



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Talina R. Mathews
Commissioner

June 12, 2020

PARTIES OF RECORD

Re: Case No. 2018-00017

The attached document has been filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the document, please do so within five days of receipt of this letter.

If you have any questions, please contact Nancy J. Vinsel, Assistant General Counsel, at 502-782-2582.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kent A. Chandler".

Kent A. Chandler
Executive Director

njv

Attachment

Martin County Water District
387 E. Main St.

Phone (606) 298-3885 Inez, Kentucky 41224
Special Meeting, Tuesday, May 26, 2020 – 6:00 p.m.
Martin County Government Center (2nd Floor)
Will Be Streamed on Facebook Live

- 1) Call the meeting to order

- 2) Review and Consideration to Approve Minutes

- 3) Review and Consideration of Financial Reports
 - A. Review and Consideration to Approve Treasurer's Report
 - B. Review and Consideration to Approve Other Financials
 - C. Update on Status of Audits
 - D. Memo for Approval and Selection of Auditor

- 4) Review and Consideration to Approve Bills

- 5) Operations
 - A. Alliance Operations Report
 - B. Meter Audit
 - C. Water Loss Report

- 6) Capital Projects Report
 - A. Project Updates

- 7) Other New Business

- 8) Q/A with Customers via Facebook

- 9) Adjourn

Notice is hereby given that, subject to a motion duly made and adopted, the Board of Directors may hold an Executive Session subject to the laws of Kentucky.

**Martin County Water District
Special Meeting of the Board of Directors
April 28, 2020 Meeting Minutes**

Presiding: James Kerr, Chairman
Present: Directors: John Hensley, Greg Crum, BJ Slone
Staff: Brian Cumbo (Attorney), Craig Miller (GM), Katrina Sansom
Guests: Tony Sneed (AWR)

The Special Meeting of the Martin County Water District was held on April 28, 2020 via a virtual Zoom meeting in Inez, Kentucky 41224. James Kerr called the meeting to order at 6:01 PM.

The following directors were present: John Hensley, Greg Crum, and BJ Slone.

James Kerr called for review of the minutes of the April 6, 2020 Special Board Meeting. After review and discussion, John Hensley motioned to accept the minutes of the April 6, 2020 Special Board Meeting, seconded by BJ Slone, all yea, motion carried.

Next, James Kerr called for review of the Treasurer’s Report. Craig Miller reported the Treasurer’s Report. After further discussion, John Hensley motioned to accept the Treasurer’s Report as presented; BJ Slone seconded, all yea, motion carried. Other Financials were presented by Craig Miller, John Hensley motioned to accept, BJ Slone seconded, all yea, motion passed. Craig Miller presented the 2017 Audit Draft from White and Associates for approval. John Hensley motioned to approve the draft and BJ Slone seconded, all yea, motion carried. Craig Miller gave an update on the status of audits.

Next, James Kerr called for review and consideration of the current list of bills to pay. After review and discussion, John Hensley motioned to approve the list of bills as presented, BJ Slone seconded, all yea, motion carried.

James Kerr then called for review of the Operations Report. Craig Miller provided the Operations report.

Craig Miller gave an update on capital projects.

James Kerr inquired if there was any other new business to discuss; Craig Miller requested approval of the Identity Theft Prevention Program. John Hensley made the motion, BJ Slone seconded, all yea, motion passed.

James Kerr called for a motion to adjourn. John Hensley motioned to adjourn the meeting, seconded by BJ Slone, all yea, motion carried, meeting adjourned at 6:38 PM.

Minutes approved this _____ day of _____, 2020.

James Kerr, Chairman

Katrina Sansom, Clerk

**Martin County Water District
Inez, KY
Treasury Report
Summary of Cash & Investments
April 30, 2020**

Bank Account	Beginning Balance	Deposits	Interest Earned, Net of Fees	Payments	Ending Balance
Revenue Fund Account	\$ 2,547.75	157,052.82	-	(155,106.59)	\$ 4,493.98
Revenue EFT Account	3,193.14	55,320.10	-	(53,231.50)	5,281.74
Operations Account	79,163.99	187,000.00	-	(263,077.03)	3,086.96
Payroll Account	(35.66)	-	-	-	(35.66)
Cash on Hand	<u>900.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>900.00</u>
Total Unrestricted Cash	85,769.22	399,372.92	-	(471,415.12)	13,727.02
Restricted Cash					
Debt Service Surcharge	2,905.09	-	0.02	(490.42)	2,414.69
Depreciation Reserve	1,001.68	-	0.01	-	1,001.69
Security Deposits	164,727.19	1,080.00	6.69	(2,903.25)	162,910.63
KY Assoc of Counties Leasing Trust	1,004.71	-	0.01	(384.58)	620.14
Management Infrastructure Surcharge	12,244.64	-	0.25	-	12,244.89
Rockhouse Project	3,671.56	10,800.00	-	(10,648.65)	3,822.91
KIA Bond & Interest	9,681.85	5,800.00	0.06	(5,693.74)	9,788.17
ARC Grant	89.30	9,600.00	-	(9,600.00)	89.30
Regions Bank-KY 2015E Martin County	<u>39,219.31</u>	<u>10,648.65</u>	<u>18.05</u>	<u>-</u>	<u>49,886.01</u>
Total Restricted Cash	234,545.33	37,928.65	25.09	(29,720.64)	242,778.43
Total Cash & Investments	<u>\$ 320,314.55</u>	<u>437,301.57</u>	<u>25.09</u>	<u>(501,135.76)</u>	<u>\$ 256,505.45</u>

