



BRIAN CUMBO

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ADMITTED IN KY AND WV

July 28, 2022

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


RE: Martin County Water District
PSC Case No. 2020-00154

To Whom It May Concern:

Enclosed please find Martin County Water District's Notice of Filing the information packet for the July 29, 2022 Board meeting.

Thank you for your attention to this matter.

Very truly yours,



BRIAN CUMBO

BC/ld

Enclosure

cc: Martin County Water District
Hon. Mary Varson Cromer

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC MARTIN COUNTY WATER)
DISTRICT MANAGEMENT AND OPERATION)
MONITORING PURSUANT TO KRS 278.250)

CASE NO. 2020-00154

NOTICE OF FILING

Comes the Martin County Water District, by counsel, and hereby gives Notice of Filing of the attached information packet for the Martin District monthly Board meeting scheduled for July 29, 2022.



BRIAN CUMBO
COUNSEL FOR MARTIN COUNTY
WATER DISTRICT
P.O. BOX 1844
INEZ, KY 41224
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EMAIL: cumbolaw@cumbolaw.com

CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing was served via electronic filing on this the 28th day of July, 2022, to the following:

Public Service Commission
ATTN: Nancy Vinsel
P.O. Box 615
Frankfort, KY 40602

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



BRIAN CUMBO

Martin County Water District
387 E. Main St.

Phone (606) 298-3885 Inez, Kentucky 41224
Special Meeting, Friday, July 29, 2022 – 6:00 p.m.
Martin County Government Center (2nd Floor)

- 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
- 4) Review and Consideration to Approve Bills
- 5) Legal
 - A. Any Issues for Discussion with Board Attorney
- 6) Operations
 - A. Alliance Operations Report
 - B. Water Loss Report
- 7) Capital Projects Report
 - A. Project Updates
- 8) Other Old Business
- 9) Other New Business
 - A. Review and Consideration to Approve MCWD Rules and Regulations for Service Policies
 - B. Number of Customer Returned Checks
- 10) Consider Motion to Convene into Closed Executive Session
- 11) Consider Motion to Close Executive Session
- 12) Guest/Open Floor for Discussion
- 13) Adjourn

**Martin County Water District
Regular Meeting of the Board of Directors
June 28, 2022, Meeting Minutes**

Presiding: James Kerr, Chairman
Present: Directors: Greg Crum, BJ Slone, John Hensley, Nina McCoy
Staff: Brian Cumbo (Attorney), Craig Miller (GM), Jon Ridings, (LM),
Cassandra Moore
Guests: Ed Daniels

The Regular Meeting of the Martin County Water District was held on June 28, 2022, at the Martin County Government Center, at 42 East Main St (2nd Floor), Inez, Kentucky 41224. Mr. Kerr called the meeting to order at 6:00 p.m.

Mr. Kerr called for review of the April 26, 2022, Regular Board Meeting minutes. Minutes from the March 22, 2022 were presented with corrections for the Boards approval. The March 22, 2022 minutes stated that "Staff advised the Board of the **\$41,000** awarded to Martin County, they had to cut the roof for the chemical room and generator at the plant. It will instead be used for a generator at raw water and the remaining be used to replaced 215 zero read meters". This information was corrected to read "Staff advised the Board of the **\$411,000** awarded to Martin County, these funds will be used for the roof, the chemical room and generator for the plant that was previously cut. The remaining funds will be used to replace 215 radio read meters." After further discussion and reviews on the May 24, 2022 minutes, Mr. Hensley motioned to accept the May 24, 2022 minutes. Mr. Slone seconded. All ayes. Motion carried.

Mr. Kerr inquired if there were any guest requesting to speak. Mr. Daniels questioned when the District was going to fix the leak at the old Inez IGA parking lot. Mr. Miller responded that this particular "leak" was not a leak, in fact it was a drain. Mr. Daniels asked about a leak on Route 40 and the Inez Walking Trail also. Mr. Miller informed Mr. Daniels that staff wanted to be certain where the leaks were before they begin digging. Staff did not want to dig up multiple places in town. Staff is aware of multiple leaks and will begin to fix those when appropriate. Mr. Daniels also asked what the "Other Water loss (gallons) for 907,000 on page 7A-4 of the Operations Report refer to. Mr. Miller informed Mr. Daniels that this was the "water loss" during backflushing of filters at the Inez Water Treatment Plant.

Mr. Kerr requested discussion on the review and consideration of the Financial Reports. Mr. Miller detailed each report as submitted. After further discussion, Mr. Slone motioned to approve the Treasurer's report submitted. Mr. Hensley seconded. All ayes. Motion carried. Other Financials were presented by Mr. Miller. After further discussion, Mr. Hensley motioned to approve, Mr. Slone seconded. All ayes. Motion carried.

Mr. Kerr called for review and consideration to Approve Bills. After review and no further discussion, Mr. Slone motioned to approve the list of bills as presented. Mr. Crum seconded. All ayes. Motion carried.

Mr. Kerr asked if there were any legal issues to discuss.

Mr. Kerr called for review of the Operations Report. Staff continues to update our online publications, forms, and pertinent information on our website so that citizens and our customers can find relevant information quickly and accurately. AWR held a meeting with Bell Engineering and Xylem regarding the specifics of building a trailer. They are to supply us with a preliminary drawing by the end of June. The outer launder of clarifier one (The clarifier being refurbished) did not pull together at the seams as projected. There is an inch and half gap in multiple areas. AWR brought this issue up at the May progress meeting. This rubber gaskets were installed to cover these gaps. This will be brought up again in the June progress meeting. Staff plans to paint at the plant once completed. The Distribution crew only has three of it's five positions filled. Staff is currently interviewing candidates. Staff is also looking to hire a plant operator for the vacancy later this year as an employee retires.

Mr. Miller presented an update of the water loss report. Water loss was reported at 64.79%. Being able to pump to the Big Sandy Federal Bureau of Prison has allowed that percentage to decrease by 8%. Staff will focus on Turkey Creek Road (Rt. 908) to target water loss in a specific area within the next few months.

Mr. Miller presented an update on the capital projects report. Installation of HVAC units at Raw Water Electrical Building has been completed. Plates, troughs, cone, center pier, scraper arms, and radial troughs all are 60% completed. Mr. Miller is setting up a time for Microcomm to upgrade the Scada that was approved last month. Mr. Miller presented the Board with some CIP numbers and new identified projects. These would include the 40E Water Line Replacement, Turkey Water Line Replacement, Coldwater Line Replacement, Old Route 3 Line Replacement, and the Turkey Storage Tank Replacement.

Mr. Kerr inquired if there was any Other Old Business to discuss.

Mr. Kerr inquired if there was any Other New Business to discuss. Staff presented the Board with a written policy for the Application, Supply and Taking of Service. After further review and discussion, Mr. Slone motioned to accept the Application, Supply and Taking of Services policy. Mr. Hensley seconded. All ayes. Motion carried. Staff presented the Board with a written policy for Connection Fees and Procedures. After further review and discussion, Mr. Hensley motioned to accept the Connection Fees and Procedures policy. Mr. Crum seconded. All ayes. Motion carried. Staff presented the Board with a written policy for Water Rates and Charges. After further review and discussion, Mr. Hensley motioned to accept the Water Rates and Charges policy. Mrs. McCoy seconded. All ayes. Motion carried.

Executive session not required.

Mr. Kerr inquired if there were any other questions before motioning to adjourn.

Having no further items for discussion, Mr. Kerr requested a motion to adjourn. Mr. Hensley motioned to adjourn the meeting. Mr. Slone seconded. All ayes. Motion carried. Meeting adjourned at 6:58 p.m.

Minutes approved this _____ day of _____, 2022.

