

## BRIAN CUMBO

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ADMITTED IN KY AND WV

September 23, 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 September 27, 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:

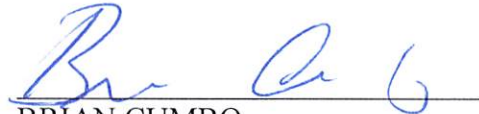
ELECTRONIC MARTIN COUNTY WATER )  
DISTRICT MANAGEMENT AND OPERATION )  
MONITORING PURSUANT TO KRS 278.250 )

CASE NO. 2020-00154

**NOTICE OF FILING**

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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 September 27, 2022.



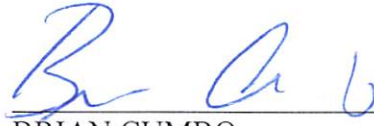
BRIAN CUMBO  
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WATER DISTRICT  
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**CERTIFICATE OF SERVICE**

This will certify that a true and correct copy of the foregoing was served via electronic filing on this the 23rd day of September, 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, September 27, 2022 – 6:00 p.m.**  
**Martin County Government Center (2<sup>nd</sup> 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
  - C. 3<sup>RD</sup> Quarter Compliance Report
- 7) Capital Projects Report
  - A. Project Updates
- 8) Other Old Business
- 9) Other New Business
  - A. Removal/Addition of Signing Members on MCWD Bank Accounts
- 10) Consider Motion to Convene into Closed Executive Session
- 11) Consider Motion to Close Executive Session
- 12) Introduction of Guest- Five (5) Minute Maximum
- 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  
Regular Meeting of the Board of Directors  
August 23, 2022, Meeting Minutes**

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

The Regular Meeting of the Martin County Water District was held on August 23, 2022, at the Martin County Government Center, at 42 East Main St (2<sup>nd</sup> Floor), Inez, Kentucky 41224. Mr. Kerr called the meeting to order at 6:00 p.m.

Mr. Kerr called for review of the July 29, 2022, Special Board Meeting minutes. After further review and discussion, of the July 29, 2022 minutes, Mr. Slone motioned to accept the July 29, 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, Mr. Slone motioned to approve the Treasurer's report submitted. Mr. Hensley seconded. All ayes. Motion carried. Other Financials were presented by Mr. Miller. After further discussion, Mrs. McCoy motioned to approve, Mr. Hensley seconded. All ayes. Motion carried.

Mr. Kerr called for review and consideration to Approve Bills. After review and no further discussion, Mr. Slone motioned to approve the list of bills as presented. Mr. Hensley 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. To date, the sandblasting and painting of all three clarifiers have been completed. Clarifier 1 will have to be painted a second time. When they tested the thickness of the paint, it did not pass the specs needed. When it was painted, they sprayed the clarifier instead of rolling it on. They will be doing another coat on it with a roller. They have also sandblasted and painted the railing on one and it looks a lot nicer. Clarifier 1 is getting really close to being operational now. The distribution crew found and repaired a 6-inch line on Turkey.

Mr. Miller presented an update of the water loss report. Water loss was reported at **71.93%** for the month of July 2022.

Mr. Miller presented an update on the capital projects report. AML has been given a list of projects needed for the projected 5 million allotted to Martin County Water District. Specific areas being 40 east, meters, and old Route 3. Staff is still working with Bell on the finalization of the Lovely line replacement project. There is around **\$85,000** left and

staff would like to that see that be utilized with installing scada at the 292 booster stations and tank. The generator is scheduled to ship October 20<sup>th</sup>, and the transfer switch in January 2023 for the plant. They have dug the generator conduit for the plant. Currently there is no updates for the cart needed at Raw Water. Staff will update as soon as they can with any information. We still have a loaner pump at Raw from Xylem. Staff and Board has agreed to not pay anything for our pump to Xylem, until it is installed and working properly. Mr. Miller, Mr. Cumbo, and Mr. Kerr will discuss the best, next steps to take. They will discuss and then come back to the Board with any information or questions.

Mr. Kerr inquired if there was any Other Old Business to discuss. Staff presented the Board with the MCWD Rules and Regulations for Service Policies. After further review and discussion, Mr. Hensley motioned to approve the MCWD Rules and Regulations for Service Policies. Mrs. McCoy seconded. All ayes. Motion carried.

