

BRIAN CUMBO

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ADMITTED IN KY AND WV

June 4, 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 Martin County Water District's Notice of Filing of a letter from the Martin County Utilities Board to the Kentucky Public Service Commission.

Thank you for your attention to this matter.

Very truly yours,

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BRIAN CUMBO

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Enclosure
ce: Martin County Water District Hon. Mary Varson Cromer
Hon. M. Todd Osterloh
Hon. James Wilson Garner

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

NOTICE OF FILING

Comes the Martin County Water District (hereinafter District), by counsel, and hereby

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gives Notice of filing of the attached letter from the Martin County Utilities Board to the Kentucky Public Service Commission.

BRIAN CUMBO COUNSEL FOR MARTIN COUNTY WATER DISTRICT P.O. BOX 1844 INEZ, KY 41224 TELEPHONE: (606) 298-0428 TELECOPIER: (606) 298-0316 EMAIL: cumbolaw@cumbolaw.com

CERTIFICATE OF SERVICE

This will certify that a frue and correct copy of the foregoing was emailed & mailed, postage prepaid, on this the _____ day of June, 2019, to the following:

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

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

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

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BRIAN CUMBO

Martin County Utilities Board

387 E. Main Street, Suite 140

Inez, Kentucky 41224

May 31, 2019

Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

Dear Commissioners:

On Friday May 31, the Martin County Utilities Board met to review the recommendations of the Proposal Review Panel (PRP) for Contract Management, Operations and Maintenance of the Martin County water and wastewater systems.

One proposal was received from Alliance Water Resources. The proposal was opened and evaluated by the PRP on May 21 through May 30. The Martin County Utilities Board reviewed the proposal, including references, Alliance Water's responses to questions for clarification, and a cost and rate analysis prepared by Kentucky Rural Water staff and BlueWater Kentucky.

From review of these documents it appears a significant rate increase will be required to cover costs to retain a contract manager for operations and maintenance of the water system. The Board realizes that a more favorable cost may be obtained through the negotiation phase prescribed by the Commission and therefore recommends proceeding to the next step of the process outlined in the Commission Order, dated November 5, 2018. The documents used in our assessment of the proposal are being forwarded by our attorney, Brian Cumbo, in accordance with the confidential process outlined by the Commission.

On behalf of the Board, I look forward to presenting our findings at the Formal Conference on June 18, 2018.

Sincerely,

Jimmy Don Kerr

Chairman

Martin County Utilities Board