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AUG 06 2018

PUBLIC SERVICE
COMMISSION



BRIAN CUMBO

ATTORNEY AT LAW

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ADMITTED IN KY AND WV

August 1, 2018

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RE: Martin County Water District
PSC Case No. 2016-00142

To Whom It May Concern:

Enclosed please find original and five (5) copies of Martin Water District's Response to MCCC's 4th Request for Information regarding the above matter.

Thank you for your attention to this matter.

Very truly yours,

BRIAN CUMBO

BC/ld
Enclosure

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AUG 06 2018

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE OPERATING)
CAPACITY OF MARTIN COUNTY WATER) CASE NO. 2016-00142
DISTRICT PURSUANT TO KRS 278.280)

**MARTIN COUNTY WATER
DISTRICT'S RESPONSE TO
MCCC'S 4th REQUEST
FOR INFORMATION**

CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing was emailed and mailed, on this the 1st day of August, 2018, to the following:

Public Service Commission
P.O. Box 615
Frankfort, KY 40602
brittany.koenig@ky.gov

Hon. Mary Varson Cromer
Appalachian Citizens' Law Center, Inc.
317 Main Street
Whitesburg, KY 41858
mary@appalachianlawcenter.org

Hon. M. Todd Osterloh
Hon. James Wilson Gardner
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street, Ste. 1400
Lexington, KY 40507
tosterloh@sturgillturner.com
jameswilsongardner@gmail.com


BRIAN CUMBO

1. Provide an update on the Martin District's efforts to hire a General Manager. Include in the update a copy of the advertisement and a list of the locations in which the advertisement was posted. If a new General Manager has been hired, provide a copy of the new hire's resume and list the salary and benefits of the new hire.

RESPONSE: See attached Exhibit 1 – advertisement in the Mt. Citizen newspaper.

2. Provide any information regarding the Martin District's plans, if any, to hire new employees this year. If the Martin District does plan to hire new employees, provide job description(s) and expected salary range(s) and benefits package(s) for any such new hire.

RESPONSE: Personnel decisions will be disclosed when final decisions are made.

3. Provide a copy of all correspondence since May 31, 2018 regarding the Hollybush Extension Project between the Martin District and the Army Corps of Engineers, the Kentucky Engineering Group, the Martin County Fiscal Court, and the Martin County School Board.

RESPONSE: This is a Martin County Fiscal Court project.

4. Describe the Martin District's plans to upgrade the main line to which the Hollybush extension is being attached. State the funding for the planned upgrade and provide an estimate of when the Martin District believes the main line will be replaced.

RESPONSE: As funds become available.

5. Prior to replacement of the main line, explain how the Martin District intends to manage pumping to and from the new high school location so that the new project does not exacerbate the problems the Martin District already has with the Rout 40 main line.

RESPONSE: Pumping will take place at time of low demand.

6. Provide a copy of all correspondence between the Big Sandy Area Development District and the Martin District since May 1, 2018 regarding the administration of the \$3.4 million AML grant.

RESPONSE: None that we are aware of.

7. State whether the Martin District believes it is bound to use Kentucky Engineering Group as its engineer for the \$3.5 million AML grant. If the Martin District has been advised that it must or it likely must use Kentucky Engineering Group as its engineer for that project, state the name and affiliation of the person who so advised.

RESPONSE: No.

8. Provide a copy of all correspondence between the Kentucky Rural Water Association and the Martin District since May 31, 2018 regarding the Martin District's water loss reports.

RESPONSE: None.

9. Provide a copy of all correspondence between Martin District and the Prestonsburg City Utilities Commission ("PCUC") since May 31, 2018.

RESPONSE: None.

10. If any meeting has occurred between PCUC representatives and representatives of the Martin District since May 31, 2018, state when the meeting occurred, who attended the meeting, what was discussed, and the outcome of the discussion.

RESPONSE: See attached Exhibit 2.

11. If a new master meter has been installed at the water treatment plant, list the date of installation and the final cost of the meter and installation. If it has not been installed, explain why installation has not been completed and when installation is expected.

RESPONSE: It will be installed when funds are available, and the plant can be shut down.

12. Provide the amount of the Martin District's current accounts receivable after write offs. If any accounts receivable are more than two years old, please state so affirmatively.

RESPONSE: Previously provided.

13. Explain why the corrected water loss numbers for January 2018 are substantially below other recent monthly water loss numbers for the Martin District.

RESPONSE: Kentucky Rural Water Association assisted with the corrected reports.

14. Explain whether the Martin District is currently using its meters to determine water loss.

RESPONSE: As part of our leak detection program.

15. List all engineering design projects that have been completed on the raw water intake since 2003. For each project, briefly describe the project and list the date of the project, the engineering company in charge of the project, and the source of the funding for the project.

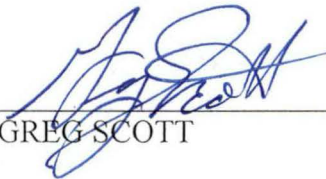
RESPONSE: Martin District does not maintain records responsive to this request.

16. Provide a list of all funding applications that are currently in process for the Martin District.

RESPONSE: 1.2 AML and 3.4 ARC grants.