Mr. Kerr inquired if there was any Other New Business to discuss. Staff presented the Board with the Cleaner Water Funding Documentations. Staff is requesting the Board approve Mr. Kerr to sign all Cleaner Water Funding Documentations. After further review and discussion, Me. Slone approved Mr. Kerr to sign all the Cleaner Water Funding Documentations. Mr. Hensley seconded. All ayes. Motion carried. Staff is requesting permission to have asphalt repairs completed. Staff assembled a list of companies and quotes for the Board to review. Quotes were requested from four different asphalt companies. The companies were Hinkle Asphalt, Mountain Enterprise, R&L Asphalt, and Asphalt Contractors. Hinkle's Asphalt returned no bid, Mountain Enterprise returned no bid (jobs were too small), R&L Asphalt with a bid of **\$21,700** and Asphalt Contractors with a bid of **\$52,833**. If the Board agrees, staff recommends the repairs be completed by the lowest bidder and start as soon as feasible. After further review and discussion, Mr. Slone approved the asphalt bid from R&L Asphalt for **\$21,700** to be paid out of the Operations account and started as soon as feasible. Mr. Hensley seconded. All ayes. Motion carried.

Executive session not required.

Mr. Kerr inquired if there were any other questions before motioning to adjourn. Tena Jarrell presented to Board with an invoice for frost-free line that she added to her land because the Distribution staff told her she needed it. Staff misunderstood the instructions and told Ms. Jarrell she needed it in two places, when she only needed it in one. Ms. Jarrell said she would like for the Board to remove the extra line and be reimbursed since she didn't need it. After further review and discussion, the Board agreed to have staff go to Ms. Jarrell's residence and remove the unnecessary frost-free and reimburse Ms. Jarrell for the line. Mr. Hensley motioned the removal and reimbursement. Mrs. McCoy seconded. All ayes. Motion carried.

Having no further items for discussion, Mr. Kerr requested a motion to adjourn. Mr. Hensley motioned to adjourn the meeting. Mr. Slone seconded. All ayes. Motion carried. Meeting adjourned at 6:38 p.m.

Minutes approved this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
James Kerr, Chairman

\_\_\_\_\_  
Cassandra Moore, District Clerk

**Martin County Water District**  
**Balance Sheet**  
**August 31, 2022**

<b>8/31/22</b>
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**ASSETS**

**CURRENT ASSETS**

Checking Account - Operations	\$	76,101.39
Revenue Fund - EFT		17,541.35
Debt Service Surcharge Fund		18,966.77
Management Infrastructure Surcharge Fund		31,599.41
Security Deposits		95,918.61
Cash on Hand		900.00
<b>Total Cash</b>		<b>241,027.53</b>
Accounts Receivable		335,289.81
Allowance for Doubtful Accounts		(67,379.11)
Unbilled Accounts Receivable		92,562.00
Inventory		5,557.34
Prepaid Expenses		16,261.61
<b>Total Current Assets</b>		<b>623,319.18</b>

**PROPERTY, PLANT, & EQUIPMENT**

Land		214,713.83
Water Supply & Distribution System		28,233,207.65
Buildings		500,263.89
Equipment & Furniture		6,382,256.38
Vehicles		138,773.45
Construction Work in Progress		138,144.97
Less: Accumulated Depreciation		(18,241,009.61)
<b>Net Property, Plant, &amp; Equipment</b>		<b>17,366,350.56</b>

**RESTRICTED CASH**

Grant Fund		63.07
Sinking Fund - RD		12,465.53
Regions Sinking Fund		57,976.98
KIA Sinking Fund		13,080.53
KACO Sinking Fund		5,332.97
Depreciation Fund		1,022.16
Cost of Issuance Fund 2022		2,098.00
Certificate Fund - 2022 Debt Svc		54,280.53
Revenue Fund - 2022		3,352.67
Accrued Interest Receivable		144.00
<b>Total Restricted Cash</b>		<b>149,816.44</b>

**OTHER ASSETS**

Deferred Outflows of Resources Related to Pensions		134,959.00
<b>Total Other Assets</b>		<b>134,959.00</b>

**Total Assets**

**\$ 18,274,445.18**



**Martin County Water District**  
**Balance Sheet**  
**August 31, 2022**

<b>8/31/22</b>
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**LIABILITIES AND DISTRICT'S EQUITY**

**CURRENT LIABILITIES**

Accounts Payable	\$	70,630.44
Sales Tax Payable		1,681.50
School Tax Payable		6,202.90
Long Term Debt-Current		57,992.86
Accrued Interest Payable		10,570.14
Customer Deposits		90,344.07
<b>Total Current Liabilities</b>		<b><u>237,421.91</u></b>

**LONG-TERM DEBT**

Note Payable - KIA		303,108.63
Lease Payable - KACO		41,221.96
Bonds Payable - 2015 E Current Refunding		1,645,000.00
Bonds Premium - 2015 E, Net of A/Amort		16,858.63
Bonds Payable - 2022 B		1,110,000.00
Bonds Premium - 2022 B, Net of A/Amort		5,598.27
Less Current Portion of L-Term Debt		(57,992.86)
Net Pension Liability		1,080,845.00
Other Inflow Resources - Pension		480,553.00
<b>Total Long-Term Debt</b>		<b><u>4,625,192.63</u></b>

