



BRIAN CUMBO

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ADMITTED IN KY AND WV

August 24, 2020

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

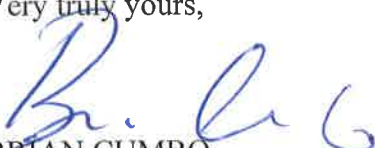
RE: Martin County Water District
PSC Case No. 2020-00154

To Whom It May Concern:

Enclosed please find Martin County Water District's Notice of Filing of the information packet for the August 25, 2020 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 25, 2020.



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

CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing was emailed on this the 24 day of August, 2020, to the following:

Public Service Commission
ATTN: Nancy Vinsel
P.O. Box 615
Frankfort, KY 40602
nancy.vinsel@ky.gov

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


BRIAN CUMBO

Martin County Water District
387 E. Main St.

Phone (606) 298-3885 Inez, Kentucky 41224

Special Meeting, Tuesday, August 24, 2020 – 6:00 p.m.

Martin County Government Center (2nd Floor)

Will Be Streamed on Facebook Live

- 1) Call the meeting to order

- 2) Review and Consideration to Approve Minutes

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

- 4) Review and Consideration to Approve Bills

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

- 6) Capital Projects Report
 - A. Project Updates

- 7) Other New Business
 - A. Memo about Brookshire Booster
 - B. Memo about Generator
 - C. Explanation of New Billing Software and Meter Reading

- 8) Q/A with Customers via Facebook

- 9) Adjourn

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

**Martin County Water District
Regular Meeting of the Board of Directors
July 28, 2020 Meeting Minutes**

Presiding: James Kerr, Chairman
Present: Directors: John Hensley, BJ Slone and Lee Mueller
Staff: Brian Cumbo (Attorney), Craig Miller (GM), James Ford, Katrina Sansom
Guests: Ann Perkins, Anthony Hayes, John Horn, Rachel Dove, Judge Bill Davis, Derrek Step, Nina McCoy, and Mickey McCoy.

The Regular Meeting of the Martin County Water District was held on July 28, 2020 at the Martin County Government Center in Inez, Kentucky 41224. James Kerr called the meeting to order at 6:00 PM.

James Kerr called for review of the minutes of the June 23, 2020 Regular Board Meeting. After review and discussion, John Hensley motioned to accept the minutes of the June 23, 2020 Regular Board Meeting, seconded by BJ Slone, all yea, motion carried.

Next, James Kerr called for review of the Financial Reports. Craig Miller presented the Treasurer's Report. After further discussion, John Hensley motioned to accept the Treasurer's Report as presented; BJ Slone seconded, all yea, motion carried. Other Financials were presented by Craig Miller, BJ Slone motioned to accept, John Hensley seconded, all yea, motion passed. Craig Miller gave an update on audit stating that they were on track. He also reported that the auditors were present at the board meeting.

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

James Kerr asked for any issues that may need discussed with the Board Attorney. Brian Cumbo, Board Attorney, discussed contract changes regarding insurance coverage changes and recommends the contract with AWR be ratified and sent to the PSC for approval.

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

Craig Miller gave an update on the meter audit and water loss report.

Craig Miller also gave an update on capital projects. He reported that Eric Ratliff is no longer with the Big Sandy ADD and Monica Sprigg will now be handling the projects.

James Kerr inquired if there was any other new business to discuss. A new lease with the Roy F. Collier Community Center for the billing office was presented to the board for review. BJ Slone made the motion to approve the lease provided by the Roy F. Collier Community Center for the next 3 years, beginning August 1st, 2020 to August 1st, 2023 and John Hensley seconded, all yea, motion carried.

In other new business, Staff requested approval to open and Operations bank account for Water at People's Bank to be able to transfer money online between Water and Sanitation accounts. Staff requests permission for Craig Miller and Katrina Sansom to have access for online transfers

between both water and sanitation accounts. Staff recommends that all board members be added as signers on the accounts so that the district can have access to multiple directors for check signatures. Staff also recommends closing the Water Operations bank account at Inez Deposit Bank. A motion to approve this request was made by John Hensley and seconded by Lee Mueller, all yea, motion carried.

James Kerr called for a motion to adjourn. BJ Slone motioned to adjourn the meeting, seconded by John Hensley, all yea, motion carried, meeting adjourned at 6:59 PM.

Minutes approved this _____ day of _____, 2020.

James Kerr, Chairman

Katrina Sansom, Clerk

**Martin County Water District
Inez, KY**

Treasury Report

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Billing Charges For the Month of:	Jul-20
Water Revenue	\$ 188,151.10
Water Revenue-Commercial	28,556.02
Water Revenue-Commercial Exempt	4,063.87
Late Charges	-
Sales Taxes	1,757.16
Debt Service Surcharge	9,031.85
School Tax	6,698.64
Management Infrastructure Surcharge	16,204.79
Returned Check	118.85
Connection Fees	1,600.00
Other Miscellaneous Fees	221.44
Deposits Applied	(810.00)
Refund Checks Paid	-
Total Billing Charges	<u><u>\$ 255,593.72</u></u>
Gallons Billed	<u><u>18,702,029</u></u>
Customers Billed	<u><u>3,463</u></u>
<hr/>	
Accounts Receivable	Jul-20
Beginning Balance	339,130.70
Billing Charges	255,593.72
Bad Debt (Write Offs) Recoveries	-
Accounts Receivable Collections	(207,447.92)
End of Month Accounts Receivable	<u><u>387,276.50</u></u>
<hr/>	
Operations, Revenue Fund and Revenue EFT Accounts	
Beginning Balance	\$ 14,395.19
Deposits	
Accounts Receivable Collections	207,447.92
Sewer Billing Collections in Water Bank Acct - Due to MCS	68,560.72
Connection Fees	1,600.00
Void of DSS Transfer fr 2019	916.54
Reversal KACO Jun Entries	789.60
Transfers fr Other Accts	246.24
Total Deposits	<u>279,561.02</u>
Disbursements:	
Checks Written	(174,148.35)
Transfers to Other District Accts	(17,239.13)
Auto Drafted Utilities	(3,165.52)
Returned Checks	(2,470.50)
Nextbillpay Fees	(87.18)
Bank Fees	-
End of Month Balance	<u><u>\$ 96,845.53</u></u>

