



BRIAN CUMBO

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ADMITTED IN KY AND WV

August 22, 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 August 23, 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

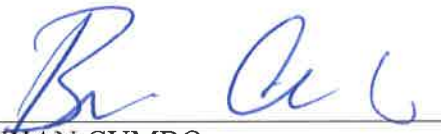
In the Matter of:

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 August 23, 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 22nd day of August, 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
Regular Meeting, Tuesday, August 23, 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
 - A. Review and Consideration to Approve MCWD Rules and Regulations for Service Policies
- 9) Other New Business
 - A. Review and Consideration to Approve the Cleaner Water Funding Documentations
- 10) Consider Motion to Convene into Closed Executive Session
- 11) Consider Motion to Close Executive Session
- 12) Introduction of Guest-Ten (10) Minute Minimum
- 13) 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
July 29, 2022, Meeting Minutes**

Presiding: James Kerr, Chairman

Present: Directors: Greg Crum, Nina McCoy

Staff: Brian Cumbo (Attorney), Craig Miller (GM), Jon Ridings, (LM),
Cassandra Moore

Guests:

The Special Meeting of the Martin County Water District was held on July 29, 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 June 28, 2022, Regular Board Meeting minutes. After further discussion and reviews of the June 28, 2022 minutes, Mr. Crum motioned to accept the June 28, 2022 minutes. Mrs. McCoy seconded. All ayes. Motion carried.

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

Mr. Kerr called for review and consideration to Approve Bills. Mrs. McCoy questioned the invoice amount on the list of bills for Alliance Water Resources. Mr. Miller advised that it was the Operations and Management fee plus the invoice for insurance. Board asked if staff could start presenting the Alliance Water Resources invoices every month with the monthly board packet. Staff agreed to include copies of each month's invoices into the monthly board packet for review. After review and no further discussion, Mr. Crum motioned to approve the list of bills as presented. Mrs. McCoy 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. Construction on the river intake and water plant projects are nearing completion. Besides generators, the project should be complete by the end of July. 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. A huge hydraulic issue on Coldwater has been rectified. There were three homes being fed by a ¾ inch service line and three homes being fed by a 1-inch service line. The 1-inch service line was over a half mile long and could not supply enough water. We had a contractor bore 4-inch 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. Staff has also put in a cluster of valves in that area to help with leaks and identifying problems should they occur.

Mr. Miller presented an update of the water loss report. Water loss was reported at **70.73%** for the month of June 2022.

Mr. Miller presented an update on the capital projects report. The upcoming federal money for AML has an estimation of **twelve (12) million** for the areas. In their budget is **five (5) million** this year for Martin County. Mr. Miller gave them a list of projects that staff has talked about and where we prioritize those projects. They have allotted the money for the next 10 years. Martin County is number one (1) on the list. Staff is going to try to get them to continue to budget **five (5) million** a year to Martin County for the next ten (10) years. This would allow a lot of line and PRV replacements. These projects will be in phases. For example, phase one (1) could be in 2023, phase two (2) in 2024, phase three (3) in 2025 and so forth. Even when we are granted the money this does not mean the projects start right away. Staff or the Board does not control the money. The government controls the money, and staff controls the permitting and holding entities accountable for the completion of projects.

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 the MCWD Rules and Regulations for Service Policies. After further review and discussion, the Board decided to table the decision and discussion until the next meeting. This will allow Board members not in attendance to read and review the policies. Staff is recommending the Board amend the previous District policy related to the number of returned checks each customer is permitted in the billing system. At this time, customers are allowed two (2) returned checks on their accounts. 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. After further review and discussion. Mr. Crum motioned to approve the allowance of three (3) returned checks per customer. Mrs. McCoy seconded. All ayes. Motion carried.

Executive session not required.

Mr. Kerr inquired if there were any other questions before motioning to adjourn. Mr. Cumbo pointed out to the Board that he had been reviewing the previous meeting minutes and noticed where it stated that **“The remaining funds will be used to replace 215 radio read meters.”** He suggested it be noted that the remaining funds will be used to **“install 215 radio read meters in place of old conventional meters.”**

Having no further items for discussion, Mr. Kerr requested a motion to adjourn. Mr. Crum motioned to adjourn the meeting. Mrs. McCoy seconded. All ayes. Motion carried. Meeting adjourned at 7:01 p.m.

Minutes approved this _____ day of _____, 2022.

James Kerr, Chairman

Cassandra Moore, District Clerk

Martin County Water District
Balance Sheet
July 31, 2022

7/31/22

ASSETS

CURRENT ASSETS

Checking Account - Operations	\$	46,772.93
Revenue Fund - EFT		42,594.86
Debt Service Surcharge Fund		11,089.61
Management Infrastructure Surcharge Fund		17,462.77
Security Deposits		93,529.50
Cash on Hand		900.00
Total Cash		212,349.67
Accounts Receivable		351,294.77
Allowance for Doubtful Accounts		(62,556.86)
Unbilled Accounts Receivable		92,562.00
Inventory		5,557.34
Prepaid Expenses		17,689.05
Total Current Assets		616,895.97

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	(18,176,009.61)
Net Property, Plant, & Equipment	17,408,040.56

RESTRICTED CASH

Grant Fund	63.07
Sinking Fund - RD	11,904.18
Regions Sinking Fund	47,654.24
KIA Sinking Fund	12,952.25
KACO Sinking Fund	4,369.56
Depreciation Fund	1,022.14
Cost of Issuance Fund 2022	2,098.00
Certificate Fund - 2022 Debt Svc	54,203.42
Revenue Fund - 2022	3,348.57
Accrued Interest Receivable	89.00
Total Restricted Cash	137,704.43

OTHER ASSETS

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

Total Assets	\$	18,297,599.96
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Martin County Water District
Balance Sheet
July 31, 2022

7/31/22

LIABILITIES AND DISTRICT'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	37,130.08
Sales Tax Payable		1,654.19
School Tax Payable		6,966.12
Long Term Debt-Current		57,992.86
Accrued Interest Payable		2,087.54
Customer Deposits		89,874.07
Total Current Liabilities		195,704.86

LONG-TERM DEBT

Note Payable - KIA	307,959.32
Lease Payable - KACO	41,221.96
Bonds Payable - 2015 E Current Refunding	1,645,000.00
Bonds Premium - 2015 E, Net of A/Amort	16,921.55
Bonds Payable - 2022 B	1,110,000.00
Bonds Premium - 2022 B, Net of A/Amort	5,927.58
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	4,630,435.55

Total Liabilities

4,826,140.41

DISTRICT'S EQUITY

Retained Earnings (Deficit)	13,507,653.18
YTD Net Income	(36,193.63)
Total District's Equity	13,471,459.55