**Total Liabilities**

**4,862,614.54**

**DISTRICT'S EQUITY**

Retained Earnings (Deficit)		13,507,653.18
YTD Net Income		(95,822.54)
<b>Total District's Equity</b>		<b><u>13,411,830.64</u></b>

**Total Liabilities and District's Equity**

**\$ 18,274,445.18**

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

<u>August, 2022</u>			<u>YTD</u>		<u>Annual Budget</u>
<u>Actual</u>	<u>Budget</u>		<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
		<b>Operating Revenues</b>			
\$ 173,290	\$ 168,104	Water Sales - Residential	\$ 1,398,927	\$ 1,344,832	\$ 2,017,245
28,399	26,329	Water Sales - Commercial	232,774	210,639	315,955
6,711	9,104	Water Sales - Public Authorities	78,992	72,832	109,247
-	4	Bulk Water Sales	30	32	50
2,000	2,201	Connection Fees - Tap	21,372	17,614	26,418
6,925	4,739	Late Charge Fees	47,569	37,918	56,874
2,285	3,054	Reconnect/Meter Sets/Other Fees	21,234	24,432	36,644
8,824	8,918	Debt Service Surcharge	70,535	71,344	107,015
15,853	16,078	Management Infrastructure Surcharge	126,579	128,624	192,936
-	-	Miscellaneous Income	136	-	-
<b>244,286</b>	<b>238,531</b>	<b>Total Operating Revenues</b>	<b>1,998,147</b>	<b>1,908,267</b>	<b>2,862,384</b>
		<b>Operating Expenses</b>			
-	21	Materials & Supplies	-	168	249
3,633	833	Water Purchased	58,895	6,664	10,000
168,507	168,507	Management & Operations Contract	1,348,056	1,348,056	2,022,084
33,243	26,667	Utilities	192,583	213,336	320,000
2,904	2,422	Insurance	23,232	19,382	29,070
9,148	833	Repairs & Maintenance	38,827	6,664	10,000
51	270	Outside Services	433	2,160	3,243
438	1,348	Legal Expenses	7,150	10,790	16,182
-	-	Accounting/Audit	7,950	7,500	7,500
4,583	4,583	Bad Debts	36,666	36,664	54,999
-	-	Bond Trustee Fees	450	675	675
227	277	Dues	1,813	2,222	3,330
159	279	Office Expense	1,504	2,232	3,344
796	-	Rent Expense	6,394	-	-
-	-	Taxes	-	7,553	7,553
-	808	Regulatory Assess Fees	-	6,464	9,692
-	2	Permits	-	16	23
105	-	KY 811 Services	908	-	-
15	226	Miscellaneous Expenses	393	1,808	2,708
2	-	Customer Deposit Interest Expense	39	-	-
<b>223,812</b>	<b>207,076</b>	<b>Total Operating Expenses</b>	<b>1,725,292</b>	<b>1,672,354</b>	<b>2,500,652</b>
<b>20,474</b>	<b>31,455</b>	<b>Net Income B/4 Other Income (Expenses)</b>	<b>272,855</b>	<b>235,913</b>	<b>361,732</b>
		<b>Other Income (Expenses)</b>			
(6,237)	-	Capital Contributions	261,659	-	-
225	-	Interest Income	600	-	-
(9,483)	(6,705)	Interest Expense	(65,457)	(53,640)	(80,458)
392	63	Amortization	1,942	504	753
(65,000)	(65,000)	Depreciation	(520,000)	(520,000)	(780,000)
-	-	Bond Issue Costs	(47,422)	-	-
<b>(80,103)</b>	<b>(71,642)</b>	<b>Total Other Income (Expenses)</b>	<b>(368,677)</b>	<b>(573,136)</b>	<b>(859,705)</b>
<b>\$ (59,629)</b>	<b>\$ (40,187)</b>	<b>Net Income (Loss)</b>	<b>\$ (95,823)</b>	<b>\$ (337,223)</b>	<b>\$ (497,973)</b>