**Martin County Water District
Billing Summary**

Date	Revenue	YTD Total	Gallons (000'S)	No of Customers	Payments Received
Apr-20	178,101	771,539	12,528	3,370	196,844
Mar-20	160,370	593,438	10,818	3,386	195,052
Feb-20	195,985	433,068	12,846	3,369	207,152
Jan-20	237,083	237,083	14,830	3,388	234,262
Dec-19	220,785	2,638,030	13,238	3,384	225,180
Nov-19	221,886	2,417,246	14,344	3,411	212,517
Oct-19	231,104	2,195,360	15,772	3,408	213,508
Sep-19	234,668	1,964,255	16,068	3,384	229,365
Aug-19	225,374	1,729,587	14,617	3,397	217,522
Jul-19	230,954	1,504,213	15,118	3,411	215,505
Jun-19	223,275	1,273,260	14,559	3,413	208,424
May-19	212,921	1,049,985	13,811	3,403	216,904
Apr-19	193,858	837,064	11,010	3,413	188,635

**Martin County Water District
Vendor Balance Summary
As of April 30, 2020**

	<u>Apr 30, 20</u>
All Pumps Sales & Services	8,411.90
Brian Cumbo	32,284.10
CI Thornburg	51,980.17
CI Thornburg-VFD#1	1,394.24
CI Thornburg-VFD#2	17,672.72
Evans Hardware	55,037.59
Evans Hardware #2	21,582.46
Fast Change	4,155.33
Linda F Sumpter, CPA	151,942.35
Prestonsburg City's Utilities	21,860.51
Service Pumps & Supply	21,282.99
Soles Electric	13,300.00
United Rentals	48,945.61
Xylem	93,739.10
Zip Zone Express	257,557.95
TOTAL	<u>801,147.02</u>

Martin County Water District

Net Income on a Cash Basis (Snapshot)

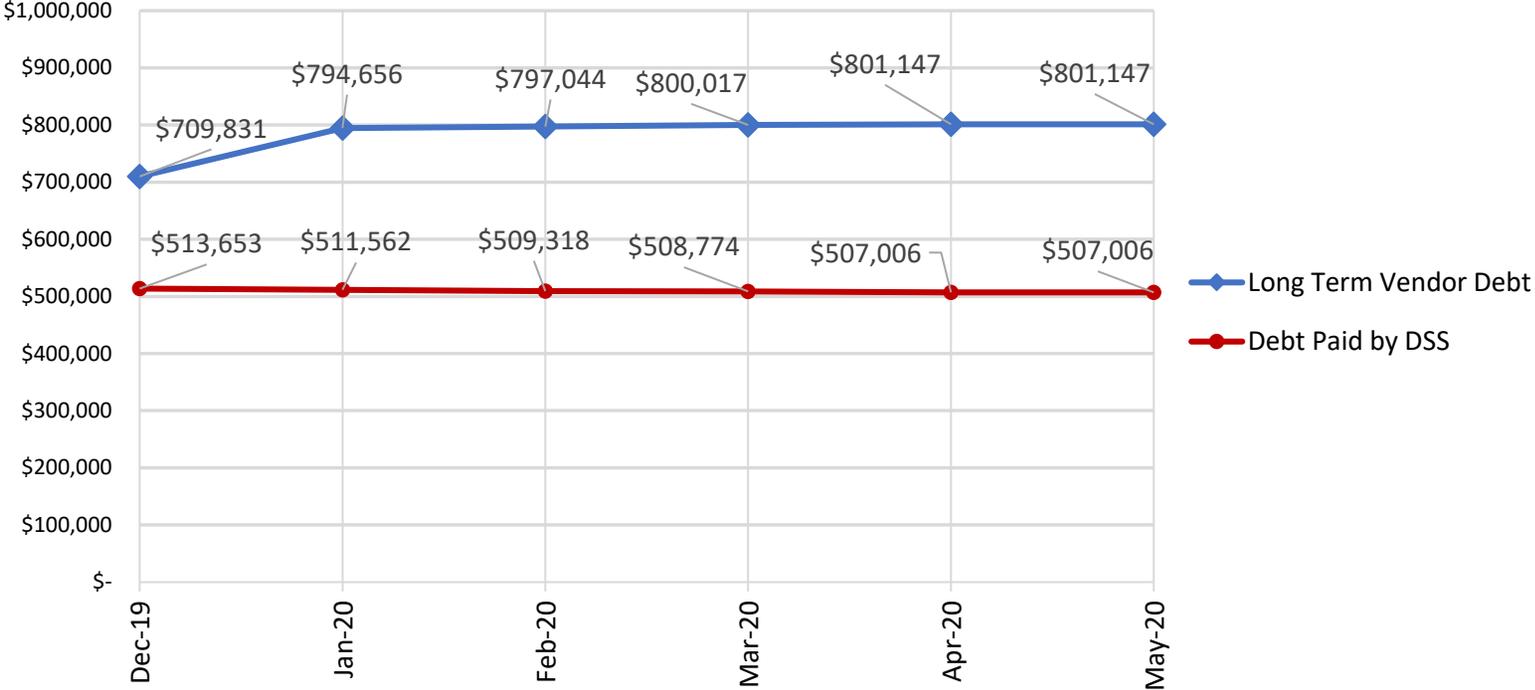
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
REVENUE												
Customer Count	3388	3369	3386	3370								
Payments Received	\$234,262	\$207,152	\$195,082	\$196,844								
EXPENSES												
Operations Account	\$286,613	\$236,111	\$240,615	\$223,319								
Revenue Account	\$19,150	\$17,800	\$17,800	\$17,800								
Payment Plans	\$6,625	\$6,500	\$6,500	\$5,500								
Security Deposit Act				\$2,835								
DSS EXP/ (FUNDING)	\$8,978	\$0	\$0	\$0								
MIS EXP / (FUNDING)	\$0	\$0	\$0	\$0								
Sub total	\$321,366	\$260,411	\$264,915	\$249,454	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET INCOME												
Cash Basis	-\$87,104	-\$53,259	-\$69,833	-\$52,610	\$0							