**Martin County Water District
Inez, KY
Treasury Report
Summary of Cash & Investments
July 31, 2020**

Bank Account	Beginning Balance	Deposits	Interest Earned, Net of Fees	Payments	Ending Balance
Operations Account	\$ 2,668.85	284,641.98	-	(194,612.81)	\$ 92,698.02
Payroll Account	26.24	-	-	(26.24)	(0.00)
Revenue Fund Account	812.58	916.54	-	(1,729.12)	0.00
Revenue EFT Account	10,913.76	57,379.97	-	(64,146.22)	4,147.51
Cash on Hand	900.00	-	-	-	900.00
Total Unrestricted Cash	15,321.43	342,938.49	-	(260,514.39)	97,745.53
Restricted Cash					
Security Deposits	160,139.88	3,023.51	6.86	(346.60)	162,823.65
ARC Grant	89.30	10,000.00	-	(10,000.00)	89.30
Rockhouse Project	4,125.61	10,800.00	-	(10,648.65)	4,276.96
Regions Bank-KY 2015E Martin County	71,191.15	10,648.65	0.76	-	81,840.56
KIA Bond & Interest	10,003.06	5,800.00	0.06	(5,691.47)	10,111.65
KY Assoc of Counties Leasing Trust	1,830.37	-	0.01	(1,184.40)	645.98
Debt Service Surcharge	1,916.89	439.13	0.09	-	2,356.11
Management Infrastructure Surcharge	1,001.64	977.91	0.14	-	1,979.69
Depreciation Reserve	1,001.71	20.00	0.01	-	1,021.72
Total Restricted Cash	251,299.61	41,709.20	7.93	(27,871.12)	265,145.62
Total Cash & Investments	\$ 266,621.04	384,647.69	7.93	(288,385.51)	\$ 362,891.15

NOTE: Customer payments were previously deposited into various accounts. Effective mid-late July, customer payments started getting deposited into the Operations Account. Other unrestricted cash accounts were closed/zeroed on 7/31/2020. Balances were transferred into the Operations Account. Revenue EFT Account is being transitioned to re-direct deposits into Operations Account.

Martin County Water District
Statements of Revenues and Expenses
For the Seven Months Ending July 31, 2020
Actual vs Budget

<u>July</u>			<u>YTD</u>		<u>Annual Budget</u>
<u>Actual</u>	<u>Budget</u>		<u>Actual</u>	<u>Budget</u>	
		Operating Revenues			
\$188,151	\$148,829	Water Sales-Residential	\$1,087,419	\$1,041,802	\$1,785,946
28,556	32,082	Water Sales-Commercial	173,026	224,571	384,979
4,064	539	Water Sales-Public Authorities	53,406	3,771	6,464
0	12	Bulk Water Sales	35	82	140
1,600	0	Connection Fees - Tap	5,780	0	0
0	0	Late Charge Fees	13,416	0	0
221	9,215	Reconnect/Meter Sets/Other Fees	14,551	64,502	110,575
9,032	8,333	Debt Service Surcharge	62,100	58,333	100,000
16,205	15,844	Management Infrastructure Surcharge	111,837	110,909	190,129
0	0	Miscellaneous Income	3,925	0	0
247,829	214,854	Total Operating Revenues	1,525,495	1,503,970	2,578,233
		Operating Expenses			
0	0	Employee Benefits	21,367	0	0
0	4,167	Water Purchased	0	29,167	50,000
164,446	164,446	Management & Operations Contract	1,151,119	1,151,119	1,973,346
5,306	25,715	Utilities	134,589	180,007	308,584
3,413	3,958	Insurance	23,894	27,708	47,500
89	0	Repairs & Maintenance	1,402	0	0
0	417	Materials & Supplies	0	2,917	5,000
71	0	Outside Services	16,313	0	0
0	2,083	Legal Expenses	2,088	14,583	25,000
0	0	Audit	0	0	30,000
4,583	0	Bad Debts	32,083	0	0
0	0	Bond Trustee Fees	450	0	0
0	0	Dues	1,850	0	0
162	0	Office Expense	1,399	0	0
0	752	Rent Expense	4,535	5,262	9,020
5,558	417	Regulatory Assess Fees	8,203	2,917	5,000
0	0	Miscellaneous Expense	1,030	0	0
183,628	201,955	Total Operating Expenses	1,400,322	1,413,680	2,453,450
64,201	12,899	Net Income B/4 Other (Inc) & Exp	125,173	90,290	124,783
		Other Income (Expenses)			
10,000	334,125	Capital Contributions	63,345	2,338,875	4,009,500
7	0	Interest Income	346	0	0
(7,107)	(8,119)	Interest Expense	(50,153)	(56,836)	(97,433)
63	63	Amortization	439	439	753
(64,583)	(64,583)	Depreciation	(452,083)	(452,083)	(775,000)
(61,620)	261,486	Total Other Income (Expenses)	(438,106)	1,830,395	3,137,820
\$2,581	\$274,385	Net Income(Loss)	(\$312,933)	\$1,920,685	\$3,262,603

Items in yellow include
pre-2020 balances that have
not yet been adjusted/confirmed.

Martin County Water District
Balance Sheet
July 31, 2020

7/31/2020

ASSETS

CURRENT ASSETS

Checking Account - Operations	\$92,698.02
Revenue Fund-EFT	4,147.51
Cash on Hand	900.00
Total Cash	97,745.53
Accounts Receivable	520,701.94
Allowance for Doubtful Accts	1,453.73
Unbilled Accounts Receivable	90,632.07
Accounts Receivable-Other	52,954.62
Inventory	8,376.76
Prepaid Expenses	(9,488.36)
Total Current Assets	762,376.29

PROPERTY, PLANT & EQUIPMENT

Land	214,713.83
Water Supply & Distribution System	28,197,113.19
Buildings	500,263.89
Equipment & Furniture	5,629,715.77
Vehicles	344,794.47
Construction Work in Progress	63,345.00
Less: Accumulated Depreciation	(16,994,247.39)
Net Property, Plant & Equipment	17,955,698.76

RESTRICTED CASH

Security Deposits	162,823.65
Grant Fund	89.30
Sinking Fund - RD	4,276.96
Regions Sinking Fund	81,840.56
KIA Sinking Fund	10,111.65
KACO Sinking Fund	645.98
Debt Service Surcharge Fund	2,356.11
Management Infrastructure Surcharge Fund	1,979.69
Depreciation Fund	1,021.72
Accrued Interest Receivable	4.00
Total Restricted Cash	265,149.62

OTHER ASSETS

Deferred Outflows of Resources Related to Pensions	504,402.00
Total Other Assets	504,402.00

Total Assets	\$19,487,626.67
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Items in yellow include
pre-2020 balances that have
not yet been adjusted/confirmed.