James Kerr, Chairman

Cassandra Moore, District Clerk

Martin County Water District
Balance Sheet
June 30, 2022

6/30/22

ASSETS

CURRENT ASSETS

Checking Account - Operations	\$	62,351.70
Revenue Fund - EFT		11,974.03
Debt Service Surcharge Fund		1,516.68
Management Infrastructure Surcharge Fund		1,000.25
Security Deposits		92,305.62
Cash on Hand		900.00
Total Cash		170,048.28
Accounts Receivable		343,167.71
Allowance for Doubtful Accounts		(57,973.61)
Unbilled Accounts Receivable		92,562.00
Inventory		5,557.34
Prepaid Expenses		19,116.49
Total Current Assets		572,478.21

PROPERTY, PLANT, & EQUIPMENT

Land	214,713.83
Water Supply & Distribution System	28,209,897.65
Buildings	500,263.89
Equipment & Furniture	6,382,256.38
Vehicles	138,773.45
Construction Work in Progress	138,144.97
Less: Accumulated Depreciation	(18,111,009.61)
Net Property, Plant, & Equipment	17,473,040.56

RESTRICTED CASH

Grant Fund	63.07
Sinking Fund - RD	11,342.83
Regions Sinking Fund	68,795.47
KIA Sinking Fund	12,824.79
KACO Sinking Fund	3,406.17
Depreciation Fund	1,022.12
Cost of Issuance Fund 2022	2,098.00
Certificate Fund - 2022 Debt Svc	64,271.07
Revenue Fund - 2022	3,345.79
Accrued Interest Receivable	68.00
Total Restricted Cash	167,237.31

OTHER ASSETS

Deferred Outflows of Resources Related to Pensions	134,959.00
Total Other Assets	134,959.00

Total Assets	\$ 18,347,715.08
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Martin County Water District
Balance Sheet
June 30, 2022

6/30/22

LIABILITIES AND DISTRICT'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	21,804.46
Sales Tax Payable		1,854.97
School Tax Payable		6,433.20
Long Term Debt-Current		57,992.86
Accrued Interest Payable		35,157.86
Customer Deposits		88,749.07
Total Current Liabilities		<u>211,992.42</u>

LONG-TERM DEBT

Note Payable - KIA		312,797.92
Lease Payable - KACO		41,221.96
Bonds Payable - 2015 E Current Refunding		1,645,000.00
Bonds Premium - 2015 E, Net of A/Amort		16,984.47
Bonds Payable - 2022 B		1,110,000.00
Bonds Premium - 2022 B, Net of A/Amort		6,256.89
Less Current Portion of L-Term Debt		(57,992.86)
Net Pension Liability		1,080,845.00
Other Inflow Resources - Pension		480,553.00
Total Long-Term Debt		<u>4,635,666.38</u>

Total Liabilities

4,847,658.80

DISTRICT'S EQUITY

Retained Earnings (Deficit)		13,507,653.18
YTD Net Income		(7,596.90)
Total District's Equity		<u>13,500,056.28</u>

Total Liabilities and District's Equity

\$ 18,347,715.08

Martin County Water District
Statement of Revenues and Expenses
Fiscal Year Jan 01 to Dec 31
For the Month Ending
Actual vs Budget

June, 2022			YTD		Annual
Actual	Budget		Actual	Budget	Budget
		Operating Revenues			
\$ 178,342	\$ 168,104	Water Sales - Residential	\$ 1,034,005	\$ 1,008,624	\$ 2,017,245
29,775	26,330	Water Sales - Commercial	176,145	157,980	315,955
19,320	9,104	Water Sales - Public Authorities	61,336	54,624	109,247
-	4	Bulk Water Sales	30	24	50
-	2,202	Connection Fees - Tap	17,372	13,212	26,418
5,944	4,740	Late Charge Fees	33,928	28,440	56,874
3,119	3,054	Reconnect/Meter Sets/Other Fees	17,559	18,324	36,644
8,855	8,918	Debt Service Surcharge	52,887	53,508	107,015
15,892	16,078	Management Infrastructure Surcharge	94,890	96,468	192,936
(1,007)	-	Miscellaneous Income	105	-	-
260,240	238,534	Total Operating Revenues	1,488,258	1,431,204	2,862,384
		Operating Expenses			
-	21	Materials & Supplies	-	126	249
-	833	Water Purchased	48,814	4,998	10,000
168,507	168,507	Management & Operations Contract	1,011,042	1,011,042	2,022,084
22,840	26,667	Utilities	124,914	160,002	320,000
2,904	2,423	Insurance	17,424	14,538	29,070
5,235	833	Repairs & Maintenance	28,678	4,998	10,000
53	270	Outside Services	330	1,620	3,243
463	1,349	Legal Expenses	6,150	8,094	16,182
-	-	Accounting/Audit	7,950	7,500	7,500
4,583	4,583	Bad Debts	27,500	27,498	54,999
-	-	Bond Trustee Fees	450	675	675
227	278	Dues	1,360	1,668	3,330
95	279	Office Expense	1,025	1,674	3,344
796	-	Rent Expense	4,802	-	-
-	-	Taxes	-	-	7,553
-	808	Regulatory Assess Fees	-	4,848	9,692
-	2	Permits	-	12	23
114	-	KY 811 Services	657	-	-
105	226	Miscellaneous Expenses	363	1,356	2,708
3	-	Customer Deposit Interest Expense	34	-	-
205,925	207,079	Total Operating Expenses	1,281,492	1,250,649	2,500,652
54,315	31,455	Net Income B/4 Other Income (Expenses)	206,766	180,555	361,732
		Other Income (Expenses)			
147,209	-	Capital Contributions	267,896	-	-
111	-	Interest Income	241	-	-
(9,388)	(6,705)	Interest Expense	(46,235)	(40,230)	(80,458)
392	63	Amortization	1,158	378	753
(65,000)	(65,000)	Depreciation	(390,000)	(390,000)	(780,000)
-	-	Bond Issue Costs	(47,422)	-	-
73,324	(71,642)	Total Other Income (Expenses)	(214,363)	(429,852)	(859,705)
\$ 127,639	\$ (40,187)	Net Income (Loss)	\$ (7,597)	\$ (249,297)	\$ (497,973)

**Martin County Water District
Inez, KY**

Treasury Report

Billing Charges For the Month of:	Jun-22	
Water Revenue		\$ 178,366.57
Water Revenue-Commercial		\$ 29,775.29
Water Revenue-Commercial Exempt		\$ 6,323.04
Late Charges		\$ 5,943.58
Sales Taxes		\$ 1,787.11
Debt Service Surcharge		\$ 8,855.23
School Tax		\$ 6,429.64
Management Infrastructure Surcharge		\$ 15,892.32
Returned Check		\$ 6,069.96
Interest on Customer Deposits		\$ (3.37)
Connection Fees		\$ -
Other Miscellaneous Fees		\$ 2,395.93
Deposits Applied		\$ (1,620.00)
Refund Checks Paid		\$ 219.92
Total Billing Charges		\$ 260,435.22
		12,580,440
Gallons Billed		3,409

Accounts Receivable	Jun-22	
Beginning Balance		323,294.31
Billing Charges		260,435.22
Bad Debt (Write Offs) Recoveries		1,169.77
Accounts Receivable Collections		(255,445.47)
End of Month Accounts Receivable		329,453.83

Operations Account		
Beginning Balance		\$ 101,230.89
Deposits		
Accounts Receivable Collections		255,445.47
Accounts Receivable Collections - Pmts in EFT Revenue Account		(97,146.81)
Sewer Billing Collections in Water Bank Acct - Due to MCS		73,508.98
Customer Deposits Received		1,760.00
Miscellaneous Income (Hydrant Meter)		723.01
Transfers from Other District Accts		90,500.00
FEMA Flood Payments		147,208.75
Prestonsburg Utilities		12,996.65
Total Deposits		484,996.05
Disbursements:		
Checks Written		(364,917.54)
Pmts made to Sanitation for A/R Collections		(79,915.31)
Transfers to Other District Accts		(47,017.80)
Auto Drafted Utilities		(24,232.67)
Sales and School Tax Payments		(1,842.42)
Returned Checks		(5,844.50)
Bank Fees		(105.00)
End of Month Balance		\$ 62,351.70

Cash Receipts Collected To Date in:	Jul-22	278,894.94
Bills Submitted for Payment in:	Jul-22	(234,219.80)
Available Balance	3A-4	107,026.84

Martin County Water District
Inez, KY
Treasury Report
Summary of Cash & Investments
June 30, 2022

Bank Account	Beginning Balance	Deposits	Interest Earned, Net of Fees	Payments	Ending Balance
Operations Account	\$ 101,230.89	484,996.05	-	(523,875.24)	\$ 62,351.70
Revenue EFT Account	6,162.72	97,146.81	-	(91,335.50)	11,974.03
Debt Service Surcharge	10,532.57	9,192.88	0.14	(18,208.91)	1,516.68
Management Infrastructure Surcharge	16,462.99	16,498.38	0.25	(31,961.37)	1,000.25
Security Deposits	89,658.19	2,863.54	3.81	(219.92)	92,305.62
Cash on Hand	900.00	-	-	-	900.00
Total Unrestricted Cash	224,947.36	610,697.66	4.20	(665,600.94)	170,048.28
Restricted Cash					
ARC Grant	63.07	-	-	-	63.07
Rockhouse Project	10,781.48	10,800.00	-	(10,238.65)	11,342.83
Regions Bank-KY 2015E Martin County	58,530.53	10,238.65	26.29	-	68,795.47
KIA Bond & Interest	12,698.13	5,800.00	0.17	(5,673.51)	12,824.79
KY Assoc of Counties Leasing Trust	2,436.87	1,200.00	0.05	(230.75)	3,406.17
Depreciation Reserve	1,022.10	-	0.02	-	1,022.12
Cost of Issuance Fund 2022	2,098.00	-	-	-	2,098.00
Certificate Fund - 2022 Debt Svc	64,238.31	-	32.76	-	64,271.07
Revenue Fund - 2022	3,344.09	-	1.70	-	3,345.79
Total Restricted Cash	155,212.58	28,038.65	60.99	(16,142.91)	167,169.31
Total Cash & Investments	\$ 380,159.94	638,736.31	65.19	(681,743.85)	\$ 337,217.59

