 of Martin County’s petition: “Moreover, Martin District asserts there is every reason to believe that it will continue to improve under its new leadership,” without the help of Alliance’s many areas of support I have described above.

While the powers that be within the county government who ultimately make the decisions for running this district would like to assure the public that our water system is financially, structurally, and fiscally sound, the people of Martin County have only just begun to heal from the trauma of the drumbeat of over 20 years of living with the fear of having a water system balancing on the brink of total collapse. It is not that I believe that our local people are not capable of working on our own water system. In fact, most of the workers are local people, and I am proud of the work each and every one of them put into making sure their fellow citizens have safe and reliable water in their homes. My fear is that this small, extremely poor district, which has a pretty massive water operation, covering the entire county, will be overwhelmed by the financial and structural responsibilities at this time.

There are three pillars on which any water system must base its decisions: reliability, safety, and affordability. While some will argue that the third pillar is why we need to get rid of an outside management company, I contend that all the points I made above are proof that while it might be a little cheaper for the short term, it will be much more expensive in the long run.

I welcome a rebuttal from Tim Thoma, Tim Geraghty, the PSC, or anyone else who can assure me we can indeed save money and continue to improve the Martin County Water District to the point where our community can finally lose the stigma of being a poster child for bad water. In the end, that is all I have been fighting for the last 8- and one-half years of my life.

Sincerely,

Nina McCoy

*Brian Cumbo
Attorney at Law
P.O. Box 1844
Inez, KY 41224

*Dustin C. Haley
Kinkead & Stilz, PLLC
1505 Carter Ave.
P.O. Box 2008
Ashland, KY 41105

*Mary V. Cromer
Appalachian Citizens' Law Center, Inc.
317 Main Street
Whitesburg, KY 41858

*Mary Cromer
Appalachian Citizens' Law Center, Inc.
317 Main Street
Whitesburg, KY 41858

*Martin County Water District
387 East Main Street, Suite 140
Inez, KY 41224

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Inez, KY 41224