**Martin County Water District  
Inez, KY**

**Treasury Report**

<b>Billing Charges For the Month of:</b>	<b>Aug-22</b>	
Water Revenue		\$ 173,289.52
Water Revenue-Commercial		\$ 28,398.50
Water Revenue-Commercial Exempt		\$ 6,711.26
Late Charges		\$ 6,924.62
Sales Taxes		\$ 1,704.49
Debt Service Surcharge		\$ 8,824.18
School Tax		\$ 6,516.62
Management Infrastructure Surcharge		\$ 15,852.63
Returned Check		\$ 950.49
Interest on Customer Deposits		\$ (1.69)
Connection Fees		\$ 2,000.00
Other Miscellaneous Fees		\$ 2,285.00
Deposits Applied		\$ (970.00)
Refund Checks Paid		\$ 404.99
<b>Total Billing Charges</b>		<b>\$ 252,890.61</b>
		<b>12,413,270</b>
<b>Gallons Billed</b>		<b>3,402</b>

<b>Accounts Receivable</b>	<b>Aug-22</b>	
Beginning Balance		344,997.77
Billing Charges		252,890.61
Bad Debt (Write Offs) Recoveries		239.00
Accounts Receivable Collections		(263,137.57)
<b>End of Month Accounts Receivable</b>		<b>334,989.81</b>

<b>Operations Account</b>		
Beginning Balance		\$ 46,772.93
Deposits		
Accounts Receivable Collections		263,137.57
Accounts Receivable Collections - Pmts in EFT Revenue Account		(118,463.20)
Sewer Billing Collections in Water Bank Acct - Due to MCS		78,737.68
Customer Deposits Received		1,755.00
Transfers from Other District Accts		142,500.00
Total Deposits		367,667.05
Disbursements:		
Checks Written		(180,323.21)
Pmts made to Sanitation for A/R Collections		(77,611.67)
Transfers to Other District Accts		(42,603.04)
Auto Drafted Utilities		(28,528.65)
Sales and School Tax Payments		(8,957.02)
Returned Checks		(300.00)
Bank Fees		(15.00)
<b>End of Month Balance</b>		<b>\$ 76,101.39</b>

Cash Receipts Collected To Date in:	<b>Sep-22</b>	301,907.46
Bills Submitted for Payment in:	<b>Sep-22</b>	(248,106.17)
<b>Available Balance</b>		<b>129,902.68</b>

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

<b>Bank Account</b>	<b>Beginning Balance</b>	<b>Deposits</b>	<b>Interest Earned, Net of Fees</b>	<b>Payments</b>	<b>Ending Balance</b>
Operations Account	\$ 46,772.93	367,667.05	-	(338,338.59)	\$ 76,101.39
Revenue EFT Account	42,594.86	118,463.20	-	(143,516.71)	17,541.35
Debt Service Surcharge	11,089.61	7,876.87	0.29		18,966.77
Management Infrastructure Surcharge	17,462.77	14,136.17	0.47		31,599.41
Security Deposits	93,529.50	2,790.00	4.10	(404.99)	95,918.61
Cash on Hand	900.00	-	-	-	900.00
<b>Total Unrestricted Cash</b>	<b>212,349.67</b>	<b>510,933.29</b>	<b>4.86</b>	<b>(482,260.29)</b>	<b>241,027.53</b>
<b>Restricted Cash</b>					
ARC Grant	63.07	-	-	-	63.07
Rockhouse Project	11,904.18	10,800.00	-	(10,238.65)	12,465.53
Regions Bank-KY 2015E Martin County	47,654.24	10,238.65	84.09	-	57,976.98
KIA Bond & Interest	12,952.25	5,800.00	0.18	(5,671.90)	13,080.53
KY Assoc of Counties Leasing Trust	4,369.56	1,200.00	0.08	(236.67)	5,332.97
Depreciation Reserve	1,022.14	-	0.02	-	1,022.16
Cost of Issuance Fund 2022	2,098.00		-	-	2,098.00
Certificate Fund - 2022 Debt Svc	54,203.42		77.11	-	54,280.53
Revenue Fund - 2022	3,348.57	-	4.10	-	3,352.67
<b>Total Restricted Cash</b>	<b>137,615.43</b>	<b>28,038.65</b>	<b>165.58</b>	<b>(16,147.22)</b>	<b>149,672.44</b>
<b>Total Cash &amp; Investments</b>	<b>\$ 349,965.10</b>	<b>538,971.94</b>	<b>170.44</b>	<b>(498,407.51)</b>	<b>\$ 390,699.97</b>

**Martin County Water District  
Billing Summary**

Date	Billed		Gallons (000'S)	Billed # of Customers	Payments Received
	Revenue	YTD Total			
Aug-22	217,328	1,731,864	12,413	3,402	263,138
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