VERIFICATION

I, Greg Scott, of the Martin County Water District, hereby verify that the responses and exhibits attached hereto are true and correct to the best of my knowledge.




GREG SCOTT

STATE OF KENTUCKY)

COUNTY OF MARTIN)

SUBSCRIBED, SWORN and ACKNOWLEDGED before me by Greg Scott this 31st
day of July, 2018.
My Commission Expires: 9-18-18.



NOTARY PUBLIC, STATE AT LARGE

EXHIBIT 1

AFFIDAVIT OF PUBLICATION

I, Roger Smith, Publisher of The Mountain Citizen, a newspaper published in **Inez, Kentucky**, and having the largest circulation of any newspaper in **Martin County, Kentucky**, do hereby certify, from my own knowledge and a check of the files of this newspaper, that the advertisement of POSITION AVAILABLE GENERAL MANAGER for MARTIN COUNTY WATER DISTRICT was inserted in The Mountain Citizen on the following dates

DATE <u>06-27-18</u>	PAGE NO: <u>4B</u>	COLUMN NO: <u>1, 2+3</u>
DATE <u>07-04-18</u>	PAGE NO: <u>4B</u>	COLUMN NO: <u>1, 2+3</u>
DATE <u>07-11-18</u>	PAGE NO: <u>4B</u>	COLUMN NO: <u>1, 2+3</u>
DATE _____	PAGE NO: _____	COLUMN NO: _____
DATE _____	PAGE NO: _____	COLUMN NO: _____

Roger Smith
ROGER SMITH, PUBLISHER

STATE OF KENTUCKY
COUNTY OF MARTIN

SUBSCRIBED, SWORN TO and ACKNOWLEDGED before me by ROGER SMITH,
Publisher, this 11th July, 2018.

Sandra Young
NOTARY PUBLIC

My commission expires: APRIL 15, 2020. ID #: 551711.

LEO

POSITION AVAILABLE

General Manager Martin County Water District Inez, Kentucky

Martin County Water District is in the process of taking applications to fill a position of General Manger. The Martin County Water District (District) provides water service to approximately 3,500 customers (estimated population served of 10,000) in Martin County Kentucky and sewer service to approximately 500 customers in Inez, Kentucky. The General Manager position reports to Chair and the Board of the Commissioners (Board) of the District. The General Manager is responsible for management and operations of the District, including managing a field and office staff of 7 to 10 people. The successful candidates must have management experience with a water and/or wastewater utility or related business.

Job Objectives:

1. To manage the operations of the District in accordance with objectives and policies of the Board of Commissioners and to keep the Board informed on operations, finance, expansion and other activities.
2. To manage the operations of the District in compliance with the Safe Drinking Water Act, Clean Water Act, Kentucky Division of Water regulations and Kentucky Public Service Commission regulations.
3. To administer activities and oversee functions dealing with the areas of: water/wastewater treatment; distribution/collections; metering and customer service; payroll and personnel record retention; field crew installation and maintenance functions.
4. Serve as communications liaison for customers and key constituent groups (Kentucky Public Service Commission, Kentucky Division of Water, elected officials, media, etc.) regarding service and operations of the District.
5. Represent the District before the Kentucky Public Service Commission and with industry professional, business and civic groups and in community/customer forums.
6. To maintain knowledge of new technology and developments in the area of water and wastewater system operations and maintenance.

Job Duties, Responsibilities and Authority:

1. Planning, Organizing, Reporting:
 - * Assures District's water and wastewater rates and fees are adequate to cover operating expenses
 - * Plans and develops the District's water/wastewater budget and business work plans and plans for expansion of the District with new customers and businesses.
 - * Plans for the orderly flow of work for employees.
 - * Plans for the needs of the District in the areas of personnel, equipment and technology.
 - * Ensures that on-going and continuous programs and operating procedures are carried out in the proper manner.
 - * Selects, trains, evaluates performance and administers wage and salary plan for assigned personnel and terminates when necessary, subject to the polices of the Board.
 - * Develops the organizational structure best suited to carry out the objectives of the District, with

* Provides regular reporting to the Board Chair on the day to day operations of the District and provides written management operating reports to the Board on a monthly basis

2. Directing, Managing and Coordinating:

* Directs all the activities of the District with appropriate delegations, and makes certain that responsibilities and authorities are understood and accepted.

* Manages water/wastewater treatment plant, storage, pump station, distribution/collection operations and maintenance within EPA drinking water and wastewater regulations, using best standard operating practices and procedures.

* Manages customer service complaints involving payments, collections, continuity of service and line changes and follows up those handles to assure customer good will.

* Manages the application and installation of new service/meter connections and large and small meter testing programs; including scheduled change-out and shop testing.

* Manages fire hydrant testing and repair programs.

* Manages all functions relating to equipment inventory and material inventory stock and non-stock items.

* Manages all compliance reporting for state agencies, including Kentucky Division of Water and Kentucky Public Service Commission.

* Coordinates the work of all contractors performing work for the District.

* Coordinates the functions of the District's accountants, attorneys, auditors, engineers, and District employees engaged in the administration of District's affairs.