Martin County Water District
Balance Sheet
July 31, 2020

7/31/2020

LIABILITIES AND DISTRICT'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$983,829.41
Sales Tax Payable	2,700.37
School Tax Payable	9,122.28
Accrued Wages Payable	88.92
Accrued Vacation	20,267.49
Accrued Payroll Taxes	12,307.80
Accrued Retirement	(44,569.09)
Accrued 401(k)	60.00
Accrued Health Insurance	2,649.17
Note Payable-Tommy's Auto Sales	1,000.00
Long Term Debt-Current	129,619.70
Accrued Interest Payable	35,094.96
Customer Deposits	154,010.53
Total Current Liabilities	<u>1,306,181.54</u>

LONG-TERM DEBT

Notes Payable - KIA	420,815.34
Lease Payable - KACO	71,221.96
Bonds Payable - 2015 E Current Refunding	1,765,000.00
Bonds Premium-2015E	22,363.00
A/Amort Bond Premium-2015E	(3,920.37)
Less: Current Portion of L-Term Debt	(129,619.70)
Net Pension Liability	1,072,039.00
Other Inflow Resources-Pension	220,865.00
Other Deferred Credits	46,453.94
Total Long-Term Debt	<u>3,485,218.17</u>

Total Liabilities

4,791,399.71

DISTRICT'S EQUITY

Contributed Capital-Grants	13,197,146.17
Contributed Capital-Government Grants	14,439,514.29
Contributed Capital	1,800,797.77
Retained Earnings	(14,428,299.96)
YTD Net Income	(312,931.31)
Total District's Equity	<u>14,696,226.96</u>

Total Liabilities and District's Equity

\$19,487,626.67

**Martin County Water District
Billing Summary**

Date	Billed		Gallons (000'S)	Billed # of Customers	Payments Received
	Revenue	YTD Total			
Jul-20	223,267	1,517,287	18,702	3,463	207,448
Jun-20	372,931	1,294,020	27,388	6,824	195,535
May-20	194,835	921,089	14,811	3,390	221,999
Apr-20	178,101	726,254	12,528	3,370	199,144
Mar-20	170,339	548,153	11,629	3,386	193,963
Feb-20	187,025	377,814	12,846	3,369	207,246
Jan-20	190,788	190,788	14,830	3,388	234,262
Dec-19	180,925	2,257,333	13,238	3,384	225,180
Nov-19	189,850	2,076,408	14,344	3,411	212,517
Oct-19	200,717	1,886,558	15,772	3,408	213,508
Sep-19	203,526	1,685,841	16,068	3,384	229,365
Aug-19	191,195	1,482,315	14,617	3,397	217,522
Jul-19	195,886	1,291,120	15,118	3,411	215,505

Notes:

- 1) June 2020 line above includes usage from 4/20/20-5/20/20 billed around 6/1/20 AND usage from 5/20/20-6/20/20 billed on 6/26/20 (mailed 6/30/20).
- 2) Billed revenue includes water charges billed to residential, commercial, and governmental entities.
- 3) Gallons reported represent billed revenue as stated in Note #2 and excludes sales to City of Presontonburg.
- 4) Payments received is total customer payments posted by the District's billing system (includes sales tax, school tax, and other fees). Pass through items are approximately \$7,000.

Martin County Water District

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

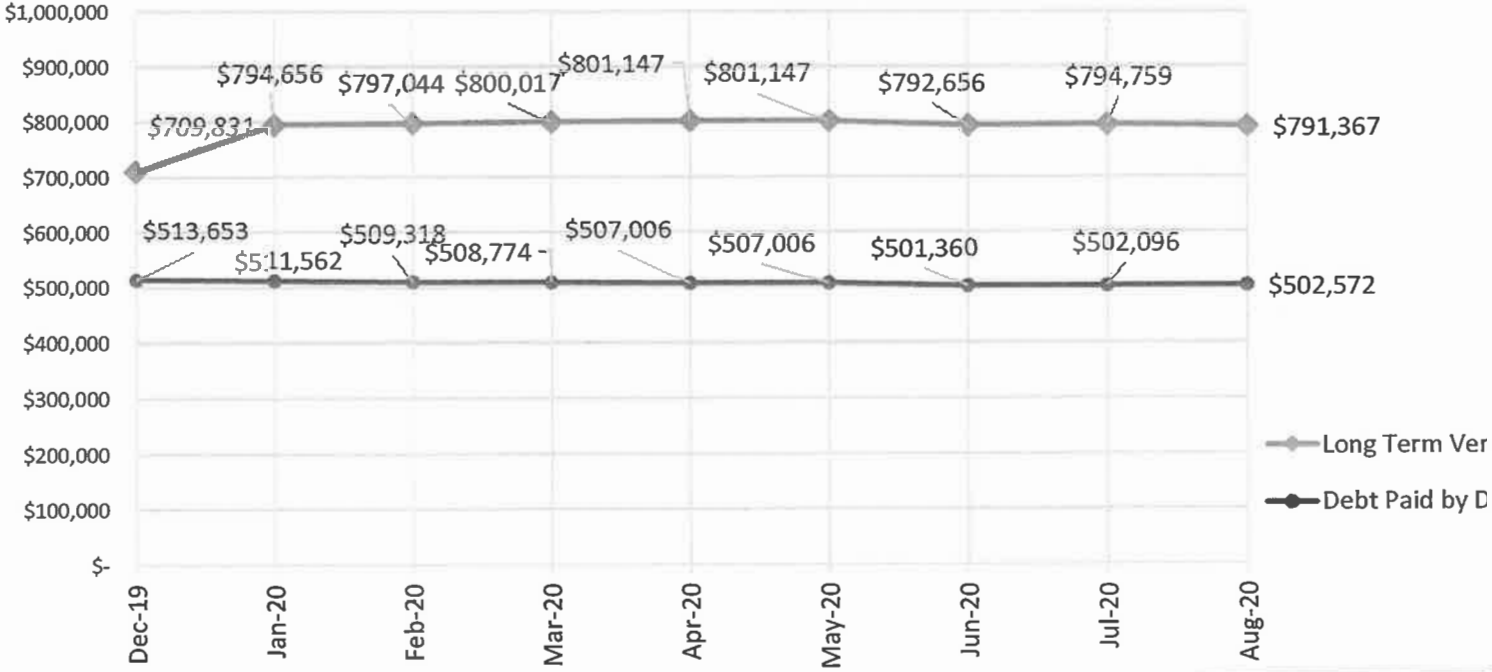
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
REVENUE												
Customer Count	3,388	3,369	3,386	3,370	3,390	3,424	3,463					
Payments Received	\$234,262	\$207,152	\$195,082	\$199,144	\$221,999	\$195,535	\$207,448					
EXPENSES												
Operations Account	\$286,613	\$249,774	\$223,121	\$223,319	\$221,129	\$227,410	\$236,598					
Transfers for debt serv funding	\$19,150	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800					
Payment Plans	\$6,625	\$6,500	\$6,500	\$5,500	\$0	\$0	\$0					
DSS EXP/ (FUNDING)	(\$8,978)	\$0	\$0	\$0	\$0	\$0	\$0					
MIS EXP / (FUNDING)												
Sub total	\$303,410	\$274,074	\$247,421	\$246,619	\$238,929	\$245,210	\$254,398					
NET INCOME												
Cash Basis	-\$69,148	-\$66,922	-\$52,339	-\$47,475	-\$16,930	-\$49,675	-\$46,950					