## Martin County Water District

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

	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
<b>REVENUE</b>													
Customer Count	3,561	3,562	3,543	3,530	3,506	3,495	3,429	3,384	3,400	3,408	3,409	3,410	3,402
Payments Received	\$218,646	\$232,135	\$255,238	\$226,606	\$243,733	\$214,062	\$229,472	\$235,719	\$326,456	\$228,491	\$255,445	\$254,075	\$263,138
<b>EXPENSES</b>													
Operations Account	\$231,079	\$256,851	\$244,621	\$254,388	\$259,322	\$237,297	\$228,365	\$259,432	\$232,110	\$256,400	\$234,220	\$242,015	\$271,416
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	\$248,879	\$274,651	\$262,421	\$272,188	\$277,122	\$255,097	\$246,165	\$277,232	\$249,910	\$274,200	\$252,020	\$259,815	\$289,216
<b>NET INCOME</b>													
<b>Cash Basis</b>	<b>-\$30,233</b>	<b>-\$42,516</b>	<b>-\$7,183</b>	<b>-\$45,582</b>	<b>-\$33,389</b>	<b>-\$41,035</b>	<b>-\$16,693</b>	<b>-\$41,513</b>	<b>\$76,546</b>	<b>-\$45,709</b>	<b>\$3,425</b>	<b>-\$5,740</b>	<b>-\$26,078</b>

**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**  
**27-Sep-22**

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
<b>Operations Account</b>		
1 AEP	Electric (26 bills) Estimated	\$ 29,399.69
2 Big Sandy RECC	Electric (9 bills) Estimated	\$ 3,453.23
3 Paintsville Utilities	Electric for token (06/02/22 to 07/03/22) Estimated	\$ 25.79
4 Martin County Public Library	Rent (Oct)	\$ 796.12
5 Martin County Water District	Sanitation (Aug)	\$ 141.67
6 Sales tax	8/2022 (estimated)	\$ 1,677.18
7 School tax	8/2022 (estimated)	\$ 6,808.82
8 Alliance Water Resources	9/1/22-9/15/22 O&M services	\$ 84,253.50
9 Alliance Water Resources	9/16/22-9/30/22 O&M services	\$ 84,253.50
10 Alliance Water Resources	9/22 Suddenlink Reimbursement (estimated)	\$ 92.51
11 Alliance Water Resources	9/22 Suddenlink Reimbursement (estimated)	\$ 41.57
12 Alliance Water Resources	Insurance Policy Installment (9/10)	\$ 2,703.42
13 Management Inf. Surcharge	Estimated (actual collected will be paid)	\$ 14,136.17
14 Debt Service Surcharge	Estimated (actual collected will be paid)	\$ 7,876.87
15 Walker Communications	Phone maintenance (Sept)	\$ 89.00
16 Brian Cumbo	Legal Fees	\$ 437.50
17 Prestonsburg City's Utilities	Purchased Water	\$ 3,633.05
18 Kentucky Underground	811 Services (Aug)	\$ 105.00
19 Wilson Equipment	Towmaster TC-12D Work Order	\$ 1,882.09
20 Mountain Citizen	Public Notice	\$ 33.27
21 Hutch	RAM 2500 Repairs	\$ 6,266.22
22 Dotson Contracting	Coldwater/Muddy Branch Bore	\$ 19,410.00
23 Dotson Contracting	Pilgrim, KY Bore	\$ 3,900.00
<b>TOTAL</b>		<b>\$ 271,416.17</b>
<b>Operations Account - Debt Service Funding</b>		<b>Transfer Amounts</b>
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
<b>TOTAL</b>		<b>\$ 17,800.00</b>
<b>TOTAL OPERATIONS</b>		<b>\$ 289,216.17</b>

**Martin County Water District, Inez KY**  
**List of Bills for Consideration**  
**27-Sep-22**

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
<b>Security Deposit Account</b>		
<b>Customer</b>		
1 Krystal & Rabon Goble	Deposit refund due to customer	\$ 2.02
2 Ruben Bowen	Deposit refund due to customer	\$ 31.60
3 Anthony Rauch	Deposit refund due to customer	\$ 9.07
<b>TOTAL</b>		<b>\$ 42.69</b>





## 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**

### **AUGUST 2022**

#### **Administrative**

Staff has been working on organizing and re-printing service orders, to make sure they are all completed and accounted for. This is allowing the distribution crew to organize, track, prioritize, and complete work orders in a timely manner.

#### **Water Treatment**

Tyler Hall has been promoted to Treatment Superintendent. He is over the Martin County WTP, Inez WWTP, Tug Valley WWTP, Crum Reservoir and the river intake.

A sanitation worker will be trained and moved into the Martin County WTP to fill the vacancy made once the current plant supervisor retires in January.

The plant rehabilitation is nearing its end. A change order was made to replace the sludge sampling lines. Once these lines are replaced, the tube settler installation can be completed. Temporary power ran to sludge rake drive in Clarifier 1 to test operation before unit is brought online. The interior painting and touchups are complete. Conduit has been laid for the electrical hookup for a generator. Underdrains were welded into place and divider walls for the filters were installed.