* Pursue grants and low interest loans to finance infrastructure of the District.

* Provide training necessary for new and existing employees.

* Ensures that all employees maintain all tools, transportation, work equipment and building clean, neat and in safe, working order.

* Promote good public and consumer relations.

* Perform such other duties as assigned by the Board.

Qualifications:

Prefer Bachelor's Degree in Business, Management, Engineering or related area.

10 years experience in water/wastewater utility or equivalent experience.

5 years experience in managing and leading employees/staff.

Kentucky Treatment Plant and/or Distribution Operators License preferred.

Skills, Abilities and Knowledge:

Possess excellent written and verbal communications skills

Ability to lead and work as a collaborative team

Ability to manager employee performance and conduct performance reviews.

Ability to develop and train staff.

General knowledge of water/wastewater operations and maintenance.

Proficient in Microsoft Suite (Outlook, Word, Excel, Powerpoint) and internet resources.

Salary and Benefits:

Salary negotiable-based on experience.

Medical and dental insurance

Kentucky County Employees Retirement System

Vacation and Sick Leave negotiable

Utility vehicle provided

EXHIBIT 2



BRIAN CUMBO
ATTORNEY AT LAW

86 W. Main St., Suite 100
P.O. Box 1844
Inez, KY 41224
(606) 298-0428
FAX: (606) 298-0316
cumbolaw@cumbolaw.com

ADMITTED IN KY AND WV

July 31, 2018

Public Service Commission
ATTN: Gwen R. Pinson, Executive Director
P.O. Box 615
Frankfort, KY 40602

RE: Martin County Water District
PSC Case No. 2016-00142

Dear Ms. Pinson:

As a way of update, I thought it might be appropriate to send you this correspondence, so that you may provide it to the Commissioners and staff if you so choose. I have provided a copy to counsel.

This letter is to update the Commission on the status of negotiations between Martin County Water District and Prestonsburg City's Utilities.

Jimmy Kerr and Jaryd Crum, Commissioners, met with Eddie Campbell, Glenn May, a board member, and Brian Music, the assistant superintendent of PCUC, on Friday, June 8, 2018.

That meeting was cordial and productive and lasted approximately one hour. They discussed leasing the tank at the Honey Branch Industrial site, buying the tank, and the District pumping their share of water to the tank, as well as the billing process.

Thereafter, Mr. Kerr and Mr. Campbell had a phone conversation on or about July 5, 2018. PCUC had no interest in purchasing the tank, or leasing the tank. Their position is, essentially, why should they pay for a tank that they are presently using for free.

Discussions were had relative to the Martin District's ability to pump into the tank and share in the revenue, and there seemed to be some middle ground that would permit Martin District to pump, assuming all other issues with the District permit that. They also discussed various rate

Public Service Commission
July 31, 2018
Page Two

options, for instance, a rate for water that is utilized by the prison, a rate that Martin County purchases from Prestonsburg for use, and an emergency rate.

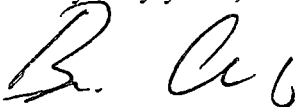
They had another phone conversation on July 23, 2018, when it was definitively concluded that there would be no lease, no purchase, and that a pump schedule may still be subject to negotiation.

That is where the conversations have left off.

Mr. Kerr tells me that the parties have agreed to set up another meeting as soon as possible to discuss a pumping schedule, but that has not yet been scheduled.

The District remains available to discuss this matter, should the Commission have any further questions, at our next scheduled hearing either on August 7, 2018 or August 29, 2018, or at the convenience of the Commission.

Very truly yours,



BRIAN CUMBO

BC/d

Enclosure

cc: Martin Water District
Hon. Mary Varson Cromer
Hon. M. Todd Osterloh
Hon. James W. Gardner

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

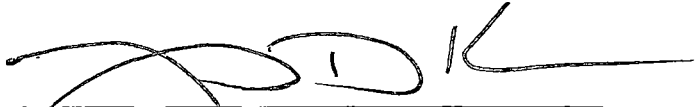
INVESTIGATION OF THE OPERATING)
CAPACITY OF MARTIN COUNTY WATER) CASE NO. 2016-00142
DISTRICT PURSUANT TO KRS 278.280)

AFFIDAVIT OF JIMMY KERR

Comes the Affiant, Jimmy Kerr, after being duly sworn, and states as follows:

1. That I, Jimmy Kerr, am a member of the Board of the Martin County Utilities Board.
2. That I have read the letter prepared by Mr. Cumbo dated July 31, 2018, and that letter accurately summarizes the communications between Martin County Water District and PCUC relative to the Honey Branch Industrial site tank.

Further the Affiant saith naught.



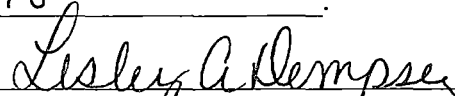
JIMMY KERR

STATE OF KENTUCKY)
COUNTY OF MARTIN)

SUBSCRIBED, ACKNOWLEDGED and SWORN TO before me by Jimmy Kerr this the

31st day of July, 2018.

My Commission Expires: 9-18-18.



NOTARY PUBLIC, STATE AT LARGE