Total Liabilities and District's Equity

\$ 18,297,599.96

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

July, 2022			YTD		Annual
Actual	Budget		Actual	Budget	Budget
		Operating Revenues			
\$ 191,632	\$ 168,104	Water Sales - Residential	\$ 1,225,638	\$ 1,176,728	\$ 2,017,245
28,230	26,330	Water Sales - Commercial	204,375	184,310	315,955
10,945	9,104	Water Sales - Public Authorities	72,281	63,728	109,247
-	4	Bulk Water Sales	30	28	50
2,000	2,201	Connection Fees - Tap	19,372	15,413	26,418
6,716	4,739	Late Charge Fees	40,644	33,179	56,874
1,390	3,054	Reconnect/Meter Sets/Other Fees	18,949	21,378	36,644
8,824	8,918	Debt Service Surcharge	61,710	62,426	107,015
15,836	16,078	Management Infrastructure Surcharge	110,726	112,546	192,936
31	-	Miscellaneous Income	136	-	-
265,604	238,532	Total Operating Revenues	1,753,862	1,669,736	2,862,384
		Operating Expenses			
-	21	Materials & Supplies	-	147	249
6,448	833	Water Purchased	55,262	5,831	10,000
168,507	168,507	Management & Operations Contract	1,179,549	1,179,549	2,022,084
34,426	26,667	Utilities	159,340	186,669	320,000
2,904	2,422	Insurance	20,328	16,960	29,070
1,000	833	Repairs & Maintenance	29,678	5,831	10,000
52	270	Outside Services	382	1,890	3,243
563	1,348	Legal Expenses	6,713	9,442	16,182
-	-	Accounting/Audit	7,950	7,500	7,500
4,583	4,583	Bad Debts	32,083	32,081	54,999
-	-	Bond Trustee Fees	450	675	675
227	277	Dues	1,587	1,945	3,330
319	279	Office Expense	1,344	1,953	3,344
796	-	Rent Expense	5,598	-	-
-	7,553	Taxes	-	7,553	7,553
-	808	Regulatory Assess Fees	-	5,656	9,692
-	2	Permits	-	14	23
146	-	KY 811 Services	803	-	-
15	226	Miscellaneous Expenses	378	1,582	2,708
3	-	Customer Deposit Interest Expense	37	-	-
219,988	214,629	Total Operating Expenses	1,501,480	1,465,278	2,500,652
45,615	23,903	Net Income B/4 Other Income (Expenses)	252,381	204,458	361,732
		Other Income (Expenses)			
-	-	Capital Contributions	267,896	-	-
134	-	Interest Income	374	-	-
(9,738)	(6,705)	Interest Expense	(55,973)	(46,935)	(80,458)
392	63	Amortization	1,550	441	753
(65,000)	(65,000)	Depreciation	(455,000)	(455,000)	(780,000)
-	-	Bond Issue Costs	(47,422)	-	-
(74,212)	(71,642)	Total Other Income (Expenses)	(288,575)	(501,494)	(859,705)
\$ (28,597)	\$ (47,739)	Net Income (Loss)	\$ (36,194)	\$ (297,036)	\$ (497,973)

**Martin County Water District
Inez, KY**

Treasury Report

Billing Charges For the Month of:		Jul-22	
Water Revenue		\$	191,632.22
Water Revenue-Commercial		\$	28,230.23
Water Revenue-Commercial Exempt		\$	6,765.19
Late Charges		\$	6,715.63
Sales Taxes		\$	1,654.19
Debt Service Surcharge		\$	8,823.68
School Tax		\$	6,796.03
Management Infrastructure Surcharge		\$	15,835.61
Returned Check		\$	1,128.88
Interest on Customer Deposits		\$	(2.86)
Connection Fees		\$	2,000.00
Other Miscellaneous Fees		\$	1,390.00
Deposits Applied		\$	(1,665.00)
Refund Checks Paid		\$	315.11
Total Billing Charges		\$	269,618.91
			<hr/>
Gallons Billed			13,381,110
			<hr/>
Customers Billed			3,410
			<hr/>
Accounts Receivable		Jul-22	
Beginning Balance			329,453.83
Billing Charges			269,618.91
Bad Debt (Write Offs) Recoveries			-
Accounts Receivable Collections			(254,074.97)
End of Month Accounts Receivable			344,997.77
			<hr/>
Operations Account			
Beginning Balance		\$	62,351.70
Deposits			
Accounts Receivable Collections			254,074.97
Accounts Receivable Collections - Pmts in EFT Revenue Account			(93,501.98)
Sewer Billing Collections in Water Bank Acct - Due to MCS			69,770.67
Customer Deposits Received			3,375.00
Transfers from Other District Accts			62,500.00
Prestonsburg Utilities			4,179.80
Total Deposits			300,398.46
Disbursements:			
Checks Written			(172,381.34)
Pmts made to Sanitation for A/R Collections			(68,783.01)
Transfers to Other District Accts			(44,970.13)
Auto Drafted Utilities			(27,922.54)
Sales and School Tax Payments			(1,757.20)
Returned Checks			(148.01)
Bank Fees			(15.00)
End of Month Balance		\$	46,772.93
			<hr/>
Cash Receipts Collected To Date in:	Aug-22		249,917.14
Bills Submitted for Payment in:	Aug-22		(242,015.35)
Available Balance			54,674.72

Martin County Water District
Inez, KY
Treasury Report
Summary of Cash & Investments
July 31, 2022

Bank Account	Beginning Balance	Deposits	Interest Earned, Net of Fees	Payments	Ending Balance
Operations Account	\$ 62,351.70	300,398.46	-	(315,977.23)	\$ 46,772.93
Revenue EFT Account	11,974.03	93,501.98	-	(62,881.15)	42,594.86
Debt Service Surcharge	1,516.68	9,572.80	0.13		11,089.61
Management Infrastructure Surcharge	1,000.25	16,462.33	0.19		17,462.77
Security Deposits	92,305.62	1,535.00	3.99	(315.11)	93,529.50
Cash on Hand	900.00	-	-	-	900.00
Total Unrestricted Cash	170,048.28	421,470.57	4.31	(379,173.49)	212,349.67
Restricted Cash					
ARC Grant	63.07	-	-	-	63.07
Rockhouse Project	11,342.83	10,800.00	-	(10,238.65)	11,904.18
Regions Bank-KY 2015E Martin County	68,795.47	10,238.65	52.00	(31,431.88)	47,654.24
KIA Bond & Interest	12,824.79	5,800.00	0.17	(5,672.71)	12,952.25
KY Assoc of Counties Leasing Trust	3,406.17	1,200.00	0.06	(236.67)	4,369.56
Depreciation Reserve	1,022.12	-	0.02	-	1,022.14
Cost of Issuance Fund 2022	2,098.00	-	-	-	2,098.00
Certificate Fund - 2022 Debt Svc	64,271.07	-	53.39	(10,121.04)	54,203.42
Revenue Fund - 2022	3,345.79	-	2.78	-	3,348.57
Total Restricted Cash	167,169.31	28,038.65	108.42	(57,700.95)	137,615.43
Total Cash & Investments	\$ 337,217.59	449,509.22	112.73	(436,874.44)	\$ 349,965.10

**Martin County Water District
Billing Summary**

Date	Billed		Gallons (000'S)	Billed # of Customers	Payments Received
	Revenue	YTD Total			
Jul-22	226,961	1,514,536	13,381	3,410	254,075
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

Martin County Water District

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

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
REVENUE													
Customer Count	3,571	3,561	3,562	3,543	3,530	3,506	3,495	3,429	3,384	3,400	3,408	3,409	3,410
Payments Received	\$231,387	\$218,646	\$232,135	\$255,238	\$226,606	\$243,733	\$214,062	\$229,472	\$235,719	\$326,456	\$228,491	\$255,445	\$254,075
EXPENSES													
Operations Account	\$239,068	\$231,079	\$256,851	\$244,621	\$254,388	\$259,322	\$237,297	\$228,365	\$259,432	\$232,110	\$256,400	\$234,220	\$242,015
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	\$256,868	\$248,879	\$274,651	\$262,421	\$272,188	\$277,122	\$255,097	\$246,165	\$277,232	\$249,910	\$274,200	\$252,020	\$259,815
NET INCOME													
Cash Basis	-\$25,481	-\$30,233	-\$42,516	-\$7,183	-\$45,582	-\$33,389	-\$41,035	-\$16,693	-\$41,513	\$76,546	-\$45,709	\$3,425	-\$5,740

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: \$10,000 payment made to Xylem from the Operations account not reported in the October 2021 column until the December 2021 financials.
- 7: \$10,000 payment made to Xylem from the Operations account in March 2022.
- 8: \$58,739 payment made to Xylem from the Operations account in May 2022.

