

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

ELECTRONIC APPLICATION OF THE MARTIN)	
COUNTY WATER DISTRICT TO ENTER INTO A)	Case No. 2025-00249
LEASE FOR SERVICE TRUCKS)	

**RESPONSE TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION**

Comes the Martin County Water District ("Martin District"), by counsel, and for its Response to Commission Staff's First Request for Information, states as follows:

1. For each officer of Martin District, provide the date of appointment and Fiscal Court minutes that authorize their appointment and respective salary.

RESPONSE: 1) Timothy Thoma was appointed for a four year term on September 19, 2024. His salary is zero; 2) Vernon Robinson was appointed for a four year term in September of 2024. His salary is zero; 3) Nina McCoy was appointed for a four year term in April of 2022. Her salary is zero; 4) John Hensley was appointed for a four year term in March of 2022. His salary is zero; and 5) Colby Kirk was appointed to fill Greg Crum's unexpired term in October of 2024. Greg Crum was appointed in March of 2022 for a four year term. Colby Kirk's salary is zero. The Fiscal Court minutes are attached hereto as Exhibit A.

2. For each officer of Martin District, state whether the officer has attended training conducted by the Commission and state when the training was attended.

RESPONSE: Timothy Thoma, Colby Kirk and Vernon Robinson attended PSC training on June 24, 2025 and June 25, 2025. Nina McCoy attended PSC training on December 7, 2022 and

December 8, 2022. John Hensley has attended training, believing it to have been in 2017 or 2018, but cannot recall the specific dates. Those dates should be in the possession of the Public Service Commission.

3. State whether Martin District consulted an attorney before committing to the Lease with Magnolia Bank (Lease) entered into June 9, 2025.

RESPONSE: Yes, attorney Brian Cumbo.

4. State why Martin District did not seek Commission approval before committing to the Lease.

RESPONSE: See Affidavit of Brian Cumbo attached hereto as Exhibit B.

5. Regarding the agreement with Magnolia Bank, provide the following:

a. The Note and all other documentation with Magnolia Bank;

RESPONSE: Documentation with Magnolia Bank was provided as Exhibit D to Martin District's Application filed herein on July 17, 2025, and Exhibit B and Exhibit C to Martin District's Response to PSC Filing Deficiencies filed herein on August 4, 2025.

b. A copy of the Board minutes where the purchase of the trucks and terms of the Lease with Magnolia Bank were approved:

RESPONSE: See Exhibit C attached hereto.

c. The amortization schedule for the trucks.

RESPONSE: See Exhibit D attached hereto.

6. Provide the total current number of trucks in Martin District's fleet.

RESPONSE: Martin District had no operational service trucks before the acquisition of the 5 trucks pursuant to the Lease.

7. Refer to Affidavit of Todd Adams.

a. Provide the make, model, VIN number, and current mileage for the three trucks that were referenced, including the truck that was damaged and unable to be repaired; the truck with over 200,000 miles with a failed transmission; and the truck with a transmission that was slipping for which the cost of repair exceeded the value of the truck.

RESPONSE: 1) 2011 Ford Ranger – mileage 180,549 1FTLR1FE3BPA04968 – out of service; 2) 2016 Ford F150 - mileage 245,675 1FTEX1E87GKD38919 – needs transmission quoted attached – out of service; 3) 2020 Chevy Silverado 3GCNYAEF2LG321328 mileage 116,491 – motor needs replaced quote attached - out of service; 4) 2016 Ford F150 – mileage 260,593 both turbos replaced included the associated cost – out of service; 5) 2009 Chevy Silverado – mileage 251,634 leaf springs replaced included in the associated cost; 6) 2014 Ford F-250 – mileage 175,975 extensive work in the last year included in the associated cost; 7) 2013 F-150 - mileage 169,039.

b. Provide any documentation or quotes for the damages and necessary repairs to the vehicle referenced above.

RESPONSE: See quotes attached hereto as Exhibit E.

c. Provide copies of invoices to document the referenced \$23,000 Martin District spent from January 2025 to May 2025 in attempt to keep its fleet serviceable.

RESPONSE: See Exhibit F attached hereto.

8. Refer to the statement in the Affidavit of Todd Adams, “[t]hat the District lacks sufficient trucks to maintain the system and provide necessary services needed for Martin County Water District customers and rate payers.” Confirm if Martin District asserts it will maintain a sufficient fleet of service trucks to provide service to its customers with the addition of the five vehicles for which the Lease was entered into with Magnolia Bank.

enough to provide the necessary services.

9. Explain why Martin District needed to lease five vehicles, instead of three, to replace the vehicles taken out of service as discussed above.

RESPONSE: Even with replacing the 3 trucks, the staff would not have had sufficient trucks to operate. Staff was not able to split up efficiently to complete tasks timely which caused delays in responding to customer complaints and meeting daily operational needs.

10. Provide a chart listing the NARUC depreciation life and the date each vehicle will be or was placed in service.

RESPONSE: See Exhibit G attached hereto.

11. Provide the anticipated journal entries by Uniform System of Accounts (UsoA) Account Numbers to record the financing transactions.

RESPONSE: See Exhibit H attached hereto.

12. Provide a breakdown of the revenue requirement impact of the lease including the following items:

- a. Net operating expense increase or decrease by expense component;
- b. Annual depreciation, including calculations, for each component for which there are different depreciation lives;
- c. Annual debt service for each debt component;
- d. Twenty percent working capital on debt service amounts in Item 12(c);
- e. Total of all items above.

RESPONSE: See Exhibit I attached hereto.

Respectfully submitted.

Martin County Water District

By 

Brian Cumbo
Counsel for Martin County Water District
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Inez, KY 41224
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VERIFICATION OF TODD ADAMS

I, Todd Adams, Regional Operations Manager, Alliance Water Resources, hereby verify that the foregoing Responses to Commission Staff's First Request for Information are true and correct to the best of my knowledge and belief.


TODD ADAMS

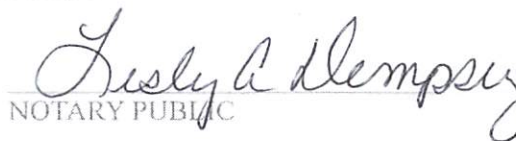
STATE OF KENTUCKY)

COUNTY OF MARTIN)

SUBSCRIBED, SWORN and ACKNOWLEDGED before me by Todd Adams this
28 day of August, 2025.

My Commission Expires: 9-18-26

LESLEY A. DEMPSEY
NOTARY PUBLIC
STATE AT LARGE
KENTUCKY
COMMISSION # 58669
MY COMMISSION EXPIRES SEPTEMBER 18, 2026


NOTARY PUBLIC

VERIFICATION OF TIMOTHY THOMA

I, Timothy Thoma, Chairman of the Martin County Water District, hereby verify that the foregoing Responses to Commission Staff's First Request for Information are true and correct to the best of my knowledge and belief.


TIMOTHY THOMA

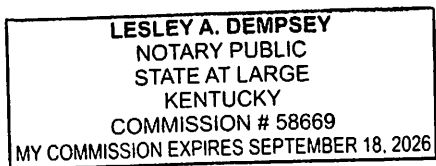
STATE OF KENTUCKY)

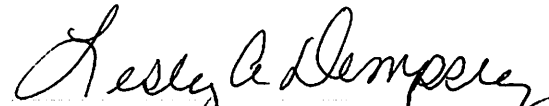
COUNTY OF MARTIN)

SUBSCRIBED, SWORN and ACKNOWLEDGED before me by Timothy Thoma this
28th day of August, 2025.

My Commission Expires:

9-18-26




NOTARY PUBLIC