**Martin County Water District
Billing Summary**

Date	Billed		Gallons (000'S)	Billed # of Customers	Payments Received
	Revenue	YTD Total			
Jun-22	219,810	1,287,575	12,580	3,409	255,445
May-22	227,120	1,067,765	13,264	3,408	228,491
Apr-22	217,383	840,645	12,472	3,400	326,456
Mar-22	217,996	623,262	12,399	3,384	235,719
Feb-22	199,134	405,267	12,437	3,429	229,472
Jan-22	206,132	206,132	13,531	3,495	214,062
Dec-21	182,101	2,047,534	10,570	3,506	243,688
Nov-21	209,735	2,075,167	14,015	3,530	226,606
Oct-21	163,832	1,865,433	8,488	3,543	255,238
Sep-21	239,376	1,701,601	17,268	3,562	232,135
Aug-21	205,478	1,462,225	13,141	3,561	218,646
Jul-21	187,538	1,256,747	13,937	3,571	231,387
Jun-21	198,188	1,069,209	15,411	3,577	220,666

Martin County Water District

Net Income on a Cash Basis (Snapshot) EXCLUDES DEPRECIATION (format Revised 28 July 20)

	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
REVENUE													
Customer Count	3,577	3,571	3,561	3,562	3,543	3,530	3,506	3,495	3,429	3,384	3,400	3,408	3,409
Payments Received	\$220,666	\$231,387	\$218,646	\$232,135	\$255,238	\$226,606	\$243,733	\$214,062	\$229,472	\$235,719	\$326,456	\$228,491	\$255,445
EXPENSES													
Operations Account	\$239,191	\$239,068	\$231,079	\$256,851	\$244,621	\$254,388	\$259,322	\$237,297	\$228,365	\$259,432	\$232,110	\$256,400	\$234,220
Transfers for debt serv funding	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800
Payment Plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DSS EXP/ (FUNDING)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MIS EXP / (FUNDING)													
Sub total	\$256,991	\$256,868	\$248,879	\$274,651	\$262,421	\$272,188	\$277,122	\$255,097	\$246,165	\$277,232	\$249,910	\$274,200	\$252,020
NET INCOME													
Cash Basis	-\$36,325	-\$25,481	-\$30,233	-\$42,516	-\$7,183	-\$45,582	-\$33,389	-\$41,035	-\$16,693	-\$41,513	\$76,546	-\$45,709	\$3,425

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: **Payment Plans** are payments towards outstanding debt not funded by DSS
- 4: **Operations Account Includes** the estimated DSS and MIS transfers
- 5: **MIS EXP** estimated funds applied to AWR Invoice (An Operations Account Expense) estimated DSS and MIS transfers
- 6: MIS fund beginning balance January 2020-of \$12,244 applied to AWR fee in June
7. Balance of debt -payments to be funded with unused DSS= **\$938,888**
- 8: **Based on the requirements there will be deposits and subsequent withdrawals in DSS/MIS accounts with a likely sum of zero monthly**
- 9: \$15,000 payment made to Xylem from the Operations account not reported in the June 2021 column until the September 2021 financials.
- 10: \$10,000 payment made to Xylem from the Operations account not reported in the October 2021 column until the December 2021 financials.
- 11: \$10,000 payment made to Xylem from the Operations account in March 2022.
- 12: \$58,739 payment made to Xylem from the Operations account in May 2022.

**Martin County Water District, Inez KY
List of Bills for Consideration
26-Jul-22**

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Operations Account		
1 AEP	Electric (26 bills) Estimated	\$ 19,994.91
2 Big Sandy RECC	Electric (9 bills) Estimated	\$ 2,450.65
3 Paintsville Utilities	Electric for token (03/02/22 to 04/03/22) Estimated	\$ 31.22
4 Martin County Public Library	Rent (Aug)	\$ 796.12
5 Martin County Water District	Sanitation (June)	\$ 141.67
6 Sales tax	6/2022 (estimated)	\$ 1,705.61
7 School tax	6/2022 (estimated)	\$ 8,696.92
8 Alliance Water Resources	7/1/22-7/15/22 O&M services	\$ 86,956.92
9 Alliance Water Resources	7/16/22-7/31/22 O&M services	\$ 86,956.92
10 Alliance Water Resources	7/22 Suddenlink Reimbursement (estimated)	\$ 91.14
11 Alliance Water Resources	7/22 Suddenlink Reimbursement (estimated)	\$ 40.96
12 Management Inf. Surcharge	Estimated (actual collected will be paid)	\$ 16,498.38
13 Debt Service Surcharge	Estimated (actual collected will be paid)	\$ 9,192.88
14 Walker Communications	Phone maintenance (July)	\$ 89.00
15 Brian Cumbo	Legal Fees	\$ 462.50
16 Kentucky Underground	811 Services (June)	\$ 114.00
TOTAL		\$ 234,219.80

Operations Account - Debt Service Funding		Transfer Amounts
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

TOTAL OPERATIONS **\$ 252,019.80**

Martin County Water District, Inez KY
List of Bills for Consideration
26-Jul-22

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Security Deposit Account		
Customer		
1 Roger Maynard	Deposit refund due to customer	\$ 102.48
2 Daniel & Donna Stacy	Deposit refund due to customer	\$ 9.53
3 Michael Grayson	Deposit refund due to customer	\$ 58.22
4 Gamble May	Deposit refund due to customer	\$ 32.65
5 Melissa Parsley	Deposit refund due to customer	\$ 96.92
6 Amos Evans	Deposit refund due to customer	\$ 15.31
TOTAL		\$ 315.11

**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

Distribution:

JUNE 2022

Administrative

Staff is continuing to coordinate office activities and operations to secure efficiency and compliance to the Districts approved policies. An effective policy and procedure manual is an essential management tool for staff and customers.

Water Treatment

Construction on the river intake and water plant projects are nearing completion. Besides generators, the project should be complete by the end of July. The monthly project progress meeting will be on July 20th.

Problems continue to exist with the large intake pump. Both the pump and VFD are being returned to Xylem for repairs. There is currently a smaller loaner pump at the intake. This pump is not enough to maintain the reservoir alone, but sufficient as long as there is not a drought.

We received a preliminary drawing of the trailer for our intake pumps. It did not meet all of our specifications. We are awaiting a second version of the trailer.

A new operator was hired to fill the vacancy this winter when the plant supervisor retires.

WATER RESOURCES®
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Martin County Water District

Distibution:

A leak in the Otto Brown Booster Station was detected before the station flooded.

The distribution crew is now fully staffed.

We have a pump pumping at the raw water intake.

A huge hydraulic issue on Coldwater has been rectified. There were three homes being fed by a 3/4in service line and three homes being fed by a 1in service line. The 1in service line was over a half mile long and could not supply enough water. We had a contractor bore 4in poly. The poly used was left over from the 292 project completed last year. Now all residents on Muddy Branch are being fed from the same line and have plenty of water.

Safety:

May's safety meeting covered work zone and flagger safety. It was held on June 7th.

Training:

Ongoing in-house training



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Customer Service:

Staff has been arranging office workstations allowing employees to take advantage of more controlled and organized service orders. This has allowed a more stable and monitored system within the office and field.

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	

Regulatory

The Martin County Water Treatment Plant performs operational water quality monitoring to ensure compliance with all state, federal safe drinking water act requirements, including chlorine, fluoride, iron, pH, manganese, solids, turbidity, and bacteriological analysis.