Martin County Water District, Inez KY
List of Bills for Consideration
23-Aug-22

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Operations Account		
1 AEP	Electric (26 bills) Estimated	\$ 25,425.13
2 Big Sandy RECC	Electric (9 bills) Estimated	\$ 3,075.56
3 Paintsville Utilities	Electric for token (06/02/22 to 07/03/22) Estimated	\$ 27.96
4 Martin County Public Library	Rent (Sept)	\$ 796.12
5 Martin County Water District	Sanitation (July)	\$ 141.67
6 Sales tax	7/2022 (estimated)	\$ 1,757.20
7 School tax	7/2022 (estimated)	\$ 6,433.20
8 Alliance Water Resources	8/1/22-8/15/22 O&M services	\$ 86,956.92
9 Alliance Water Resources	8/16/22-8/3/22 O&M services	\$ 84,387.58
10 Alliance Water Resources	8/22 Suddenlink Reimbursement (estimated)	\$ 92.51
11 Alliance Water Resources	8/22 Suddenlink Reimbursement (estimated)	\$ 41.57
12 Management Inf. Surcharge	Estimated (actual collected will be paid)	\$ 16,462.33
13 Debt Service Surcharge	Estimated (actual collected will be paid)	\$ 9,172.80
14 Walker Communications	Phone maintenance (Aug)	\$ 89.00
15 Brian Cumbo	Legal Fees	\$ 562.50
16 Prestonsburg City's Utilities	Purchased Water	\$ 6,447.80
17 Kentucky Underground	811 Services (July)	\$ 145.50
TOTAL		\$ 242,015.35
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		\$ 259,815.35

Martin County Water District, Inez KY
List of Bills for Consideration
23-Aug-22

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Security Deposit Account		
Customer		
1 Aaron Patrick	Deposit refund due to customer	\$ 80.01
2 James & Clara Mineer	Deposit refund due to customer	\$ 189.99
3 Hannah Rider	Deposit refund due to customer	\$ 12.68
4 Taylor Howell	Deposit refund due to customer	\$ 72.50
5 Sarah Workman	Deposit refund due to customer	\$ 8.69
6 William Maynard	Deposit refund due to customer	\$ 33.62
7 Marlene Jude	Deposit refund due to customer	\$ 7.50
TOTAL		\$ 404.99

INVOICE



Invoice No. INV103925

Alliance Water Resources

Martin County Water District

206 South Keene Street
Columbia, MO 65201

**387 E. Main St.
Suite 140
Inez, KY 41224**

Document Date	Due Date	Payment Terms
August 1, 2022	August 16, 2022	Due in 15 Days

Description	Amount
Contract operations for 1st of month through the 15th	84,253.50
Package Insurance Policy Premium (Installment 8/10)	
Property	1,263.60
Contractor's Equipment	63.20
Business Auto Vehicles (7)	1,356.42
Business Auto Trailers (2)	20.20
Total \$	86,956.92

Home Page
<https://alliancewater.com/>

Phone No.
573-874-8080

Email
Info@alliancewater.com

INVOICE



Invoice No. INV103970

Alliance Water Resources

Martin County Water District

206 South Keene Street
Columbia, MO 65201

**387 E. Main St.
Suite 140
Inez, KY 41224**

Document Date	Due Date	Payment Terms
August 15, 2022	August 30, 2022	Due in 15 Days

Description	Amount
Contract operations for the 16th through end of month	84,253.50
Suddenlink Account #07702-104806-01-0 (7/25-8/24)	41.57
Suddenlink Account #07702-104803-01-6 (7/23-8/22)	92.51
Total \$	84,387.58

Home Page
<https://alliancewater.com/>

Phone No.
573-874-8080

Email
Info@alliancewater.com

Coverage	Basis of Premium		Composite Rate Per \$100 of Value or Rate Per Unit	Premium
Liability-GL & Pollution	Non Clerical Labor	-	-	\$ -
Excess Liability-Umbrella	Total Payroll	-	-	-
Property	Estimated Replacement Value	8,200,000	0.1541	12,636
Contractor's Equipment	Estimated Replacement Value	128,754	0.4909	632
Business Auto	Vehicle(s)	7		13,564.19
	Trailer(s)	2		202
Total Premium Payable to Alliance				\$ 27,034.19



MEMO TO: Martin County Water District Board
FROM: Ann Perkins, VP, Dir of Finance & Administration
DATE: August 31, 2020
SUBJECT: Martin County Water District Insurance

Here is a summary of the difference between purchasing insurance via AWR’s broker and the District purchasing insurance on their own.

Current District insurance lines and cost are as follows:

Coverage	AWR (Policy Period 1/1/20-1/1/21)	Agency (Policy Period 7/23/20-7/23/21)
1) Property	\$12,269	\$12,704
2) Inland Marine (Equipment)	\$2,272	\$2,272
3) Crime	AWR already pd	\$887
4) General Liability	AWR already pd	\$14,384
5) Public Officials & Mgmt Liab	No change – \$1,781	\$1,781
6) Auto	\$4,682	\$9,153
7) Excess Liab (Umbrella)	AWR already pd	\$4,531
TOTALS	\$21,004	\$45,712

The District will have to purchase/retain Public Officials & Management Liability (#5 above) on their own.

Crime, General Liability, and Excess Liability are coverages already included within the Alliance contract. Since the District has no employees effective 1/1/2020, crime (#3) and general liability (#4) were not necessary. Excess liability (#7) is necessary since the District has their own auto coverage.

If the District retains a different broker/agency from Alliance AND retains Property, Inland Marine, and Auto (#1, #2, & #6 above), the District will also have to purchase a separate umbrella policy to cover any excesses in loss for auto. Therefore, by purchasing coverage with the same broker as Alliance, the District also saves the purchase of this additional line of coverage.

In order for another agency to cost less than this proposed arrangement, it would have to show additional savings in excess of \$5,000 (current price of excess liability coverage).

This expense will be treated as a pass through by Alliance. There will be no overhead and no fee charged by Alliance for this expense.



Professional Water and Wastewater Operations

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

JULY 2022

Administrative

Staff is in the process of creating office desk manuals. The desk manual will include information and step-by-step processes that a particular staff member uses to get their specific jobs completed daily. This will allow the billing office to have a back-up employee, in the event someone on our staff becomes ill or leaves the organization.

Water Treatment

Conduit and wiring have been laid to facilitate generator installation later this year

Sandblasting and painting 75% complete on interior of Clarifier 1

Dealt with multiple power outages due downed trees near WTP

Installed new piping with blow-off valves to flowmeters on Clarifiers 2 & 3

Majority of painting completed inside valve vault for Clarifier 1

Adjusted treatment processes due to unprecedented raw water turbidity after July 28th heavy rains



Distribution:

The distribution crew found a repaired a 6in on Turkey that was losing 55gpm.

The distribution crew installed a new valve and a new PRV on Turkey. These are upgrades to the system that will benefit the system for years to come.

The distribution crew received flagger safety training, competent person training, excavation training, and training on their Dynasonic Flow Meter.

Safety

The monthly safety meeting topic was excavation and held on July 5th.

Training

Alliance held four days of safety training on flagging, excavation and confined space.