The loaner intake pump and VFD were reinstalled after the flooding in late July. We are currently pumping over 1.7MGD to the reservoir.

We have had zero traction with Xylem in regard to our large pump and trailer. We are also still waiting on our small pump for which repairs have already been paid. Until we have our pump, VFD and trailer, the raw water project is at a standstill. We are currently use the temporary power to run a loaner pump that has its own VFD. The permanent power will have to run through one of Martin County's VFDs. While the loaner VFD and Martin County's small VFD look the same, they are not the same. Until a trailer for the pump is obtained, we must keep a pump and VFD on the river bank, risking damage from either being pulled during floods or being flooded.



### **Distribution:**

We had some changing in personnel in our distribution department. Distribution Superintendent JD Damron transferred to a different Alliance location. We are currently searching for qualified applicants for this position. Justin Staton was promoted from a Utility Worker II to Distribution Supervisor. We also hired a new Utility Worker I position.

The high school tank drained and flushed for the start of the new school year.

A new PRV was installed for the Turkey Creek pressure zone.

Two new taps were installed.

A new pump was installed for our 645 pump station.

### **Safety**

The monthly safety meeting topic was Lock-out/Tag-out and held on August 2<sup>nd</sup>.

### **Training**

Five employees attended a two-day management meeting in Columbia, MO.

Two employees attended Craig Miller's "Distribution System Program Training".

Tyler Hall passed this Water Treatment Class 2A Certification examination.



**WATER RESOURCES®**  
**Alliance**  
 Professional Water and Wastewater Operations  
**Martin County Water District**

**Customer Service:**

The billing office now has a new automated attendant, that allows customers to be automatically transferred to the appropriate extension needed when entered, as well as pertinent billing and after-hours information.

**Project Updates**

<b>SOURCE</b>	<b>AMOUNT</b>	<b>PROJECTS</b>
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
<b>Total Grant</b>	<b>\$8,519,718</b>	

**Regulatory**

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

### Water Plant Operation

<b>Water Pumped – AUGUST</b>	
Total Water Production (gallons)	53,920,000
Total Water Metered/Billed (gallons)	10,177,000
Other Water Used (gallons)	916,000
Total Water Loss (gallons)	35,484,000
Portion of TWL due to Main Breaks (gallons)	
Average Daily Flow (Million Gallons per Day)	1,739,355
Maximum Daily Flow	1,816,000
Fluoride Used (lbs.)	401.1
Chlorine Used (lbs.)	2,230.8
Lab Tests	3,782

### Water Quality Analysis

Test	Routine	Special	Repeat
Bacteriological	10 (Pass)	4 (Pass)	0
		Reported	Minimum Limit
Fluoride Plant Sample	31	0.69 mg/l Average	0.6 mg/l
Chlorine  Distribution Sample	Total - 33 Free – 33	<b>Low Readings</b>  Total - 0.33 mg/L Free – 0.2 mg/L	0.2 mg/l

## Customer Service Request and Work Orders

Meter Reads	3369
Meter Sets	27
Turn offs-Close account	18
Taps	2
Meter Changes	15
Disconnects for Non-payment	54
Boil Notices	0
Line Locates	70
Water Leaks/Breaks	52
Other/Investigates	114

## Water Main Breaks & Service Lines

<b>Date</b>	<b>Address</b>	<b>Line</b>	<b>Loss (MGD)</b>
8/1/22	173 Tomahawk	¾" Service	.193
8/2/22	8008 Meathouse	¾" Service	.387
8/2/22	52 Little Mudlick	¾" Service	.387
8/3/22	371 Big Elk Rd	¾" Service	.064
8/3/22	4939 Blacklog	¾" Service	.064
8/3/22	9226 Rockcastle Rd	¾" Service	.043
8/4/22	182 Saltwell	¾" Service	.064
8/5/22	4439 Rockcastle Rd	Saddle	.086
8/9/22	675 W Main	1" Service	.344
8/10/22	Ratlifftown Rd	¾" Service	.150
8/11/22	3523 Davella Rd	1" Main	.214
8/11/22	242 Upper Alpha Br	¾" Service	.236
8/11/22	1242 Turkey Crk	¾" Service	.043
8/11/22	154 Rockcastle Rd	¾" Service	.827
8/15/22	9155 Meathouse Rd	¾" Service	.193
8/16/22	840 Collins Crk	¾" Service	.322
8/22/22	40 Muddy Br	¾" Service	.129
8/22/22	76 Guyton Rd	¾" Service	.021
8/23/22	5412 Rockcastle Rd	¾" Service	.150
8/23/22	Gordon Hollow Rd	¾" Service	1.354
8/23/22	3371 Tomahawk Rd	¾" Service	.343
8/23/22	8008 Meathouse	¾" Service	.967
8/23/22	210 Milo Subdivision	¾" Service	.386
8/24/22	33 Jacobs Ln	2" Main	.365
8/29/22	Turkey Creek Rd	6" Main	.021
8/29/22	29 Upper Apha	¾" Service	.622