Notes:

- 1: Payments Received are those received for the full month
- 2: Expenses are those planned and presented in the Board Packet for the referenced month
- 3: Operations Account Includes the estimated DSS and MIS transfers (See list of Bills in Board Packet)
- 4: Based on the procedural requirements there will be deposits and subsequent withdrawals in DSS/MIS accounts with a likely sum of zero monthly

Martin County Water District

Outstanding Vendor Debt



May 26th, 2020

TO: Martin Count Water District
Board of Directors

INFORMATION & DECISION

FROM: Staff

RE: Selection of District Audit Firm (2018-2020 Calendar Years)

Staff sent out request for proposals to five audit firms located in Paintsville, Lexington, and Missouri. Each firm had to have at least three CPAs listed on their website to be selected. Only three firms responded with proposals.

They are listed in declining order of the prices submitted:

1. Blue & Co out of Lexington at \$15,500 (2018), \$17,500 (2019), and \$14,500 (2020). Single audit will cost an additional \$4,500.
2. Besten & Dieruf out of Lexington at \$11,950 for each of the three years. An additional \$6,950 will be billed in the case a single audit is required.
3. Wade Stables out of IL and MO at \$7,500 for 2018 and 2019 and \$7,725 for 2020. An additional \$2,500 will be billed for 2018 and 2019 in the case of a single audit and an additional \$2,610 will be billed for 2020.

It is worth noting that Blue & Co asked a lot of good, relevant questions in putting their proposal together. Wade Stables is a firm that Alliance Water Resources found while performing an RFP for other clients who at the time required a single audit.

White and Associates charged \$10,000 for the 2017 audit.

Based on the prices mentioned above AND staff's experience with working with them, staff recommends the Board proceed with selecting Wade Stables to perform the next three years' audits.

Martin County Water District, Inez KY
List of Bills for Consideration
26-May-20

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Operations Account			
1	AEP	Electric (25 bills) Estimated	\$ 16,116.13
2	Big Sandy RECC	Electric (9 bills) Estimated	\$ 2,128.70
3	Paintsville Utilities	Electric for token	\$ 44.77
4	Roy F Collier Comm. Center	Rent	\$ 751.66
5	IPFS	Insurance (June)	\$ 3,618.54
6	Sales tax	5/2020 (estimated)	\$ 1,305.34
7	School tax	5/2020 (estimated)	\$ 5,817.81
8	Alliance Water Resources	6/1-20-6/15/20 O&M services	\$ 82,222.75
9	Alliance Water Resources	6/16/20-6/30/20 O&M services (estimated)	\$ 82,421.08
10	Management Inf. Surcharge	Estimated (actual collected will be paid)	\$ 15,972.48
11	Debt Service Surcharge	Estimated (actual collected will be paid)	\$ 8,860.47
12	Walker Communications	Phone maintenance/service	\$ 89.00
13	Tommy Maynard	Payment on truck	\$ 500.00
14	Cumbo Law Office	Legal Services	\$ 1,250.00
	TOTAL		\$ 221,098.73
Revenue Account			
1	KIA	Monthly funding for KIA Bond/Loan	\$ 5,800.00
2	KACo	Monthly funding for lease payment	\$ 1,200.00
3	KRW/Regions Bank	Monthly funding for loan	\$ 10,800.00
	TOTAL		\$ 17,800.00

Martin County Water District, Inez KY
List of Bills for Consideration
26-May-20

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
PAST DUE ACCOUNTS		4/30/2020
1	CI Thornburg 2018 Invoices	Parts & Chemicals \$ 9,511.85
2	CI Thornburg VFD # 1	VFD \$ 1,394.24
3	CI Thornburg VFD # 2	VFD \$ 17,672.72
4	Xylem	Pump rental \$ 93,739.10
5	Soles Electric	Pump service \$ 13,300.00
6	Service Pumps	Pump service \$ 21,282.99
7	All Pumps Sales & Services	Pump service \$ 8,411.90
8	Cumbo Law Office	Legal service \$ 32,284.10
9	Evans Hardware #2	Parts & supplies \$ 21,582.46
10	Fast Change	Vehicle Maintenance \$ 4,155.33
11	United Rentals	Pump Rental \$ 48,945.61
12	Prestonsburg City's Utilities	Purchased water \$ 21,860.51
TOTAL		\$ 294,140.81
 DSS Account (Current Payment Plan based on cash availabilty)		
1	Evans Hardware	Parts & supplies \$ 55,037.59
2	CI Thornburg	Parts & supplies \$ 42,468.32
3	Linda Sumpter CPA	Accounting fees \$ 151,942.35
4	Zip Zone	Fuel \$ 257,557.95
TOTAL		\$ 507,006.21