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 *Current balance= \$288,795 (Prestonburg City decreased)*
- 4: **Operations Account Includes** the estimated DSS and MIS transfers (See list of Bills in Board Packet)
- 5: **MIS EXP** estimated funds applied to AWR Invoice (An Operations Account Expense) estimated DSS and MIS transfers
- 6: MIS fund beginning balance January 2020-of \$12,244 applied to AWR fee in June
7. Balance of debt -paymmnets to be funded with unused DSS= **\$502,572**
- 8: **Based on the requirements there will be deposits and subsequent withdrawals in DSS/MIS accounts with a likely sum of zero monthly**

Martin County Water District

Outstanding Vendor Debt



1:48 PM
08/18/20

Martin County Water District
Vendor Balance Summary
As of July 31, 2020

	<u>Jul 31, 20</u>
All Pumps Sales & Services	8,411.90
Brian Cumbo	33,896.60
CI Thornburg	37,435.64
CI Thornburg-VFD#1	1,431.80
CI Thornburg-VFD#2	18,121.52
Evans Hardware	56,467.39
Evans Hardware #2	22,429.21
Fast Change	4,155.33
Linda F Sumpter, CPA	151,942.35
Prestonsburg City's Utilities	15,303.16
Service Pumps & Supply	21,282.99
Soles Electric	13,300.00
United Rentals	56,722.94
Xylem	93,739.10
Zip Zone Express	256,726.95
TOTAL	<u>791,366.88</u>

Martin County Water District, Inez KY
List of Bills for Consideration
25-Aug-20

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Operations Account		
1 AEP	Electric (25 bills) Estimated	\$ 15,242.76
2 Big Sandy RECC	Electric (9 bills) Estimated	\$ 2,181.15
3 Paintsville Utilities	Electric for token (7/8/20 to 8/8/20) Estimated	\$ 95.78
4 Roy F Collier Comm. Center	Rent (September)	\$ 773.51
5 IPFS	Insurance (September)	\$ 3,340.48
6 Martin County Sanitation	August Sewer	\$ 131.90
7 Sales tax	8/2020 (estimated)	\$ 1,756.70
8 School tax	6/8/2020 (estimated)	\$ 7,003.64
9 Alliance Water Resources	9/1-20-9/15/20 O&M services	\$ 82,222.75
10 Alliance Water Resources	9/16/20-9/30/20 O&M services (estimated)	\$ 82,222.75
11 Alliance Water Resources	8/20 Suddenlink Reimbursement (estimated)	\$ 74.14
12 Alliance Water Resources	8/20 Suddenlink Reimbursement (estimated)	\$ 34.95
13 Management Inf. Surcharge	Estimated (actual collected will be paid)	\$ 16,321.76
14 Debt Service Surcharge	Estimated (actual collected will be paid)	\$ 9,094.54
15 Walker Communications	Phone maintenance (September)	\$ 89.00
16 Tommy Maynard	Payment on truck	\$ 500.00
17 Cumbo Law Office	Legal Services (August)	\$ 1,400.00
TOTAL		\$ 222,485.81

The following invoices have already been paid via auto debit or to avoid service interruption(s) and/or late fees.

1 Public Entities of America	Down payment	\$ 10,771.35
2 Public Entities of America	August	\$ 3,340.48
TOTAL		\$ 14,111.83

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

\$ 254,397.64

Martin County Water District, Inez KY
List of Bills for Consideration
25-Aug-20

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
PAST DUE ACCOUNTS		7/31/2020
<u>(Based on cash availability)</u>		
1 CI Thornburg VFD # 1	VFD	\$ 1,431.80
2 CI Thornburg VFD # 2	VFD	\$ 18,121.52
3 Xylem	Pump rental	\$ 93,739.10
4 Soles Electric	Pump service	\$ 13,300.00
5 Service Pump & Supply	Pump service	\$ 21,282.99
6 All Pumps Sales & Services	Pump service	\$ 8,411.90
7 Cumbo Law Office	Legal service	\$ 33,896.60
8 Evans Hardware #2	Parts & supplies	\$ 22,429.21
9 Fast Change	Vehicle Maintenance	\$ 4,155.33
10 United Rentals	Pump Rental	\$ 56,722.94
11 Prestonsburg City's Utilities	Purchased water	\$ 15,303.16
TOTAL		\$ 288,794.55
 DSS Account		
<u>(Based on cash availability)</u>		
1 Evans Hardware	Parts & supplies	\$ 56,467.39
2 CI Thornburg	Parts & supplies	\$ 37,435.64
3 Linda Sumpter CPA	Accounting fees	\$ 151,942.35
4 Zip Zone	Fuel	\$ 256,726.95
TOTAL		\$ 502,572.33
 Total Past Due Accounts		 \$ 791,366.88

Martin County Water District, Inez KY
List of Bills for Consideration
25-Aug-20

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Security Deposit Account		
Customer		
1 Martin County Sanitation	Deposit error, should have been MCS Operation	\$ 1,225.00
2 Calvin Fletcher	Deposit refund due to customer	\$ 3.33
3 Willie Bob McCoy	Deposit refund due to customer	\$ 36.07
4 Harold Doresey Field	Deposit refund due to customer	\$ 6.25
5 Rebecca Jude	Deposit refund due to customer	\$ 6.66
6 Margaret Dillion	Deposit refund due to customer	\$ 68.27
TOTAL		\$ 1,345.58

**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 2020

Administrative

An office professional from another Alliance location spent a week in Inez helping staff with the new billing transition.

An employee has been solely designated to work with office staff to handle work orders and other customer related concerns.

Water Treatment

Leadership is looking into possible shift variations for water plant staff. The goal is to utilize operators effectively while reducing overtime.

Third quarter goals have been set to paint portions of the pipe gallery and to better organize the "map" room.

Distribution

Repaired, cleaned and adjusted the PRV at Eden West.

Worked with office staff to ensure all meters are properly sequenced for the meter reading routes and have the correct number of digits for the billing software.

Solved a difficult pressure situation in the Blacklog service area near the 40-east booster.

Two new employees have joined our distribution team.

Arrangements have been made to replace a pump and motor at the 292 booster station.



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Customer Service

A customer complimented staff on solving a pressure situation for the residents in their service area.

Project Updates

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

Safety

A surprise visit from the local manager on a weekend main break revealed all staff members wearing vests and hard hats. It is a positive sign when crew members incorporate industry safety standards even when “nobody is around.”

Regulatory

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

Training

Our newest water treatment operator has successfully obtained his level II operators license.