### Repair Expenses Ending July 2022

<b>Expended</b>	<b>Actual YTD</b>	<b>Annual Budget</b>	<b>% Budget / Line Item</b>
Bldg. & Grounds Maintenance	\$367	\$7,000	5%
Vehicle Maintenance	\$14,610	\$25,000	58%
Water Plant Maintenance	\$7,635	\$15,000	51%
Distribution System Maintenance	\$74,327	\$90,000	83%
Water Meter Maintenance	\$39,238	\$10,000	392%
Street Maintenance	\$0	\$8,000	0%
<b>Totals</b>	<b>\$136,176</b>	<b>\$155,000</b>	<b>88%</b>

### Chemical Expenses Ending July 2022

<b>Expended</b>	<b>Actual YTD</b>	<b>Annual Budget</b>	<b>% Budget / Line Item</b>
Sodium Hydroxide	\$13,738	\$11,000	125%
Lime/Caustic Soda	\$0	\$30,000	0%
Alum (Brennfloc)	\$28,080	\$15,000	187%
Chlorine	\$22,442	\$20,000	112%
Permanganate	\$4,251	\$19,000	22%
Fluoride	\$3,364	\$7,000	48%
Chemicals Other - Water	\$8,041	\$8,000	101%
<b>Totals</b>	<b>\$79,916</b>	<b>\$110,000</b>	<b>73%</b>

Notes:

- 1) Building & Grounds Maintenance
  - a. \$0.00
  
- 2) Vehicle Maintenance
  - a. Capital Tire \$931.52
  - b. Fast Change Lube & Oil \$230.25
  - c. Advanced Auto \$58.59
  - d. Advanced Auto \$18.01
  - e. Advanced Auto \$27.95
  - f. Advanced Auto \$32.85
  - g. Advanced Auto \$4.76
  - h. Advanced Auto \$381.58
  - i. Advanced Auto \$9.85
  - j. Advanced Auto \$8.47
  - k. Advanced Auto \$14.83
  - l. Fast Change Lube & Oil \$145.16
  - m. Advanced Auto \$51.91
  - n. Advanced Auto \$25.43
  - o. Comdata \$1.95
  - p. Advanced Auto \$6.35
  - q. Capital Tire \$782.36
  - r. Capital Tire \$982.44
  - s. Fast Change Oil & Lube \$185.25
  
- 3) Water Plant Maintenance
  - a. CITCO Water \$3,524.50
  - b. CITCO Water \$1,074.28
  - c. JJR Trinity Equipment \$230.26
  
- 4) Well Maintenance
  - a. \$0.00
  
- 5) Distribution System Maintenance
  - a. Consolidated \$322.24
  - b. Consolidated \$170.14
  - c. Consolidated \$860.88
  - d. R&J \$10.59
  - e. Wil-Mik \$62.66
  - f. Evan's Hardware \$8.44
  - g. R&J \$132.98
  - h. Citco \$620.18
  - i. Lawrence County Sand & Stone \$778.37
  - j. GENJNL \$194.22



## **Martin County Water District**

- 6) Meter maintenance
  - a. Consolidated \$259.70
  - b. Consolidated \$447.32
  - c. Consolidated \$2,104.10
  
- 7) Sodium Bisulfite
  - a. CITCO Water \$1,252.64
  - b. CITCO Water \$575.46
  - c. CITCO Water \$178.56
  
- 8) Sodium Hydroxide
  - a. CITCO Water \$3,201.18
  - b. CITCO Water \$2,760.86
  - c. CITCO Water \$1,997.33
  - d. CITCO Water \$1,913.51
  
- 9) Lime/Caustic Soda
  - a. \$0.00
  
- 10) Polymer
  - a. \$0.00
  
- 11) Alum
  - a. Brenntag Mid-South, Inc \$3,240.00
  - b. Brenntag Mid-South, Inc \$3,240.00
  
- 12) Chlorine
  - a. CITCO Water \$2,362.68
  - b. CITCO Water \$2,514.30
  - c. CITCO Water \$3,466.12
  - d. CITCO Water \$2,309.21
  - e. CITCO Water \$3,483.69
  
- 13) Permanganate
  - a. CITCO Water \$1,782.64
  - b. Brenntag Mid-South, Inc \$1,298.50
  