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Customer Service:

Staff had a customer bring cookies to the billing staff and distribution team. The customers wanted to thank the guys for all their hard work. Wanted everyone to know that all of their efforts and late nights have not gone unnoticed by some customers.

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



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Water Plant Operation

Water Pumped – JULY	
Total Water Production (gallons)	48,950,000
Total Water Metered/Billed (gallons)	10,240,000
Other Water Used (gallons)	815,000
Total Water Loss (gallons)	35,484,000
Portion of TWL due to Main Breaks (gallons)	
Average Daily Flow (Million Gallons per Day)	1,579,000
Maximum Daily Flow	1,737,000
Fluoride Used (lbs.)	379.9
Chlorine Used (lbs.)	2,215.2
Lab Tests	3,759

Water Quality Analysis

Test	Routine	Special	Repeat
Bacteriological	10 (Pass)	0 (Pass)	0
		Reported	Minimum Limit
Fluoride Plant Sample	31	0.73 mg/l Average	0.6 mg/l
Chlorine Distribution Sample	Total - 35 Free – 35	Low Readings Total - 0.30 mg/L Free – 0.23 mg/L	0.2 mg/l

Customer Service Request and Work Orders

Meter Reads	3369
Meter Sets	45
Turn offs-Close account	32
Taps	1
Meter Changes	27
Disconnects for Non-payment	0
Boil Notices	4
Line Locates	111
Water Leaks/Breaks	61
Other/Investigates	128

Water Main Breaks & Service Lines

Date	Location	Pipe Size/Type	Estimated Water Loss (gallons)
7-6-22	TURKEY HILL	1in Service	74,000
7-12-22	30 HALE AVE	3/4in Service	888,000
7-13-22	2960 AIRPORT RD	10in Main	555,000
7-13-22	140 ROCKCASTLE RD	3/4in Service	1,400,000
7-14-22	35 NEWBERRY LN	1in Service	158,000
7-14-22	30 ROCKCASTLE RD	METER	792,000
7-15-22	MILO LAKE	3/4in Service	381,000
7-17-22	11 Dick FANNIN LN	3/4in Service	229,000
7-19-22	4911 N MILO RD	6in Main	71,000
7-19-22	54 HANEY PL	3/4in Service	792,000

Martin County Water District

7-20-22	997 S MILO RD	6in Main	1,200,000
7-25-22	MOUTH OF CALLOWAY	Saddle	950,000
7-25-22	4056 N MILO RD	Saddle	763,000
7-25-22	29 PACK'S DR	Saddle	76,000
7-25-22	4416 N MILO RD	3/4in Service	76,000
7-25-22	4326 N MILO RD	3/4in Service	76,000
7-25-22	44 MAUDE RD	3/4in Service	534,000
7-27-22	8008 MEATHOUSE RD	3/4in Service	230,000
7-27-22	MOUTH OF DRY FORK	10in Main	1,900,000



Repair Expenses Ending June 2022

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Bldg. & Grounds Maintenance	\$367	\$7,000	5%
Vehicle Maintenance	\$10,681	\$25,000	43%
Water Plant Maintenance	\$2,806	\$15,000	19%
Distribution System Maintenance	\$71,166	\$90,000	79%
Water Meter Maintenance	\$36,427	\$10,000	364%
Street Maintenance	\$0	\$8,000	0%
Totals	\$121,446	\$155,000	78%

Chemical Expenses Ending June 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	\$3,580	\$8,000	45%
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. Fast Change Lube and Oil \$54.03
 - b. Advanced Auto Parts \$61.21
 - c. Comdata Corp \$0.98
 - d. Middlefork Service \$402.78
 - e. Fast Change Lube and Oil \$92.36
 - f. Advanced Auto Parts \$156.33

- 3) Water Plant Maintenance
 - a. \$0.00

- 4) Well Maintenance
 - a. \$0.00

- 5) Distribution System Maintenance
 - a. Warren Pump and Supply \$1,518.00
 - b. Lowe's \$111.99
 - c. Evan's Hardware \$75.77
 - d. Evan's Hardware \$27.85
 - e. Lowe's \$15.34
 - f. Evan's Hardware \$26.35
 - g. Wil-Mik \$40.02
 - h. Evan's Hardware \$6.87
 - i. Evan's Hardware \$192.87
 - j. R&J Building Supply \$24.36
 - k. Lowe's \$24.55
 - l. Evan's Hardware \$15.64
 - m. Lowe's \$7.55

- 6) Meter maintenance
 - a. \$0.00

- 7) Sodium Bisulfite
 - a. \$0.00

- 8) Sodium Hydroxide
 - a. \$0.00

- 9) Lime/Caustic Soda
 - a. \$0.00

- 10) Polymer
 - a. \$0.00

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- 11) Alum
 - a. \$0.00
- 12) Chlorine
 - a. \$0.00
- 13) Permanganate
 - a. \$0.00
- 14) Fluoride
 - a. \$0.00
- 15) Chemicals Other – Water
 - a. \$0.00

PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Martin County Water District

For the Month of: July Year: 2022

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED AND PURCHASED	
2	Water Produced	48,950
3	Water Purchased	1,618
4	TOTAL PRODUCED AND PURCHASED	50,568
5		
6	WATER SALES	
7	Residential	11,198
8	Commercial	2,183
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain)	
14	TOTAL WATER SALES	13,381
15		
16	OTHER WATER USED	
17	Utility and/or Water Treatment Plant	815
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain)	
22	TOTAL OTHER WATER USED	815
23		
24	WATER LOSS	
25	Tank Overflows	
26	Line Breaks	
27	Line Leaks	36,372
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	TOTAL WATER LOSS	36,372
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)	71.93%

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**

INDEX

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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 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 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: _____ Date Effective: _____

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 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 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 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: _____ Date Effective: _____

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 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 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 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: _____ Date Effective: _____

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 services.

Approved _____ Date Approved: _____ Date Effective: _____

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, waste discharge conditions, prohibitions, restrictions up to and including any special pretreatment requirements or facilities before accepting waste discharges.
- D. No substantial increases or additions to water use, water use equipment or appliances may be connected to the District water system by Commercial Customers except upon written notice to the District and with the written consent of the District.
- E. All applicants and customers may be subject to a security deposit prior to the initiation of service. Failure to pay security deposits may result in refusal or termination of service. Please see **Rule #5** for security deposit guidelines.
- 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 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: _____ Date Effective: _____

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 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 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 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 service until connections to District's water 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: _____ Date Effective: _____

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: _____ Date Effective: _____

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 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: _____ Date Effective: _____

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 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: _____ Date Effective: _____

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: _____ Date Effective: _____

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: _____ Date Effective: _____

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 for water service are due and payable at the office of the District by the 15th day after the date of issue. All accounts not paid in full, five (5) days after the due date shall be considered past due and an additional charge of ten (10) percent of the unpaid portion of the bill be made. All bills not paid on or before the past due date shall be deemed delinquent. Any said delinquent bill shall be disconnected five (5) days after the disconnect notice is mailed and the meter will be locked out 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 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 service disconnection without further notice and are subject to the charges outlined in section F. above.

Approved _____ Date Approved: _____ Date Effective: _____

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 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 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 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 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 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: _____ Date Effective: _____

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: _____ Date Effective: _____

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: _____ Date Effective: _____

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 system shall be required to be either water 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.