Water Plant Operation

Water Pumped – JUNE	
Total Water Production (gallons)	50,170,000
Total Water Metered/Billed (gallons)	10,618,000
Other Water Used (gallons)	1,118,000
Total Water Loss (gallons)	33,553,000
Portion of TWL due to Main Breaks (gallons)	
Average Daily Flow (Million Gallons per Day)	1.672 MGD
Maximum Daily Flow	1.775 MGD
Fluoride Used (lbs.)	383.6 LBS
Chlorine Used (lbs.)	1,928 LBS
Lab Tests	3,657 TESTS

Water Quality Analysis

Test	Routine	Special	Repeat
Bacteriological	10 (Pass)	0 (Pass)	0
		Reported	Minimum Limit
Fluoride Plant Sample	30	0.76 mg/l Average	0.6 mg/l
Chlorine Distribution Sample	32 32	Low Readings Total - 0.31 mg/L Free – 0.22 mg/L	0.2 mg/l

Customer Service Request and Work Orders

Meter Reads	3372
Meter Sets	26
Turn offs-Close account	22
Taps	1
Meter Changes	11
Disconnects for Non-payment	50
Boil Notices	0
Line Locates	79
Water Leaks/Breaks	23
Other/Investigates	119

Water Main Breaks & Service Lines

Date	Location	Pipe Size/Type	Estimated Water Loss (gallons)
4/6/22	57 Vineyard Valley	3 in	497,000
4/7/22	174 Rockhouse Rd	1 in	342,000
4/6/11	Riverside Apts	1 in	181,000
4/7/22	98 Beechwood Est	¾ in	635,000
4/7/22	101 Eden Ln	¾ in	635,000
4/12/22	Blacklog Rd	8 in	3,439,000
4/12/22	2075 Big Elk Rd	¾ in	1,088,000
4/14/22	80 Fitch Br	3 in	1,189,000
4/18/22	2934 Tug River Rd	¾ in	363,000
4/19/22	4104 New Rt 3	10 in	362,000



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Repair Expenses Ending April 2022

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Bldg. & Grounds Maintenance	\$367	\$7,000	5%
Vehicle Maintenance	\$9,913	\$25,000	40%
Water Plant Maintenance	\$2,806	\$15,000	19%
Distribution System Maintenance	\$69,079	\$90,000	77%
Water Meter Maintenance	\$36,069	\$10,000	361%
Street Maintenance	\$0	\$8,000	0%
Totals	\$118,234	\$155,000	76%

Chemical Expenses Ending April 2022

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Sodium Hydroxide	\$3,865	\$11,000	35%
Lime/Caustic Soda	\$0	\$30,000	0%
Alum (Brennfloc)	\$21,600	\$15,000	144%
Chlorine	\$8,306	\$20,000	42%
Permanganate	\$1,170	\$19,000	6%
Fluoride	\$2,474	\$7,000	35%
Chemicals Other - Water	\$1,541	\$8,000	19%
Totals	\$40,896	\$110,000	37%



Professional Water and Wastewater Operations

Martin County Water District

Notes:

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

- 2) Vehicle Maintenance
 - a. Capital Tire \$1213.70
 - b. Advanced Auto \$26.49
 - c. Fast Change \$ 14.69
 - d. Fast Change \$265.98
 - e. Consolidated \$349.80
 - f. Fast Change \$222.00
 - g. Fuelman \$1.30

- 3) Water Plant Maintenance
 - a. Evan's Hardware \$13.24
 - b. Wil-Mik \$55.47

- 4) Well Maintenance
 - a. \$0.00

- 5) Distribution System Maintenance
 - a. Consolidated \$815.67
 - b. Roy Kirk \$500.00
 - c. Consolidated \$164.30
 - d. Consolidated \$339.20
 - e. Lawrence County Stone \$837.15
 - f. Roy Kirk \$500.00
 - g. Consolidated \$328.60
 - h. Consolidated Pipe \$966.72
 - i. R&J Building Supply \$113.17
 - j. Roy Kirk \$500.00
 - k. R&J Building Supply \$8.81
 - l. Consolidated Pipe \$189.59
 - m. Evan's Hardware \$10.59
 - n. Warren Pump \$908.38
 - o. R&J Supply \$20.73
 - p. Consolidated Pipe \$758.93
 - q. R&J Building Supply \$150.72
 - r. Consolidated Pipe \$2,229.84
 - s. Evan's Hardware \$7.71

- 6) Meter maintenance
 - a. Consolidated Pipe \$2,077.60
 - b. Consolidated Pipe \$2,077.60
 - c. Consolidated Pipe \$2,077.60
 - d. Consolidated Pipe \$903.63
 - e. Consolidated Pipe \$2,132.03

Martin County Water District

- f. Consolidated Pipe \$903.63
 - g. Consolidated Pipe \$397.18
 - h. Consolidated Pipe \$1,207.85
 - i. Consolidated Pipe \$380.37
 - j. Consolidated Pipe \$1,665.24
- 7) Sodium Bisulfite
- a. Citco \$1,145.81
- 8) Sodium Hydroxide
- a. \$0.00
- 9) Lime/Caustic Soda
- a. \$0.00
- 10) Polymer
- a. \$0.00
- 11) Alum
- a. Brenntag \$5,440.00
 - b. Brenntag \$1,104.00
 - c. Brenntag \$2,160.00
 - d. Brenntag \$3,240.00
- 12) Chlorine
- a. \$0.00
- 13) Permanganate
- a. Brenntag \$620.10
- 14) Fluoride
- a. Brenntag \$889.92
- 15) Chemicals Other – Water
- a. Brenntag \$100.00

PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Martin County Water District

For the Month of: June Year: 2022

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED AND PURCHASED	
2	Water Produced	50,170
3	Water Purchased	
4	TOTAL PRODUCED AND PURCHASED	50,170
5		
6	WATER SALES	
7	Residential	10,240
8	Commercial	2,340
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	1,058
13	Other Sales (explain)	
14	TOTAL WATER SALES	13,638
15		
16	OTHER WATER USED	
17	Utility and/or Water Treatment Plant	1,048
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain)	
22	TOTAL OTHER WATER USED	1,048
23		
24	WATER LOSS	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	35,484
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	TOTAL WATER LOSS	35,484
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)	70.73%

MARTIN COUNTY WATER DISTRICT



WATER RULES AND REGULATIONS FOR SERVICE

Effective Date: March 24th, 2020

RESOLUTION

Be it resolved by the Board of Directors for the Martin County Water District, of Martin County Kentucky, that the rules and regulations in which water service will be provided to the customers of the Martin County Water District, are hereby set forth. These rules and regulations provide for orderly service and system uses, sets standards for connections to the system, sets rates and charges, provides for conservation and protection of drinking water, sets penalties for violations and other matters relating thereto. It is also noted that these Rules & Regulations are intended to comply with all PSC State and Federal requirements, and should a conflict arise deference is given to the agency with governing authority. On this motion duly made, seconded and carried, this resolution is hereby adopted by the Board of Directors of Martin County Water District, Kentucky on this 24th day of March 2020.

**MARTIN COUNTY WATER DISTRICT,
KENTUCKY**

**WATER
RULES AND REGULATIONS FOR SERVICE**

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MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #1. General Water Rules and Regulations

- A. The Rules and Regulations of the District shall govern and be enforced by the District and its agents. The Rules have been adopted to govern the services provided in the best interest of the District and the District's customers and to provide for consistent and orderly use of the District's water system and are based on the Rules and Regulations ordered by the Public Service Commission through the Tariff. The Rules and Regulations apply to all persons, firms, businesses, corporations, partnerships and governmental entities, etc. using or intending to use water services provided or to be provided by the District.
- B. All persons, firms, corporations, partnerships, etc. desiring to obtain water services from the District shall request to obtain such services. All applicants shall meet and follow all requirements set forth in these rules and regulations and its Tariff. Failure to do so may result in disconnection of service or other penalties as defined herein.
- C. All connections to District's water system shall be requested in advance, connection fees paid in full or set up on a payment plan, be properly installed and water services properly metered prior to the turn on of service.
- D. The water services made available under these rules are for the sole use of the person, persons and customer at his/her premise(s) and he/she shall not resell in any manner any water or sewer service without the specific written consent and permission of the District.
- E. Water service is for the sole use service described above and prohibits any extension of pipes, hoses, etc. to transfer water services from one property to any other property, person, persons, or customer and also prohibits any person, persons, customer from sharing, reselling, submetering to another person, persons or customer. No more than one premise shall be served by a service connection unless express written permission is given by the District on an individual basis. A farm containing a residence and outbuildings for use in farming operations shall be considered as one residence and that customer may use water and/or sewer service from a single connection/meter for all such buildings. Farms containing more than one residence require that each residence be connected and metered separately.
- F. The District has the right to inspect meters, pumps, backflow prevention devices and all other water fixtures, lines and appliances for the use of water whenever deemed necessary by the District for the purpose of regulating such use, keeping accurate account, preventing waste, leakage or other violations of these rules and regulations. For such purpose it shall be the duty of the water customer to allow District access to their premises at reasonable times and intervals; should any person, persons or customer refuse to allow such access, upon order of the District, water service may be discontinued and withheld from any customer so refusing.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #1. General Water Rules and Regulations (continued)