Martin County Water District, Inez KY
List of Bills for Consideration
26-May-20

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Security Deposit Account		
Customer		
Lena Williams	Security Deposit Refund to Customer	\$ 90.00
Siller Spence	Security Deposit Refund to Customer	\$ 90.00
Martin County Water District	Sec Deposits Refunded to Customer Accounts	\$ 825.17
TOTAL		\$ 1,005.17

Martin County Water District

OUR MISSION

We partner with communities to deliver the finest water and wastewater services available at a competitive price. We are committed to keeping water safe and clean while serving people and taking care of communities with improved technical operations, careful management and financial oversight, and ensured regulatory compliance.

Alliance Water Resources, Inc.

206 S. Keene St.
Columbia, MO
65201

(573)874-8080

April 2020

Administrative

Invoices are now being channeled through the local manager. With one point of contact, the ability to pay our vendors has become more efficient, thus aiding in strong, long term relationships.

Work orders are now being processed and distributed in a consistent manner and distributed to the appropriate personnel in a timely fashion. In addition, completed work orders will be logged in accordingly. This will aid in quality customer service and help to eliminate any work orders from “falling through the cracks.”

Water Treatment

Water treatment and distribution staff are communicating regularly as part of our daily work practices. Flushing, leak detection, chlorine residual levels, and pumping information keep all employees informed of our current status. This level of communication is one part of many systematic goals aimed at providing a safe, quality, and dependable product to the members of our community.

New “bench” sheets are being developed by water treatment staff. An increased attention to tank level, flow rates, and pump times, added to the existing measures of quality, will help to ensure that desired results are obtained.

Distribution

New signage was purchased for all tank sites.

Leak detection and repair continue to push the Turkey Creek Road sector or our distribution system in a positive direction.

A newly purchased pump has proven to be a much-needed addition to the leak repair crew’s efforts.

A second leak detector was purchased for our detection team. We now have the capability to pinpoint leaks under asphalt, thus saving costs associated with repair and patch work.

Our goal of becoming a 100 percent metered district continues to move forward.

Customer Service

A positive comment on social media, combined with employee to customer interaction, is an indication that progress is being made regarding our relationship with the citizens of Martin County.

Project Updates

SOURCE	AMOUNT	PROJECTS
AML Pilot Nexus Grant-2017	\$3,450,000	A, B, C, D
COE 531 (25% Match)	\$1,869,718	B, C
ARC Grant	\$1,200,000	F
AML Pilot Nexus Grant-2018	\$2,000,000	I
Total Grant	\$8,519,718	

Safety

A continued emphasis on hard hats, reflective vests, cones, and signage is creating a professional environment with a strong focus on safety.

Regulatory

The Martin County Water Treatment Plant continues to operate within compliance of all state regulatory agencies.

Training

The push for a fully licensed staff has begun.

Water Plant Operation

Water Pumped	
Total Water Production (gallons) – APR	52,441,000
Total Water Metered/Billed – APR	12,727,000
Fire Hydrant Flushing/Main Breaks - APR	5,243,824
Total Water Loss (gallons) – APR	34,470,176
Average Daily Flow (Million Gallons per Day) – APR	1.748 MGD
Maximum Daily Flow – APR	1.822 MGD
Fluoride Used (lbs.) – APR	405.5 LBS
Chlorine Used (lbs.) – APR	1,452 LBS
Lab Tests – APR	3,630 TESTS

Water Quality Analysis

Test	Routine	Special	Repeat
Bacteriological	12 (Pass)	9 (Pass)	0
		Reported	Minimum Limit
Fluoride Plant Sample	30	0.73 mg/l Average	0.6 mg/l
Chlorine Distribution Sample	39	Low Readings Total - 0.61 mg/L Free – 0.56 mg/L	0.2 mg/l

Customer Service Request and Work Orders

Meter Reads	3388
Meter Sets	31
Turn offs-Close account	13
Taps	0
Meter Changes	6
Disconnects for Non-payment	0
Boil Notices	2
Line Locates	1
Water Leaks/Breaks	11
Water Quality Questions	0
Other/Investigates	108

Water Main Breaks

Date	Location	Pipe Size/Type	Estimated Water Loss (gallons)
4/3/2020	115 Hardinville Rd	¾" CTS	27,854
4/4/2020	ARO 2608 Rockcastle	2" PVC	111,416
4/6/2020	1632 Riverfront Rd	¾" CTS	27,854
4/7/2020	346 Collins Creek	¾" CTS	27,854
4/7/2020	142 Collins Creek	¾" CTS	334,248
4/8/2020	Exxon new Rt 3	1" CTS	27,854
4/9/2020	32 Tomahawk Estates	¾" CTS	278,540
4/9/2020	54 Tomahawk Estates	¾" CTS	278,540
4/17/2020	Alex Place	1" CTS	140,931
4/20/2020	1634 Tug River Road	1" CTS	690,419
4/23/2020	231 Mudford	¾" CTS	551,481
4/24/2020	Dry Fork	¾" CTS	1,181,745
4/27/2020	359 Collins Creek	¾" CTS	704,656
4/27/2020	47 Mary Drive	¾" CTS	275,740
4/27/2020	Little Elk off Hode	1" PVC	183,075

Other

- The theft of water program is now being implemented by our staff.