Approved _____ Date Approved: _____ Date Effective: _____

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: _____ Date Effective: _____

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: _____ Date Effective: _____

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, 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 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 service is the responsibility of the customer, user, owner, etc.
- C. Water 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 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: _____ Date Effective: _____

**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: _____ Date Effective: _____

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>

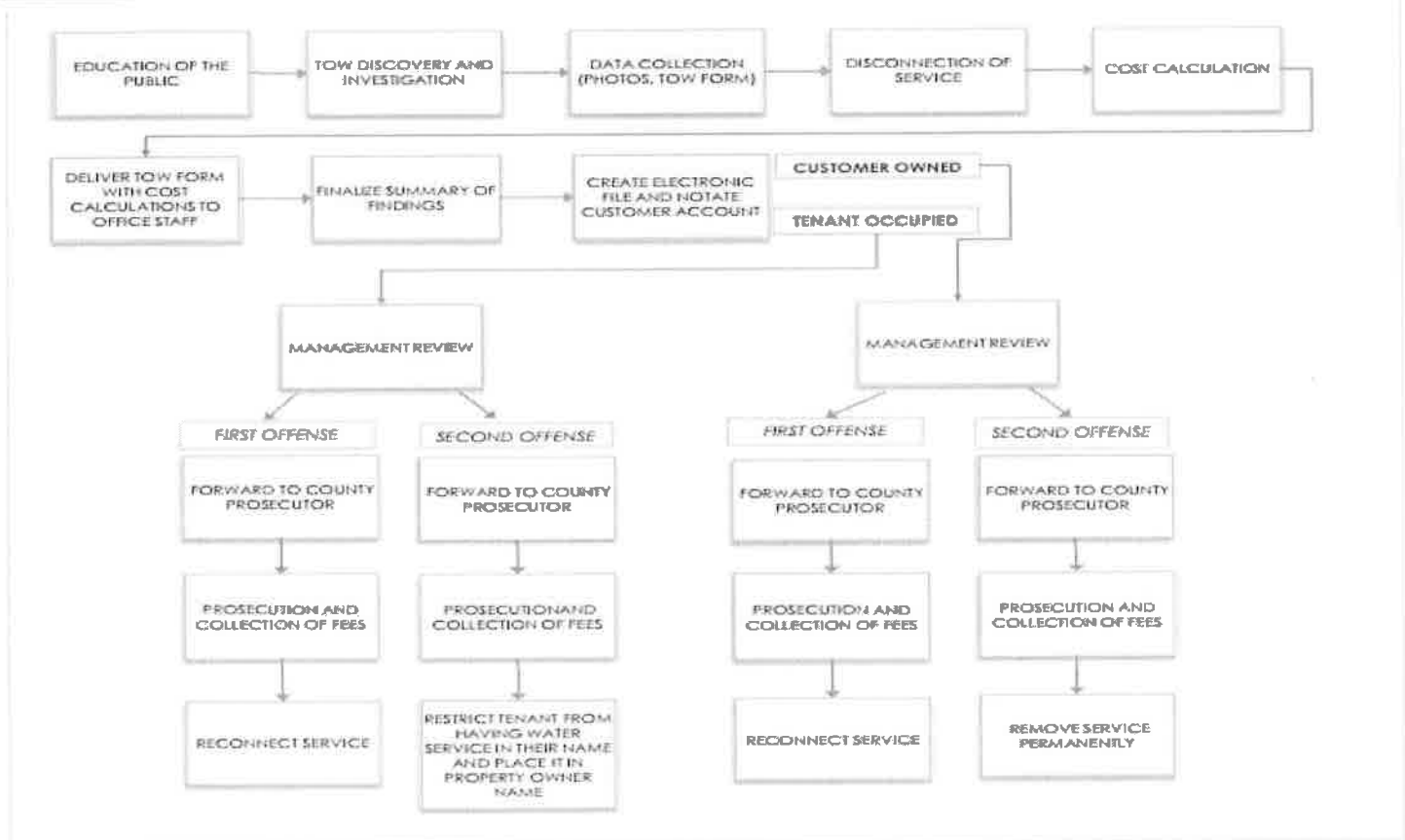


EXHIBIT 10

**CERTIFICATION REGARDING UTILITY ACCOUNTING , COST-BASED RATES
AND AUDITING**

I, the Authorized Official of the Martin County Water District (the "Grantee"), hereby certify that the Grantee agrees, as a condition of its Cleaner Water Program fund award, as follows:

- a) to establish and use a financial accounting system that accounts for the operations of water treatment and distribution separately from all other operations of the Grantee;
- b) to establish service rates based upon the cost of providing the service; and
- c) that the Authority may require an audit to be conducted of the Grantee's utility at least once every two (2) years.

Martin County Water District

Printed Name of Authorized Official

Signature of Authorized Official

Date

EXHIBIT 9

CLEAR SITE CERTIFICATE – CWP Grantee

I _____, the Authorized Official of the Martin County Water District, certifies that the Grantee has acquired all real property, including easements and rights-of-way, that are or will be required for construction, (erection, extension, modification, addition) operation and maintenance of the utility infrastructure project identified above.

I certify that the Grantee will not use Cleaner Water Program Funds for the purchase of real property (including easements) unless the purchase is from a willing seller.

I certify that, if another water or wastewater entity is served by the Project identified above, either the Grantee cited above or the entity to be served has acquired real property including easements and rights-of-way required for the proposed service.

I certify that the Title Attorney’s Certification given on the attached certificate covers all real property including easements and rights-of way required for construction, operation and maintenance of the Grantee’s project identified above.

I further certify that all real property, including easements required for the Grantee’s project identified above, was acquired in accordance with the requirements of the Surface Transportation and Uniform Relocation Assistance Act of 1987 as set forth in 49 CFR Part 24.

Dated ____ day of _____, 20____
this

Grantee’s Authorized Official

Title (Chairman, Mayor, Commissioner, Manager, Superintendent, etc.)

GRANT ASSISTANCE AGREEMENT

This Grant Assistance Agreement (the "Agreement") is made and entered into by and between the Kentucky Infrastructure Authority (the "Authority"), a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of Kentucky, and the Martin County Water District (the "Grantee"), acting herein through its Authorized Official, each a party to this Agreement, which shall be effective upon the date of signing by the Executive Director of the Authority,

W I T N E S S E T H:

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted legislature of Kentucky at its 1988 Regular Session, enacted House Bill 217 amending Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority, attached to the Governor's Office, is charged pursuant to Section 224A.300 of the Act with coordinating the funding and implementation of infrastructure projects and to this end maintains the Water Resource Information System (the "WRIS") a comprehensive database of community water and wastewater projects across Kentucky; and

WHEREAS, Senate Bill 36 of the 2021 Regular Session of the Kentucky General Assembly approved a \$250,000,000 allocation in Federal Funds for Fiscal Year 2021 from the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund to the Authority for the Drinking Water and Wastewater Grant Program, known as the Kentucky Cleaner Water Program (the "CWP"), a portion of which funds are the subject of this Agreement; and

WHEREAS, the Grantee now seeks to acquire and construct a project as described in the Grantee's Project Profile in the WRIS (the "Project") and the Authority has determined that the Project meets the guidelines of the Cleaner Water Program and the directives of the General Assembly; and

WHEREAS, the Grantee and the Authority desire to enter into this Agreement which sets forth their respective duties, rights, covenants, and obligations with respect to the acquisition and construction of the Project and the application of the proceeds of a grant from the Cleaner Water Program as administered by the Authority.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the grant hereby effected, and for other good and valuable consideration, the receipt, mutuality and sufficiency of which is hereby acknowledged by the parties hereto, the Authority and the Grantee each agree as follows:

SECTION 1 – DEFINITIONS

All terms utilized herein shall have the same definitions and meaning as ascribed to them in the Act, which Act is hereby incorporated in this Agreement by reference, the same as if set forth herein verbatim; provided, however, that those definitions utilized in the Act having general application are hereby modified in certain instances to apply specifically to the Grantee and its Project.

