

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| ELECTRONIC INVESTIGATION INTO MARTIN) | |
| COUNTY WATER DISTRICT AND ITS) | |
| INDIVIDUAL COMMISSIONERS (TIMOTHY) | |
| THOMA, GREG CRUM, NINA MCCOY, VERNON) | CASE NO. |
| ROBINSON, JOHN HENSLEY, AND COLBY KIRK)) | 2026-00065 |
| AND ITS MANAGER, TODD ADAMS, FOR) | |
| ALLEGED FAILURE TO COMPLY WITH) | |
| KRS 278.300) | |

TODD ADAMS RESPONSE TO MARCH 31, 2026 ORDER

Comes now Todd Adams (“Mr. Adams”), by and through counsel, and responds to the March 31, 2026 Order (“Order”) issued by the Commonwealth of Kentucky Public Service Commission (“PSC”).

The Order pertains to the Martin County Water and Sanitation District (the “District”), a water district organized under KRS Chapter 74 which owns and operates facilities that provide retail water service to 3,344 residential customers in Martin County, Kentucky. See Order at 2. Alliance Water Resources (“Alliance”) contracts with Martin County for the purpose of managing the District.¹ Mr. Adams was previously employed by Alliance and was the Manager for the District, but Mr. Adams is no longer employed by Alliance and is no longer the Manager for the District.

The Order pertains to certain allegations concerning the District’s indebtedness incurred for entry into a 60-month lease for five service trucks (the “Lease”). See Order at 3. The District’s Board of Commissioners approved the Lease on or about May 27, 2025 at its meeting. See *id.* The Martin District sought retroactive approval from the PSC to assume indebtedness for entry into the Lease in another proceeding, Case No. 2025-00249. See *id.* This retroactive approval was rejected by the PSC on October 2,

2025. See *id.* at 3–4. In the Order, the PSC found that the administrative record for Case No. 2025-00249 established a *prima facie* case that the District, its individual commissioners, and Mr. Adams willfully aided and abetted in one or more violations of KRS 278.300. See *id.* at 4.

KRS 278.990 permits the PSC to assess a civil penalty not to exceed \$2,500 (per offense) for violating any provisions of Chapter 278. See KRS 278.990(1). However, this provision only applies to an officer, agent, or employee of a utility who “willfully violates” a provision of Chapter 278. See *id.*

Mr. Adams did not “willfully violate” any provision of Chapter 278. While Alliance manages the District, neither Alliance nor Mr. Adams controlled the Board of Commissioners’ vote to approve the Lease. Relatedly, neither Alliance nor Mr. Adams was responsible for contacting the PSC prior to the Board of Commissioners’ approval of the Lease. And as noted, Mr. Adams is no longer employed by Alliance and no longer manages the District.

On information and belief, from reviewing available documents and attending an informal conference pertaining to this matter on April 20, 2026, the Board of Commissioners was unaware of the requirement to seek approval until after the Lease was approved. It is further Mr. Adams’ understanding that as soon as the Board of Commissioners discovered this mistake, it quickly sought to remediate its error by seeking approval of the Lease from the Board of Commissioners.

These actions demonstrate that there was no a “willful” violation of KRS 278.300, but rather, an unintended violation that was sought to be remedied. Mr. Adams’ involvement in any alleged violation was *de minimis* at best, but certainly not willful.

¹ See <https://mcub.myruralwater.com/about-us> (last accessed May 6, 2026).

Mr. Adams therefore requests that the PSC find that Mr. Adams did not, in his individual capacity, violate KRS 278.300, either willfully or otherwise. As such, Mr. Adams requests that the PSC dismiss Mr. Adams from this proceeding.

Dated May 11, 2026

Respectfully submitted,

HUSCH BLACKWELL LLP

/s/ Richard W. F. Swor

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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 11th day of May, 2026, to the following:

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/s/ Richard W. F. Swor

Richard W. F. Swor

VERIFICATION

I, Todd Adams, declare as follows:

I sign this verification in support of **Todd Adams Response to March 31, 2026 Order**. I am informed and believe that this response is true and correct based on information transmitted and available to the undersigned at this time, except for information stated on information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 10th day of May 2026.