Repair Expenses Ending March 2020

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Bldg. & Grounds Maintenance	\$0	\$7,000	0%
Vehicle Maintenance	\$2,988	\$20,000	15%
Water Plant Maintenance	\$10.00	\$0	0%
Well Maintenance	\$0.00	\$20,000	0%
Distribution System Maintenance	\$18,297	\$60,000	30%
Water Meter Maintenance	\$244.00	\$10,000	2%
Street Maintenance	\$0	\$8,000	0%
Totals	\$21,539	\$125,000.00	17%

Chemical Expenses Ending March 2020

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Sodium Hydroxide	\$1,439	\$0	0%
Polymer	\$10,411	\$0	0%
Chlorine	\$3,330	\$25,000	13%
Permanganate	\$2,716	\$0	0%
Fluoride	\$1,474	\$0	0%
Chemicals Other - Water	\$870	\$85,000	1%
Totals	\$20,240	\$110,000.00	18%

Notes:

- 1) Building and Grounds Maintenance
 - a. \$0.00

- 2) Vehicle Maintenance
 - a. \$18.01 – To Advance Auto Parts #8578
 - b. \$37.09 – To Advance Auto Parts #8578
 - c. \$15.88 – To Advance Auto Parts #8578
 - d. \$810.00 – To Weststar Lubricants, Inc.

- 3) Water Plant Maintenance
 - a. \$9.89 – To Evans Hardware

- 4) Well Maintenance
 - a. \$0.00

- 5) Distribution System Maintenance
 - a. \$554.34 – To Evans Hardware
 - b. \$1,547.67 – To Consolidated Pipe & Supply
 - c. \$2,294.21 – To Consolidated Pipe & Supply
 - d. \$368.68 – To Consolidated Pipe & Supply
 - e. \$783.80 – To Consolidated Pipe & Supply
 - f. \$149.39 – To Consolidated Pipe & Supply
 - g. \$3,040.08 – To The C.I. Thornburg Co.
 - h. \$844.44 – To Consolidated Pipe & Supply
 - i. \$2,153.85 – To Tug Valley Service & Supply

- 6) Water Meter Maintenance
 - a. \$0.00

- 7) Street Maintenance
 - a. \$0.00

- 8) Sodium Hydroxide
 - a. \$536.54 – To The C.I. Thornburg Co.

- 9) Polymer
 - a. \$4,657.81 – To The C.I. Thornburg Co.

- 10) Chlorine
 - a. \$941.87 – To The C.I. Thornburg Co.

- 11) Permanganate
 - a. \$913.89 – To The C.I. Thornburg Co.

- 12) Fluoride
 - a. \$1,474.01 – To The C.I. Thornburg Co.

- 13) Chemical Other – Water
 - a. \$194.14 – To The C.I. Thornburg Co.

INITIAL ROUND	23-Jan-20	CNL	NEG READS	RRW/WMN	TOW	TOTAL
Total	3398	193	313	145	6	651
		5.68%	9.21%	4.27%	0.18%	19.16%

JAN FINAL NUMBERS	3402	35	292	0	5	332
		1.03%	8.58%	0.00%	0.15%	9.76%

FEB FINAL NUMBERS	3403	25	17	49	4	95
		0.06%	0.50%	1.44%	0.03%	2.79%

MAR FINAL NUMBERS	3388	2	28	0	1	31
		0.06%	0.83%	0.00%	0.03%	0.91%

UPDATE PRIOR TO BILLING	20-Apr-20	MCW DIV 07 METER AUDIT NUMBERS				
BOOK #	TOTAL	CNL	NEG READS	RRW/WMN	TOW	TOTAL
1	5	0	0	0	0	0
2	284	0	0	0	0	0
3	8	0	0	0	0	0
4	108	0	0	0	0	0
5	171	1	1	0	0	2
6	375	0	1	0	0	0
7	403	0	2	0	0	2
8	480	0	5	0	1	6
9	20	0	0	0	0	0
10	188	0	1	0	0	1
11	70	0	0	0	0	0
12	71	0	0	0	0	0
13	51	0	0	0	0	0
14	202	0	0	0	0	0
15	98	0	3	0	0	3
16	157	0	3	0	0	3
17	75	0	1	0	0	1
18	152	0	0	0	0	0
19	64	0	0	0	0	0
20	434	0	0	0	0	0
Total	3416	1	17	0	1	19
		0.03%	0.50%	0.00%	0.03%	0.56%

DIFF	18	-192	-296	-145	-5	-632
		5.65%	8.71%	4.27%	0.15%	18.60%

CNL = Can Not Locate
Neg Reads = Reading this round less then entered in December
RRW/WMN = Reread (Water)/ Wrong Meter Number
TOW = Theft of Water