- G. The District reserves the right, at any time, without notice, to discontinue water service in their distribution lines for the purpose of making extensions, repairs or for any other purpose they deem to be in the best interest of the District's systems and customers. The District reserves the right to discontinue water to any customer, at any time, so long as the service pipe through which such user may be supplied, or any meter, or any pump, or any part of any such pipe of system may be out of order or in disrepair for the proper supply of water service through same. When reasonably possible the District will attempt to notify in advance of service interruptions when water and/or sewer service will be limited, restricted or temporarily shut off.
- H. All persons and customers are hereby advised and cautioned that risk of damage due to the discontinuance or disruption of water service is hereby assumed by the customer. All persons and customers are advised to take measures to prevent water tanks from draining, boilers from collapsing, and follow standard backflow prevention practices, and any and all other damages that could be incurred in the event water service was discontinued or interrupted for any reason. The District is not liable for damages caused by defective piping or appliances on the customer's premises or for any defect in customer's water or sewer piping. It is expressly understood and agreed by and between the District and the customer/user that no claim shall be made against the District by reason of breaks, leaks, bursting of, repairs to, or maintenance of any water facilities owned by the District or for any failure to supply service for any reason.
- I. No water of any kind, including water service lines and mains shall be installed within any right of way or easement of the District or be connected to the District's water or sewer system unless approval is given by the District and connection fees are paid. All water service shall be billed as set forth in these rules and regulations.
- J. Line extensions and connections to the District water system shall be at the sole cost of the customer or user and all extensions and connections shall be subject to the District's approved inspection. The District reserves the option to provide incentives and participate in line extensions, if the line extension is deemed to be beneficial to the District.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #2. Definitions

Definitions shall be as follows:

Applicant - Any person, persons, firm, corporation, partnership, etc. desiring or applying for either water or sewer service or both.

Agents - Any person, persons, firms, corporations or partnerships engaged in work, and serving as representatives of Martin County Water District, Martin County, Kentucky, including but not limited to its employees, engineers, operations, maintenance and management personnel and any and all such designates as the District may have from time to time.

AWWA – American Water Works Association.

Auxiliary water system - Any water source, supply or system, other than the Martin County Water District system, that may be available in the building, establishment, residence, premises or property.

Board of Directors - Persons duly elected or appointed by the County or State with general powers pertaining to the management of the business affairs of the District.

Customer - Any person, persons, firm, corporation or partnership using or allowing the use of water service(s) provided by the District.

Commercial Customer - Customers that are non-residential or whose general purpose and use is of a business nature. Includes commercial, business and industrial establishments, with or without dwelling units in the premises or on the property. Apartment and other similar type complexes may be classified as Commercial Customers.

Clerk - The person duly appointed annually by the Board of Directors serving in the capacity as Clerk.

Cross Connections - Any physical link between a potable water supply and any other substance, fluid, or source, which makes contamination of the potable water supply possible due to the reversal of the flow of water in the potable water piping or distribution system were to occur.

Certified Backflow Prevention Tester - A person who has successfully completed training and is recognized by the State of Missouri to be a competent person in the testing, checking and rebuilding of backflow prevention devices.

Consumptive - (use of water) - Indicates the use of water by a commercial, business or industrial customer(s) that is not returned to the sewer system. Examples of such customers would be beverage, food and ice manufacturing, water used for cooling purposes and discharged under (National Pollutant Discharge Elimination System) NPDES permits, etc.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #2. Definitions (continued)

District - (Water District) – The Martin County Water District of Martin County, Kentucky.

Farm - A parcel of ground used at one time or being used for livestock or planting purposes.

KRWA – Kentucky Rural Water Association

Multi-Unit Building - Any one building or structure containing more than a single residential dwelling unit.

Premise(s) - Any building, land or structure on it used as a dwelling unit or used for any commercial, business or industrial use or purpose.

Service Line – Any water line or portion of a water line connected to or to be connected to the discharge side of a water meter.

TSS - Total Suspended Solids as determined by laboratory testing as set forth in the latest edition of Standard Methods for the examination of Water with the results expressed in units of milligrams per liter.

User - Any person, persons, firm, corporation or partnership using any District water or sewer services.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #3. Application, Supply and Taking of Service

- A. Applicant shall be responsible for requesting service from the District and in doing so requests and becomes a customer. Before the District begins rendering water service, the applicant/customer shall supply such necessary information as required by the District including but not limited to customer(s) name(s), driver's license number(s) or other government issued identification number(s), address, telephone number, requested date for start of service, and signed Water Service Contract. Any customer who has taken service from the District without requesting such service from the District shall be considered to have expressed consent to the District's rules and regulations and shall be responsible for any and all appropriate water charges/payments as specified in the District's rules and regulations beginning on the first day of taking such service. The District reserves the right to make reasonable estimation of service usage if an exact determination cannot be made.
- B. Applicants and customers for water service shall conform to all rules and regulations as approved and as those rules and regulations may be modified, revised or amended from time to time.
- C. Commercial applicants and customers shall, upon request, present in writing a list of water devices which are or are proposed to be attached to the water lines servicing the building and/or property, giving location, types, size of devices and estimated daily water flow. The District will then advise of any improvements that must be constructed or any special conditions of use that must be followed by that commercial applicant or customer. The District reserves the right to advise and require any special backflow prevention, sewer waste discharge conditions, prohibitions, restrictions up to and including any special pretreatment requirements or facilities before accepting sewer waste discharges.
- D. No substantial increases or additions to water and/or sewer use, water use equipment or appliances may be connected to the District water and/or sewer system by Commercial Customers except upon written notice to the District and with the written consent of the District.
- E. All applicants and customers are required to pay security deposits prior to the initiation of service. Failure to pay security deposits may result in refusal or termination of service.
- F. The District reserves the right to reject any applicant and/or customer request for service that does not comply with any District rule and regulation. Rejection may include, but not be limited to, refusal and disconnection of water and/or sewer service, in which the District may notify any appropriate local authorities if the District deems a public health detriment exists, could exist or will exist.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #4. Connection Fees and Procedures
Section 1. General, Water

- A. All new connections to the District's water system shall be subject to payment of a connection fee(s) for the right to connect to the District's water and/or sewer system. The connection fee includes the right to connect to the District's water plus includes the District's installation and material cost to make said water and/or sewer connection.
- B. Connection fees to the District's water system shall be due and payable prior to any connection. Connection fees are available to be put on a payment plan up to 12 months. Connection fees are subject to change.
- C. No water service line shall be connected to any line owned by the District or any private line that may be connected to the District's system until all connection fees are paid or payment arrangements have been establish. If any such lines are connected, the District may disconnect any such line, lateral or pump system and charge the owner, developer, contractor, plumber or any other person, persons or parties, jointly or severally liable, all costs incurred for the disconnection, including but not limited to, attorney fees, court costs and interest earnings from the date of connection.
- D. Unless otherwise agreed to in writing, the District shall install and construct or cause to install and construct all new water connections, including but not limited to tapping the water main, installing the corporation stop, connecting the water service line between the water main and the water meter setter, installing the water meter setter, installing the water meter pit and installing other appurtenances related to the new water connection between the water main and the water meter. All water and/or sewer connections, as well as the materials and workmanship used in those connections shall be subject to inspection and approval of the District prior to the initiation of service. Connections, materials and/or workmanship not meeting inspection approval shall be corrected so as to meet the inspection approval prior to the initiation of service or those connections are subject to disconnection. Furthermore, the District will not be required to provide water and/or sewer service until connections to District's water and/or sewer system is approved by the District. Whereas, in the interest of the district and developers, a special arrangement providing a lower cost for water meter installations may be mutually beneficial, the following applies:
1. Special arrangements for the cost of water meters are only applicable to developers that have privately funded the installation of water mains the District has formally accepted the construction thereof as their own, and there are two or more lots within the development.
 2. The installer of the water meter set shall be approved by the District Manager.
 3. The materials installed by the pre-approved Developer and/or approved contractor shall comply with the standard materials of all water meter set installations within the District and be the materials designated by the District Manager.
 4. The District shall furnish and install the actual meter itself in the water meter pit and inspect all plumbing for the meter set and connection to the water main prior to turning on the water meter for service.
 5. The District shall charge the actual cost of the meter which shall be paid prior to activation and installation of the meter.
 6. All other provisions of the water user's agreement are applicable and remain in full force.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #4. Connection Fees and Procedures
Section 1. General, Water (continued)

- E. Locations of connections to the District's system will generally be given and directed by the District. Any deviation to prescribed location will need prior approval by the District. Connections, service lines, etc. will not be extended along public streets or roadways or through property of others to the point of connection without the written prior approval of the District. Connections to the District's system that must be excavated for inspection shall have that excavation performed at the customer's expense.