Act shall mean Chapter 224A of the Kentucky Revised Statutes, as amended (the “KRS”).

Agreement shall mean this Grant Assistance Agreement made and entered into by and between the Grantee and the Authority, as authorized by the Act, providing for a Grant to be made to the Grantee or its approved agent, subject to approval by the Authority.

Area Water Management Council shall mean the entity designated as the regional planning body for the respective counties within an Area Development District in Kentucky, which shall prepare and maintain an **Area Water Management Plan**, listing and prioritizing Project Profiles for water and wastewater projects within that region.

Engineer(s) shall mean the professional engineer or firm of professional engineers properly procured in accord with Chapter 45A of the KRS, as amended, by the Grantee in connection with the Project, as identified in the WRIS Cleaner Water Program Database.

Exhibit shall refer to a specific document, or to the completion of a process or procedure to be accomplished as a prerequisite to release of funds to the Grantee by the Authority.

Grant shall mean that portion of the Kentucky CWP funds made available to the Commonwealth by the American Recovery Program Act and allocated by the Kentucky General Assembly in its 2021 Regular Session, which shall be incrementally transferred under this Agreement from the Commonwealth to the Grantee through Grant Number 21CWW142 in the principal amount of \$411,148 for the purpose of defraying the costs incidental to the Project.

Grantee shall mean any unit of local government, or its designated agent, as approved by the Authority, or any special purpose governmental entity within the Commonwealth eligible for funds under the CWP in accordance with the Act, now having been or hereafter being granted the funds for the Project; and for the purposes of this Agreement shall mean the Grantee identified on the front page of this Agreement.

Project shall mean, when used generally, a water, wastewater or other infrastructure project authorized pursuant to the Act, and when used in specific reference to the Grantee’s Project funded by the Authority through the CWP, it shall refer to that

project as described in the Grantee's Project Profile in the WRIS, which has an 8 digit number following the designation WX or SX.

Project Administrator shall mean that individual designated in the Project Profile by that title, who has the capacity and responsibility of supervising the Project and coordinating the preparation of all related documentation on behalf of the Grantee with respect to the Project.

Project Budget shall mean a list of Project expenses and funding sources, in the form set forth in the current Project Profile as set forth in the WRIS.

Project Profile shall mean those specific details of the Project, presented by the Grantee to the respective Area Water Management Council for review and incorporation into the Area Water Management Plan and the WRIS.

System shall mean the utility system owned and operated by the Grantee or the agent of the Grantee, as approved by the Authority, to which the Project shall become a part, and any revenues generated by the Project, which are used to operate and maintain the utility system in the typical manner of a local public utility in Kentucky.

SECTION 2 - OBLIGATIONS OF THE AUTHORITY

The Authority covenants and agrees, conditioned upon the timely performance by the Grantee of its respective obligations, to undertake the following obligations:

- A. The Authority shall review and approve Project related documentation provided by the Grantee. Once the Project is under construction, the Authority shall review requests for payment submitted for payment of costs of the Project. Any deficiencies found in said requests will be reported immediately to the Grantee. If there are no deficiencies in said requests or deficiencies have been resolved satisfactorily by the Grantee, the Authority will approve the requests and disburse grant funds to the Grantee in an amount not to exceed, cumulatively, the approved grant amount for the Project.
- B. The Authority will communicate and cooperate with the Grantee to best assist the Grantee in meeting its obligations set out in this Agreement.

SECTION 3 - OBLIGATIONS OF THE GRANTEE

The Grantee covenants and agrees to undertake the following obligations:

- A. The Grantee shall complete and submit executed copies of all required Exhibits to the Authority, in accordance with the Conditional Commitment Letter instructions.

- B. The Grantee may consider utilizing the option for partial funding set out in Section 6, below. Over the course of the acquisition and construction of the Project, the Grantee shall provide such status reports as may be requested by the Authority, and once the Project is under construction submit periodic requests for payment to the Authority accompanied by copies of invoices for costs incurred in accordance with the Authority's standard draw-down request format.
- C. The Grantee shall perform and/or cause to be performed all necessary acts consistent with all federal and state labor and procurement laws in connection with the planning, design, acquisition and construction of the Project, including: the proper procurement of land, easements and rights of way; professional services, including but not limited to architectural and engineering services; construction contractor(s) services; and the acquisition of necessary equipment and/or materials.
- D. The Grantee shall obtain and keep on file all required permits, licenses and approvals from the appropriate federal, state, and/or local governmental agencies prior to starting construction of the Project.
- E. The Grantee shall comply with all applicable federal and state statutes, executive orders, regulatory requirements, and policies relating to the planning and construction of the Project.
- F. The Grantee shall cooperate fully with the Authority and provide any documentation requested by the Authority in order to facilitate completing the obligations set out in this Agreement.
- G. The Grantee will proceed expeditiously to complete the Project in accordance with the approved final engineering plans and specifications or amendments thereto, prepared by the Project Engineer for the Grantee, if required and as approved by the Authority and other state and federal agencies, as appropriate.
- H. The Grantee agrees that throughout the reasonable life of the infrastructure facilities developed under the Project it will retain ownership of, operate, and maintain these facilities, and all appurtenances thereto, keeping them in good and sound repair and good operating condition at its own expense so that the completed Project will continue to provide the services for which it was designed. Change of ownership or disposal of the Project facilities during their useful life may occur only with written approval of the Authority.
- I. If the Grantee is a local unit of government, city or county, and determines that it is in the best interest of its citizens, it may enter into a memorandum of agreement with a Kentucky corporation to serve as its agent for the implementation and long term operation and management of the Project, subject to the Agreement. The form and content of such a memorandum of agreement is subject to the prior approval of the Authority.

- J. General Compliance with all Duties. The Grantee shall faithfully and punctually perform all duties with reference to the System required by the American Rescue Plan Act of 2021, and by the terms and provisions of the Act, and this Assistance Agreement.
- K. Further Covenants under the American Rescue Plan Act of 2021. The Grantee shall comply with all further requirements or conditions which may arise from time to time in order to assure compliance with the American Rescue Plan Act of 2021, including but not limited to the following:
1. Records Retention. The Grantee shall provide to the Authority access to all records related to the Project for review in determining compliance with this Agreement and all applicable laws and regulations, including the American Rescue Plan Act of 2021/Coronavirus State Fiscal Recovery Fund. The Grantee shall retain all records, including all invoices, relating to the Project for five (5) years after full execution of the Certificate of Completion.
 2. Single Audit Requirements. Grantees that expend more than \$750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements. Grantees may also refer to the Office of Management and Budget (OMB) Compliance Supplements for audits of federal funds and related guidance and the Federal Audit Clearinghouse to see examples and single audit submissions.
 3. Civil Rights Compliance. The Grantee is required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the U.S. Department of the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.
- L. General. The Grantee shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Grantee under the provisions of the American Rescue Plan Act of 2021 and this Assistance Agreement in accordance with the terms of such provisions.

SECTION 4 - MUTUALITY OF OBLIGATIONS

- A. The parties agree that the funds granted by the Commonwealth to the Grantee are to be used solely for the purposes of the acquisition and construction of the Project. Further, the parties agree that the obligations imposed upon them are for their respective benefit and the timely fulfillment of the obligations set herein are necessary for the Project.
- B. Except as may otherwise be provided herein, the parties to this Agreement shall be solely responsible for any incidental costs incurred in fulfilling their respective obligations under this Agreement and neither party shall have any claim against the other party for reimbursement of incidental costs whether or not a party is in default.