Water Plant Operation

Water Pumped	
Total Water Production (gallons) – JULY	54,433,000
Total Water Metered/Billed (gallons) – JULY	21,846,000
Other Water Used (gallons) – JULY	900,000
Total Water Loss (gallons) – JULY	31,687,000
Portion of TWL due to Main Breaks (gallons) – JULY	2,565,000
Average Daily Flow (Million Gallons per Day)-JULY	1.756 MGD
Maximum Daily Flow – JULY	1.857 MGD
Fluoride Used (lbs.) – JULY	513.9 LBS
Chlorine Used (lbs.) – JULY	2,017.7 LBS
Lab Tests – JULY	3,565 TESTS

Water Quality Analysis

Test	Routine	Special	Repeat
Bacteriological	12 (Pass)	9 (Pass)	0
		Reported	Minimum Limit
Fluoride Plant Sample	31	0.84 mg/l Average	0.6 mg/l
Chlorine Distribution Sample	37	Low Readings Total - 0.38 mg/L Free - 0.33 mg/L	0.2 mg/l

Customer Service Request and Work Orders

Meter Reads	3454
Meter Sets	2
Turn offs-Close account	17
Taps	3
Meter Changes	11
Disconnects for Non-payment	0
Boil Notices	0
Line Locates	1
Water Leaks/Breaks	16
Questions	30
Other/Investigates	2

Water Main Breaks

Date	Location	Pipe Size/Type	Estimated Water Loss (gallons)
7-6-20	7265 Beauty	¾" CTS	140,931
7-7-20	4888 Blacklog	Broken Gauge	35,233
7-7-20	62 Maude Rd	2" PVC	369,945
7-9-20	Rt 2032	1" PVC	37,370
7-9-20	298 Coldwater	¾" CTS	39,391
7-10-20	9098 Beauty	¾" CTS	39,391
7-10-20	510 Poplar Ford	¾" CTS	35,233
7-10-20	8203 Beauty	¾" CTS	775,122
7-13-20	55 Riverside	2" PVC	35,233
7-14-20	8241 New Rt 3	8" DI	48,245
7-14-20	40 Coleman Drive	¾" CTS	39,391
7-27-20	51 Osendott	¾" CTS	35,233
7-28-20	231 Mudford	1" CTS	37,370
7-30-20	190 Peter Cave	¾" CTS	485,811
7-30-20	8074 Hode Road	¾" CTS	373,700
7-30-20	101 Eden	¾" CTS	1,557



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Repair Expenses Ending June 2020

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Bldg. & Grounds Maintenance	\$3,361	\$7,000	48%
Vehicle Maintenance	\$9,001	\$20,000	45%
Water Plant Maintenance	\$8,598	\$0	0%
Well Maintenance	\$0.00	\$20,000	0%
Distribution System Maintenance	\$37,878	\$60,000	63%
Water Meter Maintenance	\$3,591	\$10,000	36%
Street Maintenance	\$799	\$8,000	10%
Totals	\$63,240	\$125,000	51%

Chemical Expenses Ending June 2020

Expended	Actual YTD	Annual Budget	% Budget / Line Item
Sodium Hydroxide	\$1,439	\$0	0%
Polymer	\$10,411	\$0	0%
Chlorine	\$7,496	\$25,000	30%
Permanganate	\$2,716	\$0	0%
Fluoride	\$1,474	\$0	0%
Chemicals Other - Water	\$28,205	\$85,000	33%
Totals	\$51,741	\$110,000	47%

Notes:

- 1) Building and Grounds Maintenance
 - a. \$1.41 – Evans Hard (credit)
 - b. \$953.50 – Conney Safety
 - c. \$25.41 – Evans Hardware
 - d. \$25.41 – Evans Hardware
 - e. \$143.55 – Evans Hardware
 - f. \$31.76 – Evans Hardware
 - g. \$1.91 – Evans Hardware
 - h. \$5.82 – Evans Hardware
 - i. \$51.92 – Evans Hardware
 - j. \$46.52 – Evans Hardware

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- 2) Vehicle Maintenance
 - a. \$68.89 – Fast Change
 - b. \$252.27 – Advanced Auto
 - c. \$19.07 – Advanced Auto
 - d. \$41.34 – Advanced Auto

 - e. \$64.41 – Advanced Auto Parts
 - f. \$50.86 – Advanced Auto
 - g. \$87.29 – Fast Change
 - h. \$140.00 – Jarrett Garage
 - i. \$117.00 – Jarrett Garage
 - j. \$23.31 – Advanced Auto
 - k. \$255.34 – Fast Change
 - l. \$167.47 – Fast Change
 - m. \$65.69 – Fast Change
 - n. \$73.09 – Advanced Auto
 - o. \$43.97 – Advanced Auto
 - p. \$14.83 – Advanced Auto
 - q. \$19.05 – Advanced Auto
 - r. \$40.55 – Sierra Two-Way
 - s. \$255.34 – Fast Change
 - t. \$167.47 – Fast Change
 - u. \$65.69 – Fast Change
 - v. \$128.16 – Fast Change
 - w. 133.00 – Jarrett Garage

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

- 4) Well Maintenance
 - a. \$0.00

- 5) Distribution System Maintenance
 - a. \$5.27 – Evans Hardware
 - b. \$92.09 – Consolidated Pipe
 - c. \$447.49 – Consolidated Pipe
 - d. \$20.11 – Evans Hardware
 - e. \$32.30 – Evans Hardware
 - f. \$1,151.58 – Consolidated Pipe
 - g. \$291.01 – Consolidated Pipe
 - h. \$28.24 – Consolidated Pipe
 - i. \$7.92 – Evans Hardware
 - j. \$29.61 – Evans Hardware
 - k. \$16.94 – Evans Hardware
 - l. \$2,243.87 – C.I. Thornburg

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- 6) Meter Maintenance
 - a. \$0.00

- 7) Street Maintenance
 - a. \$10.58 – Evans Hardware
 - b. \$317.74 – Evans Hardware
 - c. \$68.36 – Evans Hardware
 - d. \$402.79 – Evans Hardware

- 8) Sodium Hydroxide
 - a. \$0.00

- 9) Polymer
 - a. \$0.00

- 10) Chlorine
 - a. \$876.40 – C.I. Thornburg
 - b. \$940.00 – C.I. Thornburg
 - c. \$530.00 – C.I. Thornburg

- 11) Permanganate
 - a. \$0.00

- 12) Fluoride
 - a. \$0.00

- 13) Chemicals Other – Water
 - a. \$636.00 – C.I. Thornburg
 - b. \$4,192.94 – C.I. Thornburg
 - c. \$890.40 – C.I. Thornburg
 - d. 3,969.86 – C.I. Thornburg