- F. The District may construct water system improvements to serve a particular area as may be described by the District from time to time. The water system improvements shall connect with public, or other District water system. The Board may cause the water system improvements to be constructed in each area whenever the Board shall deem the water system improvements necessary to thereby promote public health and sanitation, make available conveniences not otherwise possible, and for the general public welfare.

After the District has entered into a contract for construction of the water system improvements, the District's engineer shall compute the whole cost thereof and shall apportion the same against the lots or tracts of ground in the area to be served by the water system improvements, exclusive of the public highways, and the District engineer shall report the same to the Board of Directors of the District, and the Board shall therefore levy a surcharge against each lot or piece of ground within the area to be served by the water system improvements as they connect to the same.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #4. Connection Fees and Procedures
Section 2. Water Connection Fees and Procedures

- A. Connection/inspection fees for the right to connect to the District's water system are set on the applicable tariffs in Appendix A for all meter sizes.
- B. All connection fees above shall be paid at least 5 business days prior to the scheduling of a connection or request for inspection of connection.
- C. A minimum of 48 hours is required for the scheduling of a connection or request for inspection of connection. Any persons or firms excavating in City, County or State right-of-ways must have the proper permits from that particular entity prior to any excavations and may be required to produce proof upon demand.
- D. All water connections up to and including 1 inch in size shall be performed by the District or caused to be performed by the District. The District shall provide the appropriately sized and type of water meter, the saddle (up to 10 inch diameter in size), the appropriate corporation fitting, the service line between the main and the setter, the meter pit, lid and frame, a minimum of 2 feet of service line extending from the water meter for the customer to connect onto and the labor and equipment to tap and connect the service line to the water main. The installation of the customer service line from the 2 foot stub out to the point of use shall be at the customer's sole expense. All materials and the alignments of the service lines must meet the District's requirements as those requirements may be amended from time to time.
- E. Water connections over 2 inches in size shall be made only with the District's prior approval and at the sole expense of the customer, developer, builder, plumber. Connections over 2 inches in size require the customer's/developer's/builder's plumber to pay District in advance, moneys required to purchase the specified water meter. The required saddle, the required corporation fitting, and the labor and equipment to tap and connect the service line to the water main is to be paid by the customer, developer, builder or plumber. Connections over 2 inch in size generally require additional time and coordination of work and require 30 days advance notice.
- F. Water connection fees include the right to connect, the installation of water meters up to 2 inch in size, and any applicable inspections by the District. Water connections and service lines shall be installed in accordance with the procedures, specifications and standards established by the District from time to time and on file with the Clerk. These procedures, specifications and standards will be provided upon request.
- G. Connections to the District's sewer systems shall be made at the sole cost of the customer, builder, developer, or property owner including all labor, material, and supplies.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #5 Security Deposits

- A. Security deposits for water service in the District shall be as follows per approved District Tariff Sheet #5 issued October 8, 2015:

5/8" X 3/4" Meter	\$90.00
1 Inch Meter	\$95.00
1 1/2 Inch Meter	\$160.00
2 Inch Meter	\$295.00
3 Inch Meter	\$430.00
4 Inch Meter	\$700.00

- B. Security deposits shall be paid prior to the initiation and start of service.
- C. Security deposits shall be required for all NEW customers, residency changes made by customer with a poor payment history and finalized accounts with poor payment history.
- D. Security deposits shall be held with interest. Interest shall be added to customer's account annually. Deposits shall be credited to the customer's final bill and any credit balance returned to customer.
- E. Security Deposits, at the request of the customer and upon subsequent approval by the District, may be transferred from a customer's previous account to that customer's new account. Security deposits are not transferable from one customer to another customer in any way unless otherwise agreed to and approved by the District.
- F. The owner of any multi-unit building (residential or commercial) containing two or more units, shall be considered the user of water furnished to the building and is liable for payment of security deposit and service bills, unless the owner installs or causes to be installed separate water meters for each and every unit. Only if separate water meters are installed are the tenants allowed to be the customers for water and/or sewer service. In all other cases the owner shall be deemed the customer by the District.
- G. Security deposits are set by the Public Service Commission in the approved District Tariff.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #6. Water Rates and Charges

- A. A charge for water service to customers of the District shall be made based on water meter readings and computed at the rates herein set on the applicable tariffs in Appendix A, whether single metered or master metered. The District, through its authorized employees and agents, may read water meters monthly, and statements (bills) shall be rendered accordingly.
- B. Failure to receive a bill and/or (delinquent) notice of non-payment or payment not received shall not excuse the customer from their obligation to pay for water service when a bill is submitted.
- C. Whenever, for any cause, a water meter fails to operate correctly, or for some reason the District is unable to read the water meter, the District shall make a reasonable estimate of the amount of water supplied by the District during the specified period and the customer shall be liable for payment based on the estimate of water supplied.
- D. Water meters will be owned and maintained by the District. Meters will be kept in proper operating condition by the District. Water meters or other components of the water meter installation damaged or destroyed through tampering or abuse will be repaired or replaced at the customer's expense. The District, at its discretion, may consider a one-time waiver of fees to repair accidental damages to meters and meter sets. Meters that fail or are replaced due to routine use and wear will be repaired or replaced at the District's expense.
- E. Meter tests will be performed from time to time to determine accuracy and meters may be replaced from time to time to ensure accuracy. Meter tests will be performed as deemed necessary by the District at no charge to the customer. Meter tests requested by the customer that are deemed unnecessary in advance by the District will result in a \$53.00 testing charge to the customer, unless the meter registers outside of the 98 to 102 percent accuracy level in which no charge will incur.
- F. From time to time, and in amounts determined by the Federal, State and Local Authorities, the District will bill and collect for primacy fees, taxes, user fees, laboratory fees and after doing so, will pass those fees onto those appropriate State or Local Authorities.
- G. Each customer, user, or owner of the premises connected to the District's water system shall pay for water drawn from the system each month according to readings of the water meters (or estimates thereof) for each particular connection for all bills issued as set on the applicable tariffs in Appendix A.
- H. Each customer, user, or owner of the premises connected to the water system shall pay for water drawn from the system each month according to readings of the water meters (or estimates thereof) for each particular connection for all bills issued as set on the applicable tariffs in Appendix A.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #6. Water Rates and Charges (continued)

- I. The customer must request a leak adjustment in writing to the utility. The customer's bill will be based on two components. The first step will be to calculate the customer's average monthly usage over a twelve (12) month period. The second step will be to deduct the customer's average monthly usage (as calculated in the above) from the total amount of water that passed through the meter. The usage calculation step one will be billed at the utility's regular rates, while the remaining usage will be charged at the per thousand-gallon leak adjustment rate, as set forth in the rates and charges portion of the utility's approved tariff. All water passing through the meter must be accounted and paid for by the customer. So the customer will owe the amount of his/her average bill plus the per thousand gallon leak adjustment rate for the remainder of the water that passed through the meter. If meter readings are not available for an entire twelve (12) month period, the water will be estimated by the utility, subject to an upward or downward adjustment once a twelve (12) month average of actual readings can be calculated. A customer will be allowed a one (1) leak adjustment in a rolling twelve (12) month period subject to the following conditions.
1. Board of Director Approval
 2. Proof of repair to service line (Receipts, photos, and/or inspection by DISTRICT staff)
 3. Repairs are made according to DISTRICT policy. (Underground service line repairs should be CTS or IPS, rated for no less than 160 PSI. The use of radiator clamps, king nipples, galvanized fittings, or the equivalent will not be accepted.)
 4. The following months usage has shown significant decrease consistent with a repaired leak
 5. Each adjustment may cover a maximum of two (2) billing periods.
- J. Flush or fire hydrant use must be authorized in advance. Flush or fire hydrant users pay the minimum water bill and all water usage. Flush or fire hydrant use is granted in the District's sole discretion. Special conditions such as location, flow rates, permits and times of use may apply and must be followed to avoid penalties. See Rule 11 for additional information, policies and procedures.
- K. Customers who request initiation of service within 10 days of the start of the monthly billing period will not be billed a minimum charge for that first month; any and all usage during the first month will be billed in the next month's billing period. Customers who request disconnection of service for a portion of the regular may receive a prorated bill for that portion of the billing period service is received.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #7. Billing, Payment of Bills and Collections