SECTION 5 - TERMS OF AGREEMENT

- A. This Agreement shall be valid only after both parties have duly signed and provided the executed document to the other.
- B. This Agreement may be terminated by either party at any time for cause and may be terminated by either party without cause upon 30 days written notice to the other party. Termination of this Agreement shall not diminish or in any other manner affect any other remedy that may be available to the parties for any breach of the Agreement that occurs prior to the termination.
- C. If, after execution of this Agreement, additional financial assistance is found to be required for the acquisition and construction of the Project and the required additional assistance does or does not become available to the Grantee from any source, the Project may be modified so long as any change in scope and budget is mutually agreed to by the parties to this Agreement, and clearly documented in a revision of the Project Budget within the Project Profile.

SECTION 6 - ADVANCE FUNDING FOR PROJECT PLANNING AND DESIGN

- A. The Grantee may request, in writing, that a portion of the grant funds be disbursed prior to Project bidding to pay up to 50% of the budgeted engineering fee for Project planning and design to the Project Engineer to expedite submission of the Project plans and specifications for review by the Kentucky Division of Water. The balance of the budgeted engineering fee for project planning and design may be paid only after approval of the plans by the Kentucky Division of Water.
- B. It is specifically understood and agreed by the Grantee in the event that the Project has not been advertised for bids within twenty-four (24) months from the date of

signing of this Agreement, for whatever reason, any funds disbursed for Project planning and design are subject to full and immediate repayment by the Grantee to the Authority.

- C. No funds shall be released under this Section until the requirements of Exhibits 1 through 7 of this Agreement have been completed.

SECTION 7. - EVENTS OF DEFAULT AND REMEDIES.

Section 7.1. Events of Default Defined.

The following will be "Events of Default" under this Agreement and the term "Event of Default" or "Default" will mean, whenever it is used in this Agreement, any one or more of the following events:

- A. Any unauthorized or improper expenditure of funds by the Grantee, or expenditure of funds by the Grantee other than in accordance with the terms of this Agreement.
- B. Failure by the Grantee to observe or perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (A) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied will have been given to the Grantee by the Authority unless the Authority agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Authority will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Grantee within the applicable period and diligently pursued until such failure is corrected.
- C. The dissolution or liquidation of the Grantee, or the voluntary initiation by the Grantee of any proceeding under any federal or Kentucky law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Grantee of any such proceeding which remain undismissed for sixty (60) days, or the entry by the Grantee into an agreement of composition with creditors or the failure generally by the Grantee to pay its debts as they become due.
- D. A default by the Grantee under the provisions of any agreements relating to its debt obligations.

Section 7.2. Remedies on Default.

Whenever any Event of Default referred to in Section 7.1 has occurred and is continuing, the Authority may, without any further demand or notice, take one or any combination of the following remedial steps:

- A. Declare this Agreement void from the beginning without further obligation to the Grantee and may commence appropriate legal action to enforce its rights under this Agreement including action for recovery of funds expended hereunder.
- B. Terminate any remaining grant payments to the Grantee.
- C. Exercise all the rights and remedies of the Authority set forth in the Act.
- D. Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement.
- E. Submit a formal referral to the appropriate federal agency.

Section 7.3. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Authority is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given hereunder and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power and any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 7.4. Consent to Powers of Authority Under Act.

The Grantee hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges in respect of the Project upon the occurrence of an Event of Default, and the Grantee hereby covenants and agrees that if the Authority should in the future have recourse to said rights and powers, the Grantee shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Agreement.

Section 7.5. Waivers.

In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 7.6. Agreement to Pay Attorneys' Fees and Expenses.

In the event that either party hereto defaults under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the enforcement of

performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefor to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

SECTION 8 - MISCELLANEOUS PROVISIONS

- A. The Grantee may sign this Agreement electronically via a program subject to the approval by the Authority, or manually on a paper copy that is scanned to the portable document format (.pdf) and emailed to the Authority. Transmittal of all other correspondence or documentation, including the required Exhibits identified in the Attachment shall be scanned and attached as a file to email. The Authority and the Grantee, working through the Project Administrator, shall assist each other in securing and maintaining a complete, current Project document file for reference, records, and audit purposes.
- B. The headings set forth in this Agreement are for convenience and the terms contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.
- C. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successor and assigns, respectively, of the parties. Except for the limited use of a memorandum of agreement (as provided in Section 3 herein), this provision shall not be construed to permit an assignment by any party of any of its rights and duties under this Agreement which assignment shall be prohibited except with the prior written consent of the parties hereto.
- D. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and may be modified only by a written instrument duly executed by each of the parties hereto.
- E. Timely and accurate performance of all actions by the respective parties are mutually recognized by the parties of this Agreement to be of importance to the citizens of the Commonwealth generally, and particularly to those citizens directly affected by the Project.
- F. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.
- G. The Authority may audit or review all documentation and records of the Grantee relating to this Project pursuant to the provisions of Section 45A.150 of the KRS or any other applicable federal or state law.
- H. The Grantee agrees that the Authority, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other documentation or evidence, which are directly pertinent to this Agreement for the purpose of financial audit or program review.

Furthermore, any books, documents, papers records, or other evidence provided to the Commonwealth, the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission, which are directly pertinent to this Agreement, shall be subject to public disclosure regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1)(c) prior to the execution of this Agreement. The Secretary of the Finance and Administration Cabinet shall not restrict the public release of any information which would otherwise be subject to public release if a state government agency was providing the services.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officials as of the day and year above written.

**KENTUCKY INFRASTRUCTURE
AUTHORITY**

By: _____
Sandy Williams, Executive Director

Date: _____

MARTIN COUNTY WATER DISTRICT

By: _____
Authorized Official

**THIS AGREEMENT HAS BEEN EXAMINED
BY:**

By: _____
**LEGAL COUNSEL TO THE KENTUCKY
INFRASTRUCTURE AUTHORITY**

CWP GRANT CONDITIONS – COMPLIANCE FORMS & EXHIBITS

Note A: Exhibits 1 through 3 must be completed, scanned, and emailed to the Authority on or before the date the Grantee signs the Conditional Commitment Letter. The Conditional Commitment Letter may be signed electronically or manually, then scanned and emailed to the Authority.

- Exhibit 1 Notification to the Authority of completed Review / Update of Project Profile
- Exhibit 2 Confirmation of Grantee Vendor Number – via KY Finance Cabinet Application
- Exhibit 3 Copy of the Transparency Act Reporting Information Form

Note B: Upon receipt of the signed Conditional Commitment Letter and the Authority's verification of Exhibits 1-3, the Authority will forward to the Grantee the Grant Assistance Agreement. The Grantee should proceed to complete Exhibits 4 through 7, scan and send each Exhibit to the Authority by email; and then the Authorized Official may sign the Assistance Agreement, either electronically or by scanning and send attached to email.

- Exhibit 4 A) Grantee Resolution (Accepting Grant, Approving Agreement, Amending Budget, Designating an Authorized Official)
B) Certificate of Recording Officer
- Exhibit 5 Opinion of Legal Counsel Relating to the Grantee Resolution
- Exhibit 6 A) Copy of the Engineering Services Contract; and
B) Grantee & Engineer Fee Confirmation

Note C: The Grantee may request 50% of the engineering design fee (as budgeted in the Project Profile) at this point and may request the balance of the engineering design fee once Exhibit 8 has been sent to the Authority.