INITIAL ROUND	23-Jan-20	CNL	NEG READS	RRW/WMN	TOW	TOTAL
Total	3398	193	313	145	6	651
		5.68%	9.21%	4.27%	0.18%	19.16%
JAN FINAL NUMBERS						
	3402	35	292	0	5	332
		1.03%	8.58%	0.00%	0.15%	9.76%
FEB FINAL NUMBERS						
	3403	25	17	49	4	95
		0.06%	0.50%	1.44%	0.03%	2.79%
MAR FINAL NUMBERS						
	3388	2	28	0	1	31
		0.06%	0.83%	0.00%	0.03%	0.91%
APR FINAL NUMBERS						
	3416	1	17	0	1	20
		0.03%	0.50%	0.00%	0.03%	0.59%
MAY FINAL NUMBERS						
	3411	2	17	0	5	24
		0.06%	0.50%	0.00%	0.15%	0.70%
JUN FINAL NUMBERS						
	3442	2	18	0	1	21
		0.06%	0.53%	0.00%	0.03%	0.61%
UPDATE PRIOR TO						
	20-Jul-20	MCW DIV 07 METER AUDIT NUMBERS				
BOOK #	TOTAL	CNL	NEG READS	RRW/WMN	TOW	TOTAL
1	60	0	1	0	1	2
2	287	1	2	0	1	4
3	63	0	1	0	0	1
4	262	0	1	0	2	3
5	175	1	1	0	1	3
6	407	0	3	0	1	4
7	419	0	3	0	0	3
8	503	0	5	0	9	14
9	75	1	3	0	0	4
10	232	0	0	0	0	0

11	70	1	0	0	0	1
12	71	0	1	0	0	1
13	105	1	1	0	0	2
14	232	0	2	0	0	2
15	100	0	2	0	0	2
16	160	0	1	0	0	1
17	77	0	0	0	0	0
18	156	0	0	0	0	0
19	0	0	0	0	0	0
20	0	0	0	0	0	0
Total	3454	5	27	0	15	47
		0.14%	0.50%	0.00%	0.43%	1.36%

DIFF	56	-188	-286	-145	9	-604
		5.54%	8.71%	4.27%	-0.26%	17.80%



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

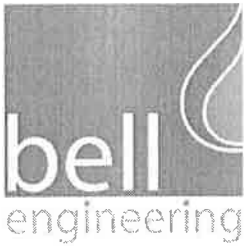
PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Martin County Water District

For the Month of: July Year: 2020

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED AND PURCHASED	
2	Water Produced	54,433
3	Water Purchased	
4	TOTAL PRODUCED AND PURCHASED	54,433
5		
6	WATER SALES	
7	Residential	15,938
8	Commercial	2,855
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	3,053
13	Other Sales (explain)	
14	TOTAL WATER SALES	21,846
15		
16	OTHER WATER USED	
17	Utility and/or Water Treatment Plant	839
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	61
21	Other Usage (explain)	
22	TOTAL OTHER WATER USED	900
23		
24	WATER LOSS	
25	Tank Overflows	
26	Line Breaks	2,565
27	Line Leaks	29,080
28	Excavation Damages	42
29	Theft	
30	Other Loss	
31	TOTAL WATER LOSS	31,687
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)	58.21%



MEETING MINUTES
ENGINEERING DESIGN - PROGRESS MTG #14
MARTIN COUNTY WATER DISTRICT
MARTIN COUNTY, KENTUCKY
July 8, 2020

LOCATION: Via ZOOM
TIME: 3:00 PM
Present: Ben Hale, Justin Adams, Samantha Adams, Eric Ratliff, Jim Cable, Nina McCoy, Craig Miller, Kimberly Carr, Lesli Stone Smith, Kelly Gillespie, Stephen Caudill

SUMMARY OF PROJECT FUNDING:

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

A. CONTRACT 113-19-01

RAW WATER INTAKE IMPROVEMENTS (PUMP PURCHASE ONLY)

1. AML provided clearance to advertise for bids on June 13, 2019.
2. Bids were opened at BSADD at 11:00 AM Wednesday July 3. Xylem Dewatering Solutions was the only bid received in the amount of \$470,286.07, compared to Bell's opinion of cost of \$500,000.00.
3. Bell made recommendation to award to BSADD and they along with MCWD agreed to accept the bid.
4. On July 29th, Bell received the AML Contractor/Subcontractor Information, Campaign Finance Law Compliance and Affidavit for Bidders Forms from Xylem. These were forwarded to AML.
5. On August 9th, AML advised Xylem had cleared the AVS check and the contract could be signed. Contract documents were forwarded to Xylem.
6. Contract documents were executed by both Xylem and the BSADD. A Notice to Proceed was issued to Xylem after the contracts were executed.
7. The 2 MG pump, 4 MG pump, 2MG variable speed drive, 4 MG variable speed drive and the river screen are complete.
8. MCWD is currently using the new 2 MG pump.

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

1. The WTP and RWI sites were surveyed.
2. Basins were documented for condition assessment.
3. The Preliminary Engineering Report for the project is complete and has been distributed.
4. The Phase I Environmental Site Assessment required by the Corps of Engineers is complete and has been submitted.
5. Vendor proposals for replacement equipment were requested and reviewed.
6. Plans and specifications have been developed.
7. Project mapping for NEPA purposes was submitted to AML on February 6th.
8. Project description and Opinion of Probable Construction Costs were submitted to AML on February 17th.
9. Project is currently undergoing AML and Corps of Engineers NEPA compliance review.
10. Project was submitted for DOW review on March 13, 2020. DOW Construction Permit issued on June 3, 2020.
11. Project was submitted for a COE 4345 Permit Application review on March 20, 2020. Permit was issued on June 8, 2020.
12. Project submitted to DOW for Permit to Construct Along or Across a Stream on April 14, 2020. The DOW requested a public notice be run in the Mountain Citizen newspaper. The notice ran on June 24th, July 1st and July 8th. The period for public comments or objections related to the project runs through July 29th.
13. Project was submitted to Corps of Engineers for Plan and Specification Review March 20, 2020. Corps provided review comments on April 28, 2020. Bell Currently responding to review comments. Final plans and specifications including all electrical and structural components of the project will be forwarded to the Corps of Engineers for final review during the week of July 13th.
14. AEP finalized its analysis of the RWI on June 8, 2020 and has agreed to provide an overhead platform structure with the necessary larger transformers. Craig Miller to have meeting with AEP to address brown-outs on the power supply.

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

1. Bell was able to locate several sets of As-Built Drawings of the water distribution system. Bell scanned copies of all plan sets and returned to MCWD with digital copies of plan sets for MCWD future use.

2. Bell and MCWD personnel have been in the field multiple times locating existing lines, surveying existing meters, valves and fire hydrants and determining routing of new water lines.
3. Location of all the features affecting alignment of the waterline has been completed including gas lines.
4. The Phase I Environmental Site Assessment required by the Corps of Engineers is complete and has been submitted.
5. Plans and specifications have been developed.
6. Project mapping for NEPA purposes was submitted to AML on February 10th.
7. Project description and Opinion of Probable Construction Costs were submitted to AML on February 17th.
8. Project is currently undergoing AML and Corps of Engineers NEPA compliance review. AML requested a GIS layer of the proposed construction activities associated with this contract. Bell has forwarded that information.
9. Project was submitted for DOW review on March 13, 2020. DOW Construction Permit was issued on April 27th.
10. Project submitted to Corps of Engineers Plan and Specification Review March 20, 2020. Corps provided review comments on April 28, 2020. Bell responded to comments and resubmitted plans/specifications on May 7, 2020. The Corps of Engineers has completed its review of the final plans / specifications including the opinion of probable cost and certified the package.
11. Project was submitted to KYTC on April 6 for review. KYTC Encroachment Permit was issued on May 13, 2020.
12. Submitted to DOW for Permit to Construct Along or Across a Stream April 14. Due to ruling by Federal Judge, Nationwide Permits are no longer applicable. The permit was issued on June 17, 2020.