- A. Water service shall be deemed to be furnished to the occupant.
- B. Water service will be billed monthly on or about the 1st of each month. Bills are due and payable on the date of issuance.
- C. Bills not paid by the 15th of each month are considered past due and delinquent. Bills not paid by the 15th of each month will be subject to a ten (10) percent delayed payment charge of the current water and/or sewer service charges due which shall be added to the amount due and are subject to immediate disconnection without further notice. Any said delinquent bill shall be disconnected five (5) days after the disconnect notice is mailed and the meter will be locked or removed.
- D. Payment must be received, not postmarked, before the close of business day (4:00 PM) on the 20th day following issuance of the bill; otherwise, the delinquent bill will be assessed the late payment penalty approved and on-file with the Public Service Commission. Should the 20th day following issuance of the bill fall on a weekend and/or holiday, the next business day following that will be held as a day of grace for delivery of payment.
- E. Customers whose service has been disconnected for nonpayment of bills are required to pay the past due and current amounts of service rendered by the District to the District as well as any and all disconnection and reconnection charges due prior to the restoration of water and/or sewer services disconnected.
- F. Failure to pay a bill on an account which has a past due balance shall subject the service to disconnection. Services subject to disconnection, unless previously agreed on by the District, are subject to the following disconnection-reconnection charges as shown below:
- \$20.00, from 8:00 AM to 4:00 PM Monday through Friday, excluding Holidays. No payment from customers to service personnel will be accepted at the time of disconnection to avoid loss of service. The \$20.00 disconnect and reconnect fee will be applied to the past due amount once the customer service personnel leave the office to perform disconnection of service on accounts that are past due.
 - No reconnection or restoration of service will be made after 4:00 PM Monday through Friday, and all-day Saturday, Sunday or Holidays unless an emergency or life-threatening situation exists. If restoration of service is after business hours, a fee of \$55.00 will add added to the customer's account.
- G. Returned checks due to insufficient funds, closed accounts or other reasons will be considered seriously past due and delinquent accounts. Customers of such accounts will be given notice to make immediate restitution and pay a \$25.00 returned check charge and in doing so may avoid service disconnection. Customers who do not make restitution and pay the \$25.00 returned check charge are subject to water and/or sewer service disconnection without further notice and are subject to the charges outlined in section F. above.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #7. Billing, Payment of Bills and Collections (continued)

- H. In all cases involving returned checks, only cash, money orders, cashier's checks, or online credit card will be acceptable for payment of services rendered for that particular restitution of payment. Future incidents involving returned checks may require all future payments for services rendered to be cash, money order, cashier's check, or online credit card.
- I. From time to time, customers may request a payment arrangement. If such a request is made, District personnel may enter into a District approved payment arrangement unless the customer has previously defaulted on 1 or more arrangements within the last 24 months, except that balances less than \$50 must be paid in full. Under payment plan guidelines, the current balance must be paid by the due date plus the District agreed-upon amount of the old balance.
- J. For any water and/or sewer customer's account delinquency the customer is responsible and liable for all costs incurred to collect this debt including collection fees, Attorney fees and costs. The District may direct the attorney for the District to file suit against any customer whose account is considered delinquent for one hundred eighty (180) days or more or is delinquent in amounts exceeding two hundred fifty dollars (\$250).
- K. Customers who will be temporarily vacating their premises may request temporary suspension of water and/or sewer service. All such customer requests must be in writing and indicate the beginning date of temporary suspension of service. Customers who are granted temporary suspension of water and/or sewer service for one or more full billing periods will not be charged for services during the time service is temporarily suspended. Service will be considered restored and billable for both water and sewer during the billing period in which water usage resumes. Bills for restored service will be for the full billing period and will not be prorated for portions of the billing period.
- L. Water and sewer service shall be deemed to be furnished to the occupant and/or owner of the residence or establishment receiving the service. All reasonable attempts will be made to collect payment for service from the occupant. If the occupant fails to pay for service, the District reserves the right to make all reasonable attempts to determine the ownership of the residence or establishment, and, at the option of the District, and in accordance with State Statues, to hold the owner responsible for service if so deemed by the Board of Directors.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #8. Backflow Prevention, Equipment and Cross Connections

- A. Each water customer and/or user shall install a shut off valve and a one-way check valve on his/her property beginning at the outlet side of the water meter on each service line to the water system serving the premises where, in the judgment of the Public Service Commission or District potable water system exist. Each water customer required by the District or the Public Service Commission shall follow the rules, regulations and requirements set forth in this backflow prevention rule and all other regulations that may be adopted from time to time by the United States Environmental Protection Agency, the Martin County Water District or by the Public Service Commission.
- B. Cross connections are prohibited, and no water service connection shall be installed or maintained to any premises where actual or potential cross connections to the District's potable or customers water system may exist.
- C. No water service connection shall be installed or maintained to any premises in which the plumbing systems, facilities, point of use devices and water fixtures have not been constructed or installed using acceptable plumbing practices considered by the District necessary for the protection of the District water supply and for the protection of the health and safety of the District's customers.
- D. On request by the District or its authorized representative(s), the customer or user shall furnish information regarding water use practices within his/her premises. The customer's or user's premises shall be open at all reasonable times to the District or its authorized representative(s), for the conduction of surveys and investigations of water use practices within the premises to determine whether there are actual or potential cross connections to the District's water system or the customer's water system through which contaminants or pollutants could backflow into the customer's water system or the District's water system.
- E. Backflow prevention devices required under this rule shall be installed at a location and in a manner approved by the District and shall be installed and maintained at the expense of the water customer or user.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #9. Fire Hydrants, Regulations for Use.

- A. Hydrants and flushing assemblies shall only be operated by District personnel, Fire Protection Districts, persons carrying written authorization or permit to operate hydrants and flushing assemblies, or those persons or companies granted temporary permit to operate hydrants and flushing assemblies in accordance with the regulations of the District. The operation of any hydrant or flushing assembly by any unauthorized person(s) or company may result in the impoundment of any hose(s), wrenches, nozzles, backflow preventors, meters or other items used in the hydrant operation with charges and penalties defined in Rule #17 and those persons shall be subject to prosecution by the District.
- B. Persons or companies authorized to use and operate hydrants may be required to provide a security deposit and shall pay for all water used. The authorized hydrant user shall provide all equipment necessary for hydrant use including hoses, control valves, approved backflow prevention device, plus any other equipment deemed necessary by the District for the safe and proper operation of the hydrant and/or flushing assembly.
- C. The District reserves the right to deny any person, persons, company, companies or any other entity any request for hydrant or flushing assembly use for any reason the District believes necessary to protect the property and/or best interests of the District.
- D. The District reserves the right to develop and implement detailed regulations for hydrant use, permits, fees and charges, and procedures for hydrant operation and amend hydrant use procedures whenever the District deems necessary. The District reserves the right to waive or reduce hydrant deposits and water use charges for improvements or for construction projects and extensions to the District's system directly awarded and paid for by the District.
- E. All District hydrant users shall follow the permit and use procedures and pay the applicable fees as adopted by the Board of Directors and as may be amended from time to time.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #10. Private Systems

- A. No cross connection between any private water supply system and the District water system shall be permitted.
- B. Private water supply systems serving building or premises which discharge into the District's sewer system shall be required to be either water or sewer metered. Meters shall be of a type and size approved by the District. Meters shall be read by the District or at the District's option, readings and usages be made available to the District. In some instances, customers may be allowed to pay a flat rate sewer charge.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #11. Water Line Extensions

- A. The specifics and details of this rule pertaining to water line extensions are generally described in the latest edition of the Martin County Water District's Tariff, a copy of which can be obtained upon request from the District. All existing and current practices, written and unwritten, now in effect, remain in effect and may be amended from time to time. All water line construction and water line extensions shall be designed in accordance to industry standards set forth by AWWA and the District. Prior to any construction of any water line extension, all applicable planning, engineering, reviews and permits must be approved in writing by the District and all other applicable governmental agencies. Also, any applicable inspection fees must be paid.
- B. Nothing contained herein shall be construed to prohibit the utility from making extensions under different arrangements if such arrangements have received the prior approval from the Public Service Commission.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #12. Emergency Interconnections

- A. The District may make and enter into specific reciprocal agreements for emergency interconnections between the District water system and other public, governmental or other water systems regulated by the Public Service Commission for the purposes of providing an emergency supply of potable water from the District or to the District as the need arises. Such specific agreements shall set out the respective duties, rights and obligations as respects the construction, operation, maintenance and use of the reciprocal emergency interconnections.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

