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ADMITTED IN KY AND WV

February 7, 2019

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

RE: Martin County Water District
PSC Case No. 2018-00017

To Whom It May Concern:

Enclosed please find Joint Motion for Extension of Deadlines and for Expedited Ruling, along with a supporting Affidavit.

The electronic filing receipt is also enclosed.

Thank you for your attention to this matter.

Very truly yours,

BRIAN CUMBO

BC/ld
Enclosure

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF THE)
MARTIN COUNTY WATER DISTRICT)
FOR ALTERNATIVE RATE ADJUSTMENT)
)

CASE NO. 2018-00017

**JOINT MOTION FOR EXTENSION OF
DEADLINES AND FOR EXPEDITED RULING**

Comes the Martin County Water District (hereinafter District), and the Martin County Concerned Citizens (hereinafter MCCC), by counsel, and jointly move the Commission for an extension of the deadlines set forth in the Commission’s Order of December 20, 2018, and further move the Commission for an expedited ruling, as time is of the essence relative to the aforementioned deadlines.

As grounds therefore, the District, in compliance with the Order of the Public Service Commission, issued Request for Proposals which were mailed via United States Postal Service, return receipt requested, to the entities identified in the Court’s Order of November 5, 2018.

Additionally, the District advertised the Request for Proposals in the local newspaper as well as in the Lexington Herald Leader, and documentation thereof has been filed with the Commission on January 31, 2019 and February 4, 2019.

That a pre-proposal conference and facilities tour was conducted on February 5, 2019 and February 6, 2019. Two entities appeared on February 5, 2019 for the conference and tour, and one

entity appeared on February 6, 2019 for the conference and tour. Representatives of MCCC also attended each conference.

That each entity was very concerned about the timelines set forth in the Request for Proposals, and all three stated that the timeline was far too short and did not provide a meaningful opportunity for those entities to perform their due diligence, and submit a meaningful proposal.

That each of the entities stated that they either would not be submitting a proposal if the March 18 deadline remained in place, or, their proposal would not be meaningful, and would be inflated to account for the many unknown variables that cannot be investigated or ascertained within the time provided. That, of those entities who appeared and attended, they each indicated that an additional sixty days was reasonable and necessary to enable them to perform their due diligence, in order to make a meaningful proposal, or alternatively, to choose not to.


Given the concerns expressed at the meetings, the District and MCCC are concerned that they will not receive any proposals, or, even worse, that the proposals received will be inflated in price to account for the unknowns pointed out by those entities, which would further burden the rate payers of the District.

That the District and MCCC respectfully request a 60 day extension of the deadline to accept statements of qualification and proposals, which is now March 18, 2019, for an additional sixty days, making same due on May 17, 2019. Further, that the other deadlines set forth in the Commission's Order of December 20, 2018 be pushed out an additional 60 days consistent therewith.

Further, if the Commission sustains this joint Motion, that another round of solicitation of entities may prove productive, when those entities learn that an additional period of time will enable them to perform their due diligence.

That it is in the best interests of the District, MCCC and the rate payers, to obtain as many qualified proposals, based on sound business principles and due diligence.

The Affidavit of Jimmy Kerr is attached hereto and in support hereof.



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/S/ signed with permission
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CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing was emailed & mailed, postage pre-paid, on this the 7 day of February, 2019, to the following:

Public Service Commission
ATTN: Brittany Koenig
P.O. Box 615
Frankfort, KY 40602



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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF THE)
MARTIN COUNTY WATER DISTRICT)
FOR ALTERNATIVE RATE ADJUSTMENT)
)

CASE NO. 2018-00017

AFFIDAVIT OF JIMMY KERR


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

1. That I, Jimmy Kerr, am the Chairman of the Martin County Utilities Board.
2. That on February 5, 2019, a pre-proposal conference and facilities tour was conducted relative to the District’s Request for Proposals, and two entities appeared and participated.
3. On February 6, 2019, one entity appeared for the pre-proposal conference and facilities tour and participated.
4. That of those entities who appeared and participated, everyone expressed a great deal of concern relative to the short deadlines set forth for the Request for Proposals.
5. That each entity additionally indicated that the time was too short to enable them to submit a viable proposal.
6. That they further advised that, in all likelihood, one of two actions would be taken. They would decline to submit a proposal, because the timeline was too short, or, they

would submit a proposal that factored into account the many unknown variables involved in operating the District, to ensure that their company was profitable.

7. That it is in the best interests of the District to receive as many qualified proposals as can be gathered.
8. That it is in the best interests of the District that any potential entity who provided management services do so in as a cost-efficient manner as possible, to lessen the burden on the rate payers.
9. That an extension of sixty days for entities to submit proposals is reasonable under the circumstances, and particularly, given the District's history, and its history of poor maintenance and inconsistent capital improvements, that these entities be afforded adequate time.
10. That our next deadline is February 8, 2019, for questions by interested parties.
11. That each entity indicated that deadline was unreasonable, and that further contributes to the problem of factoring in unknowns to account for profitability.
12. That the District is performing better at this time, and is no longer operating in an emergent fashion, but in a more business-like fashion, and is believed that an extension of sixty days will not be detrimental to the District, MCCC, or the ratepayers.

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
7th day of February, 2019.

My Commission Expires: 9-18-22.

Lesley A. Dempsey
NOTARY PUBLIC, STATE AT LARGE