D. WATER SYSTEM CAPITAL IMPROVEMENT PLAN / HYDRAULIC MODELING

1. Document is required by PSC
2. Bell has completed field review of RWI, WTP, Storage Tanks, Pumping Stations and PRV's.
3. Bell & UK met in Martin County on June 21, 2019 to coordinate collection of field data the week of July 8th. This effort is for calibration of the Hydraulic Model.
4. UK professors and 3 students traveled to Martin County on July 8th to begin effort of collecting field data (pressures and flows) at key points throughout the water distribution system. Bell had a team of four individuals that were to join the UK team on July 10th; however, MCWD had some major line breaks on July 9th and were unable to recover water supply during the week to allow flowing water from hydrants.

5. The effort to collect flow data was rescheduled for August 6th and 7th, however, on August 5th MCWD has a failure of a PRV which would not allow the flowing of the hydrants.
6. The collection of the field data was rescheduled and occurred on August 14th and 15th.
7. Field data has been reviewed. UK returned to the field in an effort to repeat two tests for the Hazen Williams coefficient that appeared suspect.
8. Money is in place to pay for the Hydraulic Model through AML 2017 Grant. OSM refused to allow for payment of the CIP through the 2018 Grant. The funds associated with that have been realigned toward additional waterline replacement.
9. UK delivered has delivered testing forms to Bell.
10. Development of the model is ongoing. PRVs, tanks, lines, etc. have been input.
11. Working with Alliance Resources to obtain usage and address information for each customer to effectively distribute demand throughout the system.
12. Model is undergoing calibration by field collected data.
13. Bell has been working with UK to coordinate modeling efforts.
14. A Zoom meeting was held between the Kentucky Division of Water, University of Kentucky and Bell on July 1st to discuss the modeling. A second Zoom meeting was held on July 7th between UK and Bell to further discuss items that are needed.
15. Data has been shared between UK and Bell.
16. A trip to obtain additional field data is tentatively being scheduled for mid-July.
17. An additional Zoom meeting between the DOW, UK and Bell is being scheduled for early August.
18. Model to be checked against field observations.

E. COE 531 AGREEMENT

1. Bell provided a Scope of Work to the COE on May 15, 2019.
2. Bell and COE agreed on an O&M cost of \$250,000.
3. COE asked for a PER with Alternative Analysis. Bell is modified the original PER to incorporate the COE funding. COE dollars will not be utilized for the 10-Yr CIP or RWI pump purchase. The requested Alternative Analysis was provided to COE on July 10, 2019.
4. The Project Partnering Agreement (PPA). This agreement was executed on September 13, 2019.
5. Funds from the COE are being utilized for the RWI, WTP and Line Improvements (Items B & C).

F. CONTRACT 113-19-04

ARC WATERLINE REPLACEMENT PROJECT

1. Bell received the signed contract on August 2nd.
2. Bell and MCWD personnel have been in the field multiple times locating existing lines, surveying existing meters, valves and fire hydrants and determining routing of new water lines.
3. Location of all features affecting alignment of the waterline has been completed including gas lines.
4. Plans and specifications have been developed.
5. Project was submitted for DOW review on March 27, 2020. DOW Construction Permit issued April 27th.
6. Project was submitted to KYTC on April 6, 2020 for review. KYTC Encroachment Permit was issued April 24.
7. Bids for the project were opened on May 29, 2020. Three bids were received for the project. The low bid in the amount of \$390,725.00 was submitted by Boco Enterprises, Inc.
8. A conversation was held with DLG representative on June 8, 2020 concerning using the remaining funds to continue laying additional mainline & service lines, along with, installing new meters in the Lovely area. DLG subsequently approved this request. An analysis of the project indicates that by using all funds approximately 23,435 LF of mainline, 67 meters/service lines and associated appurtenances can be replaced.
9. Bell and Boca are resolving remaining issues concerning contract time associated with the additional mainline. Contract can then be signed, the Contractor can obtain his performance/payment bonds, a preconstruction meeting can be held and project construction can begin on the work originally bid.
10. The additional mainline must be designed and approved by DOW prior to construction. A KYTC Encroachment Permit must also be obtained.
11. Bell Engineering has begun design of the additional mainline. Plan sheets have been cut and personnel will go to the field to begin line layout.

G. CONTRACT 695-19-01

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

1. Bell received the signed contract on August 14, 2019.
2. The project was advertised for bids on August 21st and was advertised a second time on September 11th.
3. Bids for the project were opened September 26th @ 5:00 p.m. at the offices of the Martin County Fiscal Court.
4. The low (and only) bid was submitted by Micro-Comm. The base bid submitted was in the amount of \$48,921.00 and included the installation of an electrically powered telemetry unit at the pumping station and a solar

powered unit at the tank site. A deductive alternate of \$5,400.00 was offered if the Fiscal Court ran electric to the tank site and Micro-Comm could also use an electrically powered unit at this location. Cost would then be \$43,521.00.

5. Bell provided a letter of recommendation to the Martin County Fiscal Court concerning the award of the project to Micro-Comm.
6. Martin County Fiscal Court has awarded the project to the low bidder.
7. Contract documents have been executed by both the Contractor and Fiscal Court. The executed documents were received from the Fiscal Court on Friday, February 28th. They were forwarded to the contractor along with the Notice to Proceed with construction on March 3, 2020.
8. Information from the Contractor concerning the FCC licensing process has been received.
9. The Contractor has submitted shop drawings of the equipment to be used as part of the project. Bell Engineering has reviewed the equipment for conformance with the contract requirements and returned to the Contractor.
10. Contractor fabrication and in-house testing of materials is complete. The Contractor has been in touch with Alliance Water Resources and will visit the sites later this week to ensure Contractor has all materials on hand to complete the installation. Installation will then begin and should be complete in a few weeks.

H. WASTEWATER TREATMENT PLANT/COLLECTION SYSTEM REVIEW

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

5. Bell Engineering was selected to provide engineering services for the project at the last MCUD meeting. A contract is being prepared for review and signature.
6. The project budget will be adjusted to include administrative fees for the BSADD prior to any applications for project funding being submitted.
7. A meeting was held with a representative of the Economic Development Administration (EDA) to discuss the project.
8. A conference call was held on July 7th to discuss the plant and its needs. Since Alliance Water Resources has been operating the Inez Wastewater Treatment Plant for several months, the scope of work originally outlined for the facility is being reviewed to determine if modifications should be made.