- 14) Fluoride
  - a. Brenntag Mid-South, Inc \$889.92
  
- 15) Chemicals Other – Water
  - a. CITCO Water \$2,553.96

# PUBLIC SERVICE COMMISSION

## Monthly Water Loss Report

Water Utility:

For the Month of:  Year:

LINE #	ITEM	GALLONS (Omit 000's)
1	<b>WATER PRODUCED AND PURCHASED</b>	
2	Water Produced	53,920
3	Water Purchased	923
4	<b>TOTAL PRODUCED AND PURCHASED</b>	<b>54,843</b>
5		
6	<b>WATER SALES</b>	
7	Residential	10,177
8	Commercial	2,236
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	
12	Public Authorities	
13	Other Sales (explain)	
14	<b>TOTAL WATER SALES</b>	<b>12,413</b>
15		
16	<b>OTHER WATER USED</b>	
17	Utility and/or Water Treatment Plant	916
18	Wastewater Plant	
19	System Flushing	
20	Fire Department	
21	Other Usage (explain)	
22	<b>TOTAL OTHER WATER USED</b>	<b>916</b>
23		
24	<b>WATER LOSS</b>	
25	Tank Overflows	
26	Line Breaks	7,977
27	Line Leaks	33,537
28	Excavation Damages	
29	Theft	
30	Other Loss	
31	<b>TOTAL WATER LOSS</b>	<b>41,514</b>
32		
33	<b>Note:</b> Line 14 + Line 22 + Line 31 <b>MUST</b> Equal Line 4	
34		
35	<b>WATER LOSS PERCENTAGE</b>	
36	(Line 31 divided by Line 4)	75.70%



## **2022 Regulatory Compliance Report**

### **Mark Mahler, Director of Safety & Regulatory Compliance**

Alliance tracks new and proposed legislative and regulatory issues on an ongoing basis on behalf of its clients. This quarterly report identifies some of the most impactful issues at the Federal and State levels.

### **3rd Quarter 2022, Federal**

**The fifth Unregulated Contaminant Monitoring Rule (UCMR 5)** was published on December 27, 2021. UCMR 5 requires sample collection for 30 chemical contaminants between 2023 and 2025 using analytical methods developed by EPA and consensus organizations. This action provides EPA and other interested parties with scientifically valid data on the national occurrence of these contaminants in drinking water. Consistent with EPA's PFAS Strategic Roadmap, UCMR 5 will provide new data that is critically needed to improve EPA's understanding of the frequency that 29 PFAS (and lithium) are found in the nation's drinking water systems and at what levels.

#### **Which water systems will participate in UCMR 5?**

EPA requires all public water systems serving more than 3,300 people monitor for the contaminants in UCMR 5. EPA also will ensure that a nationally representative sample of systems serving fewer than 3,300 people monitor.

#### **What does UCMR 5 participation involve? Who pays?**

All systems required to participate in UCMR 5 will collect samples. As with previous UCMRs, large systems serving more than 10,000 people make arrangements with approved laboratories and pay for their own sample shipping and analytical costs; EPA arranges and pays for small-system samples.

#### **What are the key deadlines and requirements?**

December 31, 2022 - Systems must register, accept their notification letter and update sampling location(s), shipping address, and zip code(s). Systems must provide an explanation and obtain approval for any requested monitoring schedule change.

Systems scheduled for sample collection in 2023 are encouraged to submit ground water representative monitoring plans by December 31, 2022, to allow time for review by EPA and, as appropriate, the State.

**Lead & Copper Rule** – The EPA has relayed to the states the following possible changes that will be in the LCRI.

- Replacement of both publicly and privately owned lead service lines within 10 years with major sources of funding to become available.
- Reduce the complexity of the rule.
- Prioritize disadvantaged communities.
- Guidance coming soon through a webpage being created by EPA



**2022 Regulatory Compliance Report**  
**Mark Mahler, Director of Safety & Regulatory Compliance**

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**3rd Quarter 2022, Kentucky**

September 27<sup>th</sup>, 2022

TO: Martin County Water District  
Board of Directors

**INFORMATION & DECISION**

FROM: Staff

RE: Removal/Addition of Signing Members on MCWD Bank Accounts

Staff is requesting permission to make the following changes to the Martin County Water Districts bank account's authorized signatures as of September 27, 2022.

**Remove the following people from the list of authorized signers on the account:**

Lee Mueller, Commissioner

**Add the following people from the list of authorized signers on the account:**

Nina McCoy, Commissioner

If the Board agrees, staff recommends removing Mr. Mueller from all MCW accounts and adding Mrs. McCoy to all accounts for the Martin County Water District.