PUBLIC SERVICE COMMISSION

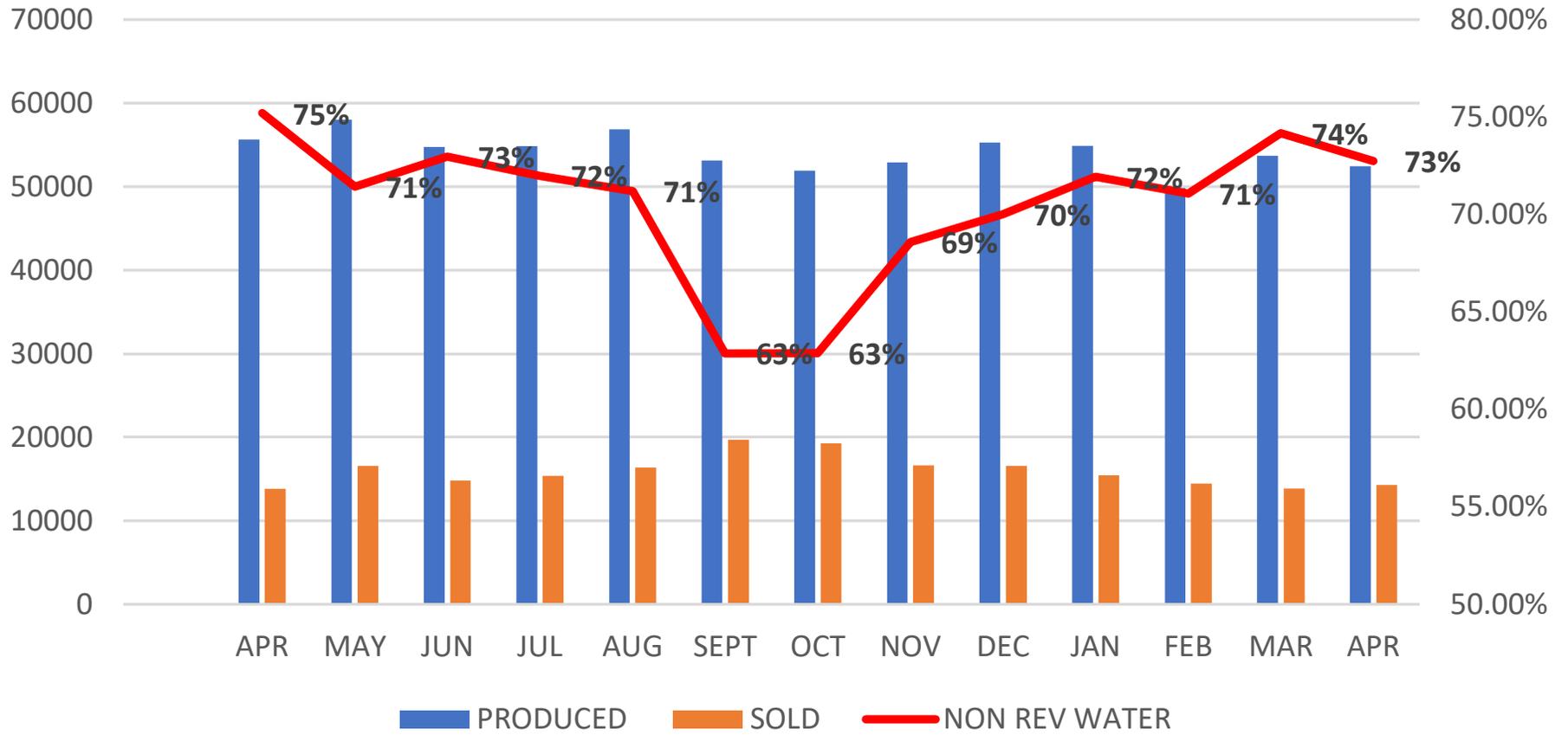
Monthly Water Loss Report

Water Utility:

For the Month of: Year:

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED AND PURCHASED	
2	Water Produced	52,441
3	Water Purchased	
4	TOTAL PRODUCED AND PURCHASED	52,441
5		
6	WATER SALES	
7	Residential	9,842
8	Commercial	2,686
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	1,759
13	Other Sales (explain)	
14	TOTAL WATER SALES	14,287
15		
16	OTHER WATER USED	
17	Utility and/or Water Treatment Plant	761
18	Wastewater Plant	
19	System Flushing	20
20	Fire Department	25
21	Other Usage (explain)	
22	TOTAL OTHER WATER USED	806
23		
24	WATER LOSS	
25	Tank Overflows	
26	Line Breaks	5,157
27	Line Leaks	32,105
28	Excavation Damages	86
29	Theft	
30	Other Loss	
31	TOTAL WATER LOSS	37,348
32		
33	Note: Line 14 + Line 22 + Line 31 MUST Equal Line 4	
34		
35	WATER LOSS PERCENTAGE	
36	(Line 31 divided by Line 4)	71.22%

% of Non Revenue Water





MEETING MINUTES
ENGINEERING DESIGN - PROGRESS MTG #11
MARTIN COUNTY WATER DISTRICT
MARTIN COUNTY, KENTUCKY
April 9, 2020

LOCATION: Via Teleconference
TIME: 3:00 PM
Participants: Eric Ratliff, Justin Adams, Jim Cable, Jimmy Kerr, Tony Sneed, Craig Miller, Ben Hale, Kelly Gillespie, Mary Cromer, Nina McCoy, Lesli Stone Smith, Mike Johnson, Stephen Caudill

SUMMARY OF PROJECT FUNDING:

<u>Source</u>	<u>Amount</u>	<u>Associated Project(s)</u>
AML Pilot NEXUS Grant (2017)	\$3,450,000	A,B,C,D
COE 531 Partnership (25% Match)	\$1,869,718	B,C
ARC Grant	\$1,200,000	F
AML Pilot NEXUS Grant (2018)	<u>\$2,000,000</u>	I
TOTAL GRANT	\$8,519,718	