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

1. Project budget was revised and sent to AML on September 19, 2019.
2. The Memorandum of Agreement between AML and BSADD was signed by BSADD on September 25th. The MOA was signed by AML on October 1, 2019.
3. A contract for engineering services has been executed by the Big Sandy Area Development District.
4. Bell and MCWD personnel went to the field to review potential tank and pump station sites.
5. The Preliminary Engineering Report for the project is complete and has been distributed.
6. Plans have been prepared for the 250,000-gallon water storage tank.
7. Bell, Alliance and MCWD are coordinating with the mineral lease holder and the surface owner concerning location of the proposed tank and pump station. BSADD, Bell and Alliance representatives met with the property owner on January 30, 2020.
8. On March 3rd, the property owner advised most of the property is permitted with only a phase one bond release.
9. Bell and Alliance met on-site with the property owner on May 5th and permission to move forward was granted.
10. The site was surveyed on May 27, 2020 and topographic mapping has been developed.
11. Geotechnical drilling of the site was originally scheduled for June 23rd. This was placed on hold.
12. Inez Power contacted local representatives during the week of June 15 and advised they were preparing to bring a facility on-line that will have significant water demands (up to 150,000 gallons per day / 4.5 million gallons per month). There is insufficient water pressure at the site to provide the service this entity has requested. Possible relocation of the proposed tank is

being evaluated, along with, a short-term solution of installing an inline pump to provide sufficient pressure to the site.

J. CONTRACT 113-20-01

WATER LINE RELOCATION WILLIS DIALS/DAN'S BRANCH ROAD

1. Met on-site with Bizzack Construction, Alliance Water Resources and representatives of other utilities on May 28, 2020.
2. Plans and specifications have been prepared.
3. At the request of Bizzack Construction, the project has been forwarded to a utility contractor (Akins Excavation) for pricing.
4. Pricing and plans have been forwarded to Bizzack Construction for approval by KYTC.
5. Project is ready for submittal to DOW for approval and will be submitted when directed to do so by Bizzack Construction.

K. CONTRACT 113-20-02 and 113-20-03

WATER LINE RELOCATION HUNTER'S LANE AND ROCKHOUSE CREEK

1. Met on-site with Bizzack construction, Alliance Water Resources and representatives of other utilities on May 28, 2020.
2. A scope of work for these projects is being developed.
3. Projects are currently scheduled by KYTC and Bizzack Construction for Summer 2021.

L. ABANDONED MINE LANDS ECONOMIC AND COMMUNITY DEVELOPMENT PILOT PROGRAM

1. AML has opened the application period for 2020 grants. Applications are due by the close of business on August 1, 2020.

Progress Meeting #15 will be held August 12, 2020 at 11:00 AM.

Memo

To: Martin County Water District
Board of Directors

From: Alliance Water Resources (AWR)

CC: R&J Development Company

RE: Booster Station at Brookview Heights Apartment Complex

A representative of R&J Development Company has expressed an interest to Alliance Water Resources staff to transfer ownership of a booster station supplying water to the Brookview Heights apartment complex to the Martin County Water District. AWR recommends that the following items be addressed and corrected before said transfer is considered.

1. The service line exiting the building must be identified and corrected.
2. Water damage on the roof must be addressed.
3. Water damage throughout the inside of the building must be corrected.
4. The cause of a thin layer of mud on the floor must be discovered and corrected.
5. All electrical connections must meet code with the State of Kentucky's construction standards.
6. Ensure the heater is in good working order.

Memo

To: Martin County Water District

Board of Directors

From: AWR Martin County Staff

CC: Craig Miller

RE: Disabled Generator

On Monday, August 3, 2020, AWR staff met with Boyd Caterpillar in Pikesville, Kentucky. During the visit, information regarding a trailer mounted generator, owned by the Martin County Water District, was conveyed to AWR staff.

The estimate of repairing the generator portion of the unit is \$10,000. The condition of the diesel motor that powers it is unknown. Total repair costs could exceed \$20,000 or \$30,000. Boyd Caterpillar is recommending that the MCWD part ways with the generator, and offered a potential liaison for the moving the unit. If the unit is going to be trailered, four new tires will be required. Otherwise, the unit will have to be loaded onto some form of hauler.

In terms of value, it is somewhat difficult to say. The unit will have to be weighed to determine value, less the cost of removal. Kenneth Combs, recommended by Boyd Cat, is awaiting word from AWR staff to begin the process of pricing the unit through weight. A significant financial windfall is not expected from this endeavor.

It is the opinion of AWR staff that we should follow the recommendation of Boyd Cat, and work with Kenneth Combs to begin the process of parting ways with the generator.



August 11, 2020

Dear customers of Martin County Water District:

As you are aware, Martin County District has recently converted to a new billing software system, Incode.

During the transition, the District discovered a dating discrepancy on the customer's current bills, due 8/20/20. The correct service dates for the billing are 6/20/20 to 7/20/20. This was an Incode internal issue, and it has been corrected.

While we have confidence in the accuracy of our meter reading, if for some reason you feel that your billed amount is inaccurate, please do not hesitate to contact our office and we will investigate each case individually.

In the future, the bills will have the accurate dates.

We apologize for the confusion. As always, if you have an individual issue please contact the office so we can address that as timely as possible.

Sincerely,

Craig Miller
Division Manager
Alliance Water Resources
Martin County Water District



August 12, 2020

Dear customers of Martin County Water District:

As you are aware, Martin County Water District has recently converted to a new billing software system, Incode. This software upgrade was essential to the District to gain a wide range of reporting and billing capabilities, as well as greater accuracy.

The former software, Bill Xpress, calculated only the FIRST FOUR DIGITS of a water meter. With Incode, we are calculating EVERY DIGIT of the meter with exception of anything beyond the ones' place on meters with a decimal point, and the "fixed" or "painted" zeros on traditional meters.

For example, a meter that reads 0123456.70 is recorded into the meter reading entry as 12345. The last whole number, which in this example is **6**, along with the **.70**, is dropped from the entry. This is removing the ones' place on the reading. During the bill calculation process, Incode is set to use a multiplier of 10. This puts the ones place back onto the meter reading, thus, billing in an even number. This same application is used for a meter that has a fixed zero. The fixed zero is removed from the entry.

Using the example above, if the prior reading was 122456.70, and the new meter reading was 123456.70 Incode would calculate the difference between the previous reading and the current (or present) reading. $12345 - 12245 = 100$. Once Incode multiplies by 10, this meter reading entry would accurately calculate the bill at 1,000 gallons.

On a standard analog meter, if the previous meter reading showed 123450 and the new meter reading was 125660 the reading would be entered into the system like this; $12566 - 12345 = 221$. Using a multiplier of 10, $221 \times 10 = 2210$ gallons of water used.

While we have confidence in the accuracy of our meter reading, we can make mistakes. If for some reason you feel that your billed amount is inaccurate, please do not hesitate to contact our office and we will investigate each case individually.

Sincerely,

Craig Miller
Division Manager
Alliance Water Resources
Martin County Water District