MARTIN COUNTY WATER DISTRICT RULES AND REGULATIONS

Rule #13. Penalties for Violation

- A. Any user, person, firm, customer, corporation, partnership, etc. found to be in violation of any provision of these rules and regulations or who fails to comply with any of the requirements stated herein or who deliberately tampers with, operates or otherwise uses a District owned water line, water meter, water setter, water valve, water storage tank, water supply or water pumping facility, sewer line, sewer manhole, sewer cleanout, sewer pump station or wastewater treatment facility shall be subject to an administrative charge in addition to any costs incurred by the District for repairs necessary due to any tampering or failure to follow rules and regulations of the District. Each day of violation and each tampering incident shall count as a separate occurrence.
- B. The District shall have the option and authority, in lieu of, or in addition to the above penalties, to discontinue water and/or sewer service to the buildings and/or premises in violation of the requirements, rules and regulations herein. The District absolves itself of any claims of liability for damages incurred as a result of discontinuance of service. Any such liability or damages resulting from the discontinuance of water and/or sewer service is the responsibility of the customer, user, owner, etc.
- C. Water and/or sewer service shall not be restored until the violations have been corrected and eliminated to the satisfaction of the District and once service has been disconnected, all charges, fines, court costs and permit fees must be paid prior to the restoration of service.
- D. Nothing contained herein shall prevent the District from taking other lawful actions as necessary to protect the health and safety of the public and/or to prevent damage to the District's water and/or sewer systems and facilities, including obtaining court orders in law or equity. Should the District go to court in law or equity against any one or more customers, users, owner/owners, then such customer, user, or owner/owners shall pay for all costs thereof, including attorney's fees.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

**MARTIN COUNTY WATER DISTRICT
RULES AND REGULATIONS**

Rule #14. Severability and Effective Date

- A. This resolution provides that the rules and regulations covered herein supersede previous rules and regulations pertaining to the items herein addressed. Should any provision or portion of this resolution, rules and regulations be found to be unlawful or invalid by any court of competent jurisdiction, the remaining portions and provisions of this resolution, rules and regulations shall continue to be in full force and effect.
- B. That this resolution be in full force and effect upon the adoption by the Martin County Water District and the Public Service Commission and the effective dated noted herein.

Jimmy D. Kerr - President

SEAL

ATTEST:

Cassandra Moore - Clerk

On motion duly made, seconded and carried, this resolution is hereby adopted by the Board of Directors of Martin County Water District, Martin County, Kentucky on this ____ day of _____, 20____.

Approved _____ Date Approved: 07/26/2022 Date Effective: 07/26/2022

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00154 DATED FEB 08 2022

The following rates and charges are prescribed for the customers in the area served by Martin County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- x 3/4-Inch Meter

First	2,000 Gallons	\$41.42	Minimum Bill
Over	2,000 Gallons	0.01049	per Gallon

1-Inch Meter

First	5,000 Gallons	\$72.83	Minimum Bill
Over	5,000 Gallons	0.01049	per Gallon

1 1/2-Inch Meter

First	10,000 Gallons	\$125.18	Minimum Bill
Over	10,000 Gallons	0.01049	per Gallon

2-Inch Meter

First	20,000 Gallons	\$229.89	Minimum Bill
Over	20,000 Gallons	0.01049	per Gallon

3-Inch Meter

First	30,000 Gallons	\$334.61	Minimum Bill
Over	30,000 Gallons	0.01049	per Gallon

4-Inch Meter

First	50,000 Gallons	\$544.02	Minimum Bill
Over	50,000 Gallons	0.01049	per Gallon

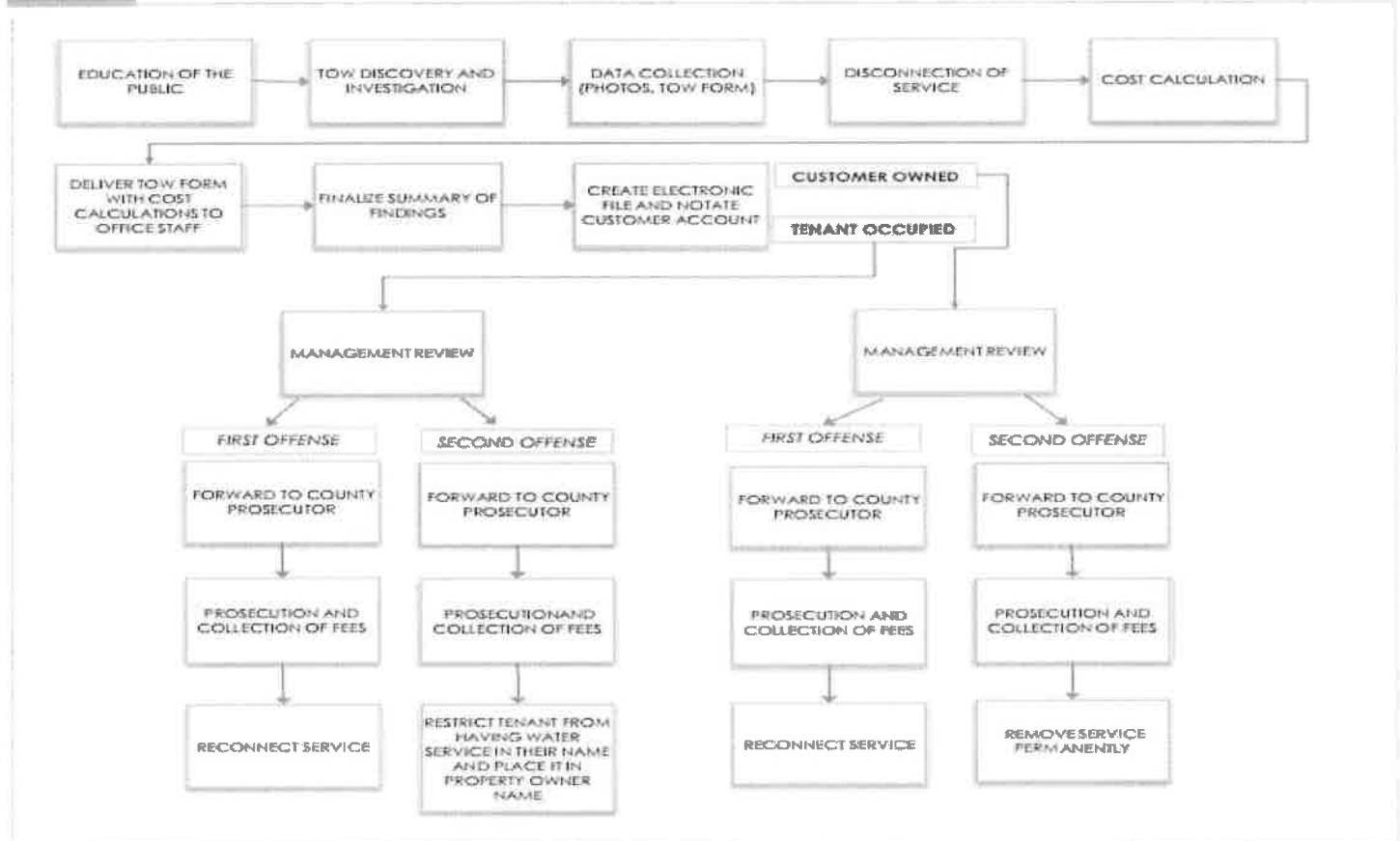
Nonrecurring Charges

Meter Disconnection Charge	\$20.00
Meter Re-read Charge	\$20.00
Meter Test Charge	\$53.00
Meter Turn-On Charge	\$20.00
Meter Turn-On Charge (After Hours)	\$55.00
Meter Reconnection Charge	\$20.00
Meter Reconnection Charge (After Hours)	\$55.00
Returned Check Charge	\$25.00
Service Call/Investigation	\$20.00
Service Call/Investigation (After Hours)	\$55.00

APPENDIX B

II. PROCEDURE

STEP	ACTIVITY
1	Educational flyers are distributed to the customer – See Attached Guide G MCW 07-20
2	Theft of water investigation is started during meter reading and completed once Verify, RRW, and TOW spreadsheet is issued – See attached MCW 07-01 and SS MCW 07-02
3	Documentation by Utility Workers (Site Photos, TOW form) – See Attached F MCW 07-02
4	Distribution Supervisor generates cost calculation on Summary of Findings Sheet – See Attached F MCW 07-02
5	Deliver information to Billing office – See Attached G MCW 07-19
6	Complete summary of findings, create electronic file, asses fees – See Attached G MCW 07-18
7	Email file to LM for review
8	DM approve findings
9	Forward to County Prosecutor
10	First offense, prosecution, and collection of fees. Second offense, prosecution and remove tap
FLOW	<u>FC MCW 07-02</u>



July 26th, 2022

TO: Martin County Water District
Board of Directors

INFORMATION & DECISION

FROM: Staff

RE: Customer Returned Checks

Staff is recommending the Board amend the previous District policy related to the number of returned checks each customer is permitted in the billing software.

At this time, customers are allowed two (2) returned checks on their account. After the second returned check, the payment must be paid by cash, money order or credit card.

If the Board agrees, staff is recommending that customers will be allowed three (3) returned checks before placing the account on a cash, money order or credit card hold.