A. CONTRACT 113-19-01

RAW WATER INTAKE IMPROVEMENTS (PUMP PURCHASE ONLY)

1. AML provided clearance to advertise for bids on June 13, 2019.
2. Bids were opened at BSADD at 11:00 AM Wednesday July 3. Xylem Dewatering Solutions was the only bid received in the amount of \$470,286.07, compared to Bell’s opinion of cost of \$500,000.00.
3. Bell made recommendation to award to BSADD and they along with MCWD agreed to accept the bid.
4. On July 29th, Bell received the AML Contractor/Subcontractor Information, Campaign Finance Law Compliance and Affidavit for Bidders Forms from Xylem. These were forwarded to AML.
5. On August 9th, AML advised Xylem had cleared the AVS check and the contract could be signed. Contract documents were forwarded to Xylem.
6. Contract documents were executed by both Xylem and the BSADD. A Notice to Proceed was issued to Xylem after the contracts were executed.
7. Based on an update provided by Xylem, the 2 MG pump, 4 MG pump, 2MG variable speed drive, 4 MG variable speed drive and the river screen are complete.
8. The 2 MG pump belonging to Xylem is still onsite at the Raw Water Intake. MCWD is not paying pump rental charges.

**B. CONTRACT 113-19-02
RWI&WTP IMPROVEMENTS**

1. The WTP and RWI sites were surveyed.
2. Basins were documented for condition assessment.
3. The Preliminary Engineering Report for the project is complete and has been distributed.
4. The Phase I Environmental Site Assessment required by the Corps of Engineers is complete and has been submitted.
5. Vendor proposals for replacement equipment were requested and reviewed.
6. Plans and specifications have been developed.
7. Awaiting answers to questions concerning transport and storage of the raw water pumps along with questions concerning the roof at the water treatment plant (Distributed January meeting).
8. Project mapping for NEPA purposes was submitted to AML on February 6th.
9. Project description and Opinion of Probable Construction Costs were submitted to AML on February 17th.
10. Project was submitted for DOW review on March 13, 2020.
11. Project was submitted for COE 4345 Permit Application review on March 20, 2020
12. Project has been submitted to COE and is undergoing Plan and Specification Review.
13. Bell Engineering to transmit the Division of Water Review Comments to Mike Johnson at the COE.
14. A conference call will be scheduled to discuss the NEPA information.

**C. CONTRACT 113-19-03
LINE IMPROVEMENTS**

1. Bell was able to locate several sets of As-Built Drawings of the water distribution system. Bell scanned copies of all plan sets and returned to MCWD with digital copies of plan sets for MCWD future use.
2. Bell and MCWD personnel have been in the field multiple times locating existing lines, surveying existing meters, valves and fire hydrants and determining routing of new water lines.
3. Location of all the features affecting alignment of the waterline has been completed including gas lines.
4. The Phase I Environmental Site Assessment required by the Corps of Engineers is complete and has been submitted.
5. Plans and specifications have been developed.
6. Awaiting answers regarding the types of valves, meters, etc. to specify for the project (Distributed January meeting).
7. Project mapping for NEPA purposes was submitted to AML on February 10th.

8. Project description and Opinion of Probable Construction Costs were submitted to AML on February 17th.
9. Project was submitted for DOW review on March 13, 2020.
10. Project has been submitted to COE and is undergoing Plan and Specification Review.
11. Project has been submitted to KYTC and is undergoing Encroachment Permit review.
12. Bell Engineering to transmit the Division of Water Review Comments to Mike Johnson at the COE.
13. A conference call will be scheduled to discuss the NEPA information.

D. WATER SYSTEM CAPITAL IMPROVEMENT PLAN / HYDRAULIC MODELING

1. Document is required by PSC
2. Bell has completed field review of RWI, WTP, Storage Tanks, Pumping Stations and PRV's.
3. Bell & UK met in Martin County on June 21st to coordinate collection of field data the week of July 8th. This effort is for calibration of the Hydraulic Model.
4. UK professors and 3 students traveled to Martin County on July 8th to begin effort of collecting field data (pressures and flows) at key points throughout the water distribution system. Bell had a team of four individuals that were to join the UK team on July 10th; however, MCWD had some major line breaks on July 9th and were unable to recover water supply during the week to allow flowing water from hydrants.
5. The effort to collect flow data was rescheduled for August 6th and 7th, however, on August 5th MCWD has a failure of a PRV which would not allow the flowing of the hydrants.
6. The collection of the field data was rescheduled and occurred on August 14th and 15th.
7. Field data has been reviewed. UK returned to the field in an effort to repeat two tests for the Hazen Williams coefficient that appeared suspect.
8. Money is in place to pay for the Hydraulic Model through AML 2017 Grant. OSM refused to allow for payment of the CIP through the 2018 Grant. The funds associated with that have been realigned toward additional waterline replacement.
9. UK delivered has delivered testing forms to Bell.
10. Development of the model is ongoing. PRVs, tanks, lines, etc. have been input.
11. Working with Alliance Resources in an effort to obtain usage and address information for each customer to effectively distribute demand throughout the system.