- Exhibit 7 Copy of the Kentucky eClearinghouse Endorsement Letter with Comments.
- Exhibit 8 Copy of the DOW Approval Letter of Project Engineering Plans & Specifications.
- Exhibit 9 Copy of the bid package signed by (A) Engineer, (B1) Authorized Official, and (B2) Title Attorney, as appropriate.
- Exhibit 10 Certification Regarding Utility Accounting, Cost-Based Rates and Auditing.
- Exhibit 11 Certificate of Project Completion.

RESOLUTION

RESOLUTION OF THE MARTIN COUNTY WATER DISTRICT ACCEPTING THE GRANT, APPROVING THE GRANT ASSISTENCE AGREEMENT, AUTHORIZING THE AMENDMENT OF THE MARTIN COUNTY WATER DISTRICT'S ANNUAL BUDGET, AND AUTHORIZING A REPRESENTATIVE TO SIGN ALL RELATED DOCUMENTS

WHEREAS, the Kentucky General Assembly has appropriated funds for infrastructure projects in Senate Bill 36 of the 2021 Regular Session of the Kentucky General Assembly for the Cleaner Water Program; and

WHEREAS, the Martin County Water District (the "Grantee") has previously determined that it is in the public interest to acquire and construct certain facilities and improvements to the Grantee's utility system (the "Project"); and

WHEREAS, the Grantee desires funding from the Kentucky Infrastructure Authority (the "Authority") for the purpose of acquisition and construction of the Project; and

WHEREAS, in order to obtain a grant from the Cleaner Water Program for the Project, and administered by the Authority, the Grantee is required to enter into an assistance agreement (the "Agreement") with the Authority.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Martin County Water District as follows:

SECTION 1. The Grantee hereby accepts the grant award and approves the Agreement between the Grantee and the Authority to provide the necessary funds to the Grantee for the Project.

SECTION 2. That James Don Kerr, Chairman is hereby designated to be the Grantee's "Authorized Official" for this Project and is hereby directed and empowered by the Grantee to execute the Agreement, related documents and agreements, and to otherwise act on behalf of the Grantee to effect such grant award.

SECTION 3. That the Grantee hereby agrees and commits to include, by amendment to its annual budget and audit process, the receipts and expenditures of funds subject to the Agreement up to and including the date of Project closeout.

SECTION 4. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on _____, 202__.

MARTIN COUNTY WATER DISTRICT

Authorized Signatory

CERTIFICATE OF RECORDING OFFICER

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary/Clerk of the Grantee, and that the foregoing is a full, true and correct copy of a Resolution adopted by the governing body of said Grantee at a meeting duly held on _____, 202____; and that this official action appears as a matter of public record in the official records or journal of the Grantee; and that said meeting was held in accordance with all applicable requirements of Kentucky law, including Sections 61.810, 61.815, 61.820 and 61.823 of the Kentucky Revised Statutes; and that a quorum was present at the meeting; and that this official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature, below, on _____, 202____.

Secretary/Clerk

OPINION OF LEGAL COUNSEL

RELATING TO GRANTEE RESOLUTION

(Content below to be placed on letterhead of Legal Counsel for Grantee)

(Date)

Kentucky Infrastructure Authority
100 Airport Road, Third Floor
Frankfort, Kentucky 40601

RE: Grant Assistance Agreement by and between Kentucky Infrastructure Authority and Grantee, dated as of _____, 202__.

Ms. Sandy Williams:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and serves as legal counsel to the Martin County Water District, hereinafter referred to as the "Grantee". I am familiar with the organizational structure and operations of the Grantee and the laws of the Commonwealth applicable thereto. Additionally, I am familiar with the utility infrastructure project (the "Project") for which the Grant Assistance Agreement (the "Agreement") between the Kentucky Infrastructure Authority (the "Authority") and the Grantee is being authorized, executed and delivered.

I have reviewed the form of Agreement by and between the Authority and the Grantee and the legislation of the governing body authorizing the execution and delivery of said Agreement.

Based upon my review I am of the opinion that:

- 1) The Grantee is a (unit of local government, or a special purpose governmental entity or a corporation) of the Commonwealth of Kentucky duly organized and validly existing under the Constitution and statutes of the Commonwealth of Kentucky.
- 2) The Agreement has been duly executed and delivered by the Grantee and is a valid and binding obligation of the Grantee, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency, or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.
- 3) The Grantee has all necessary power and authority (i) to enter into, perform and consummate all transactions contemplated by the Agreement, and (ii) to execute and deliver the documents and instruments to be executed and delivered by it in connection with the construction of the Project.

- 4) The execution and delivery of the Agreement and the performance by the Grantee of its obligations thereunder does not and will not conflict with, violate, or constitute a default under any court or administrative order, decree or ruling, or any law, statute, ordinance or regulation, or any agreement, indenture, mortgage, lease, note or other obligation or instrument, binding upon the Grantee, or any of its properties or assets.
- 5) To the best of my knowledge after due inquiry there is no action, suit, proceedings or investigation at law or in equity before any court, public board or body pending or threatened against, affecting or questioning (i) the valid existence of the Grantee, (ii) the right or title of the members and officers of Grantee to their respective positions, (iii) the authorization, execution, delivery or enforceability of the Agreement or the application of any monies or security therefore, (iv) the construction of the Project, or (v) that would have a material adverse impact on the ability of the Grantee to perform its obligations under the Agreement.
- 6) None of the proceedings or authority heretofore had or taken by the Grantee for the authorization, execution or delivery of the Agreement has or have been repealed, rescinded, or revoked.
- 7) All proceedings and actions of the Grantee with respect to which the Agreement is to be delivered were in place or taken at meetings properly convened and held in substantial compliance with the applicable provisions of Sections 61.805 to 61.850 of the Kentucky Revised Statutes.

Sincerely,

EXHIBIT 9

CLEAR SITE CERTIFICATE – Title Attorney

I, _____, an Attorney at Law, acting as Title Counsel to the Martin County Water District (the "Grantee"), the owner of the Project cited above, do hereby certify:

1. That I have investigated and ascertained the location of and am familiar with the legal description of the site or sites being provided by the Grantee for all elements of the Project identified above to be constructed (modified, extended, improved, altered) operated and maintained in and upon such site or sites.
2. That I have examined the deed records of the county or counties in which such Project is to be located, and in my opinion the Grantee has a legal and valid fee simple title or such other estate or interest in the site of the Project, including necessary easements and rights-of-way sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the Project.
3. That any deeds or documents required to be recorded in order to protect the title of the owner and the interest of the Grantee have been duly recorded and filed of record wherever necessary.
4. If applicable, that the title to real property for which the Kentucky Infrastructure Authority funded the cost has been encumbered in accordance with the requirements of State and local law to adequately protect the interest of the Kentucky Infrastructure Authority.
5. Remarks:

Dated this _____ day of _____, 20____.

Attorney at Law: _____

Address: _____

August 23rd, 2022

TO: Martin County Water District
Board of Directors

INFORMATION & DECISION

FROM: Staff

RE: Asphalt Repairs

Staff is requesting permission to have asphalt repairs completed. Staff has assembled a list of companies and quotes for the Board to review.

Quotes were requested from four different asphalt companies. Those companies are as follows:

1. Hinkle Asphalt – No bid
2. Mountain Enterprise – No bid (Jobs to small)
3. R&L Asphalt – \$21,700
4. Asphalt Contractors – \$52,833

If the Board agrees, staff recommends the repairs be completed by the lowest bidder and start as soon as feasible.