E. COE 531 AGREEMENT

1. Bell provided a Scope of Work to the COE on May 15th.
2. Bell and COE agreed on an O&M cost of \$250,000.
3. COE asked for a PER with Alternative Analysis. Bell is modified the original PER to incorporate the COE funding. COE dollars will not be utilized for the 10-Yr CIP or RWI pump purchase. The requested Alternative Analysis was provided to COE on July 10.
4. The Project Partnering Agreement (PPA). This agreement was executed on September 13, 2019.
5. Funds from the COE are being utilized for the RWI, WTP and Line Improvements (Items B & C).
6. BSADD has forwarded work to date related to the Environmental Assessment to the COE and COE to determine if additional work is to be performed.
7. BSADD received a request for additional information related to the Environmental Assessment this past Sunday and is working through them.
8. The COE discussed their project review and NEPA processes.

F. CONTRACT 113-19-04

ARC WATERLINE REPLACEMENT PROJECT

1. Bell received the signed contract on August 2nd.
2. Bell and MCWD personnel have been in the field multiple times locating existing lines, surveying existing meters, valves and fire hydrants and determining routing of new water lines.
4. Location of all features affecting alignment of the waterline has been completed including gas lines.
5. Plans and specifications have been developed.
6. Awaiting answers regarding the types of valves, meters, etc. to specify for the project (Distributed January meeting).
7. Project was submitted for DOW review on March 27, 2020.
8. Project has been submitted to KYTC and is undergoing Encroachment Permit review.

G. CONTRACT 695-19-01

**HIGH SCHOOL WATER STORAGE TANK & BOOSTER PUMP STATION
TELEMETRY**

1. Bell received the signed contract on August 14th.
2. The project was advertised for bids on August 21st and was advertised a second time on September 11th.
3. Bids for the project were opened September 26th @ 5:00 p.m. at the offices of the Martin County Fiscal Court.

4. The low (and only) bid was submitted by Micro-Comm. The base bid submitted was in the amount of \$48,921.00 and included the installation of an electrically powered telemetry unit at the pumping station and a solar powered unit at the tank site. A deductive alternate of \$5,400.00 was offered if the Fiscal Court ran electric to the tank site and Micro-Comm could also use an electrically powered unit at this location. Cost would then be \$43,521.00.
5. Bell provided a letter of recommendation to the Martin County Fiscal Court concerning the award of the project to Micro-Comm.
6. Martin County Fiscal Court has awarded the project to the low bidder.
7. Contract documents have been executed by both the Contractor and Fiscal Court. The executed documents were received from the Fiscal Court on Friday, February 28th. They were forwarded to the contractor along with the Notice to Proceed with construction on March 3, 2020.
8. Initial information from the Contractor concerning the FCC licensing process has been received.
9. The Contractor has submitted shop drawings of the equipment to be used as part of the project. Bell Engineering is reviewing the equipment for conformance with the contract requirements.

H. WASTEWATER TREATMENT PLANT/COLLECTION SYSTEM REVIEW

1. Bell and MCWD personnel reviewed the Inez and Warfield WWTPs.
2. Proposed work at the Inez facility includes: a redundant oxidation ditch, septage receiving station, belt filter press, solids processing building, sludge hauling equipment, influent flow meter, yard piping , upgraded electrical, sludge storage and drainage pad, replacement of the influent pumping station, clarifier rehabilitation of unit that is out of service, existing oxidation ditch metal work, covers for the aerators/gearboxes for existing oxidation ditch, entry road repairs, rehabilitating two system pumping stations, replacing floats/adding transducers at the two stations, replacing ten grinder pumps and rehabilitating the inoperable plant generator. OPPC: \$4,836,550.
3. Proposed work at the Warfield facility includes a septage receiving station, mechanical screen for trash, demolition of the Dempsey WWTP, rehabilitating two system pumping stations, replacing floats/adding transducers at the two stations and replacing ten grinder pumps. OPCC \$1,138,563.
4. An RFQ for engineering services was published requiring a submission by interested firms by October 5, 2019. The RFQ was in conformance with EDA requirements so that EDA funding may be sought for the project.
5. Bell Engineering was selected to provide engineering services for the project at the last MCUD meeting. A contract is being prepared for review and signature.

6. The project budget will be adjusted to include administrative fees for the BSADD prior to any applications for project funding being submitted.
7. A meeting was held with a representative of the Economic Development Administration (EDA) to discuss the project.

I. USP BIG SANDY, EASTERN KENTUCKY BUSINESS PARK & BIG SANDY AIRPORT WATER PROJECT

1. Project budget was revised and sent to AML on September 19.
2. The Memorandum of Agreement between AML and BSADD was signed by BSADD on September 25th. The MOA was signed by AML on October 1, 2019.
3. A contract for engineering services has been executed by the Big Sandy Area Development District.
4. Bell and MCWD personnel have been in the field reviewing potential tank and pump station sites.
5. The Preliminary Engineering Report for the project is complete and has been distributed.
6. Plans have been prepared for the 250,000-gallon water storage tank.
7. Bell, Alliance and MCWD are coordinating with the mineral lease holder and the surface owner concerning location of the proposed tank and pump station. BSADD, Bell and Alliance representatives met with the property owner on January 30th.
7. On March 3rd, the property owner advised most of the property is permitted with only a phase one bond release.
8. We are attempting to set up a date to walk the site with the property owner. Likely date for this activity is May 5th.

Progress Meeting #12 will be held May 13, 2020 at 11:00 AM. It will be conducted through Zoom or other electronic means with the Division of Water sending out login information prior to the meeting date.

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